

SMT Scharf AG receives first order from Polymetal for underground EVs

- **First order totalling over EUR 4 million**
- **Delivery of underground LHDs and trucks planned for 2021**
- **Strategic partnership with Polymetal to develop underground EVs bears first fruits**

Hamm, December 10, 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 received its first order from gold and silver producer Polymetal International plc. The order is worth more than EUR 4 million in total. SMT Scharf will develop and produce electrically powered load-haul-dump machines (LHDs) and mid-range underground trucks as prototypes for Polymetal International. These are to be delivered to the company by October 2021. The vehicles ordered will be deployed for underground gold mining in Russia and will be tested there as a basis for further vehicle deliveries of the same type.

Hans Joachim Theiss, CEO of SMT Scharf AG, comments: “Cutting greenhouse gases and the associated improvement of working conditions underground is becoming an increasingly important factor in underground mining. Mine operators are giving intensive consideration to the idea of converting their fleets to electric. We are pleased to announce that next year we will deliver the first underground electric vehicles to Polymetal International, and that our strategic partnership with Polymetal is beginning to bear fruit. Our aim is to establish SMT Scharf in an even stronger position in the market for electrically powered vehicles for underground mining. To this end, we will continue to progress the development of electric-powered commercial vehicles, among other products, as part of our partnership with Polymetal.”

In the third quarter of 2020, SMT Scharf entered into a strategic partnership with Polymetal International to develop underground electric vehicles (EVs). The partnership focuses on the joint development, implementation and testing of emission-free battery EVs. Following tests of the current vehicles, elements of the collaboration planned for the future include further deliveries, new designs and, potentially, the signing of distribution agreements. The partnership is currently concentrated on mid-range underground LHDs and trucks. In the long term, the partnership could be extended to include other utility vehicles. The strategic partnership is planned for a ten-year period with the possibility of a further extension.

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-tyred 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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