

**UPDATE ON THE MARCH 2022 COUPON PAYMENT UNDER CHELPIPE'S 4.50 PER CENT.
EUROBOND DUE IN 2024**

22 March 2022

Public Joint Stock Company "Chelyabinsk Pipe Plant" ("**Chelpipe**") hereby informs that, on 18 March 2022, i.e. in advance of the interest payment date falling on 21 March 2022 under the U.S.\$300,000,000 4.50 per cent. Loan Participation Notes due 2024 (the "**Notes**"), Chelpipe has duly authorised the payment of interest in the aggregate amount of U.S.\$ 6,750,000 ("**March 2022 Interest**") to Chelpipe Finance Designated Activity Company (the "**Issuer**") which was confirmed by a SWIFT message received by Chelpipe.

On 18 March 2022, Chelpipe was informed by its account bank that the payment of the March 2022 Interest was not cleared as a result of a block by the correspondent bank, Citibank, New York, which cited compliance matters as a reason for the block. Upon receipt of this notification, Chelpipe immediately engaged with the account bank seeking to understand the reasoning behind the blocking of funds and is actively seeking the prompt release of the March 2022 Interest for onward payment to the Noteholders.

However, notwithstanding Chelpipe's best efforts to ensure that the March 2022 Interest is released, as of the date hereof, the funds remain blocked by the correspondent bank which constitutes a Potential Event of Default under the Loan Agreement, as was notified by Chelpipe to the Issuer and the Note trustee in accordance with the provisions of the trust deed constituting the Notes.

Chelpipe remains of the firm view that there are no valid reasons for the March 2022 Interest to remain blocked. Chelpipe also notes that it is not owned, controlled or associated with a person designated under the EU, US or UK sanctions presently in force. Accordingly, the delay in payment is purely of a technical nature and Chelpipe can confirm that it has sufficient liquidity to meet its payment obligations as they fall due.

As noted above, Chelpipe remains committed to resolve the above situation as soon as possible to ensure that the interests of the Noteholders are not prejudiced and continues to interact with all parties involved.