

SMT Scharf AG enters into partnership with Polymetal to develop underground electric vehicles (EVs)

- **Agreement on partnership for at least ten years**
- **Cooperation in the development, implementation and testing of zero-emission BEVs**
- **Concentration on mid-range LHDs and trucks**
- **Potential widening of partnership to include other commercial vehicles**

Hamm, August 19, 2020 – SMT Scharf AG (WKN 575198, ISIN DE0005751986), one of the world's leading suppliers of customised transport solutions and logistics systems for underground mining, has signed a Memorandum of Understanding ("MoU") with gold and silver producer Polymetal International plc. The partnership focuses on strategic cooperation in the development of underground electric vehicles (EVs).

According to the current plans as part of the Memorandum of Understanding, the joint development, implementation and testing of zero-emission BEVs (battery electric vehicles) is to commence with immediate effect. The first step of the partnership will focus on mid-range LHDs (load, haul, dump machines) and trucks. In the future, the partnership could also encompass other commercial vehicles.

After development, the vehicles are to be tested in a one-year phase at Polymetal. Further joint redesigns, the signing of a distribution agreement, and the establishment of a joint customer service centre are also planned for the future.

The strategic partnership is planned for a ten-year period with the possibility of a further extension. "We are pleased about our strategic partnership with Polymetal and their interest in BEVs. This partnership enables us to jointly pursue a sustainable approach to reducing greenhouse gases," notes Hans Joachim Theiss, CEO of SMT Scharf AG.

Company profile

The SMT Scharf Group develops, manufactures and services transportation equipment for underground mining as well as for tunnel construction. Its main products include captivated railway systems that are deployed worldwide, primarily in hard coal mines, as well as in mines for gold, platinum and other metals. Such systems are required in order to transport material and personnel with payloads of up to 48 tonnes and on gradients of up to 30 degrees. SMT Scharf also supplies the mining sector with chairlifts. Since 2018, SMT Scharf's diverse portfolio has also included rubber-wheeled diesel and electric vehicles for mining and tunnelling, including loaders, scissor lifts and underground trucks. As part of the further diversification of the business, the product range has been successfully expanded since 2019 to include electronic components and control systems for mining and other industries. Overall, the SMT Scharf Group is active with subsidiaries in eight countries, as well as commercial agencies worldwide. SMT Scharf generates a large share of its revenue in growing foreign markets such as China, Russia, Poland and South Africa. SMT Scharf AG has been listed in the Prime Standard (Regulated Market) of the Frankfurt Stock Exchange since 2007.

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