

Metinvest Restructures Debt of Pokrovske Coal Business

Metinvest, an international vertically integrated group of steel and mining companies, has reached an agreement with Ukraine's state-owned Ukreximbank to restructure and transfer the debts of Donetsksteel Group, amounting to over UAH1.5 billion, to the Pokrovske coal business, which previously acted as a guarantor of the liabilities of Donetsksteel Group.



The Pokrovske coal business has been part of Metinvest since March 2021. It is Ukraine's largest producer of high-quality coking coal, which is used as fuel in metal production.

Commenting on the news, Yuriy Ryzhenkov, Chief Executive Officer of Metinvest, said:

“The restructuring of Pokrovske coal business’s debt with Ukreximbank is a landmark event for both Ukraine’s banking market and the country as a whole. The agreement reached will allow us to start servicing the loan, which we inherited during the recent acquisition of Pokrovske coal business. At the same time, the long-term debt repayment schedule agreed will allow us to develop the Pokrovske mine effectively.

Oleksandr Ignatenko, Member of the Management Board of Ukreximbank, curator of corporate business said:

“The bank has restructured debts totalling more than UAH1.5 billion, following which the debt servicing has been fully restored on market terms. In turn, this gives the investor the opportunity to complete a comprehensive integration of assets with a single production cycle.

Reference

In 2021, Metinvest, which employs more than 80,000 people, is celebrating its 15th anniversary. Throughout its history, the Group has been one of the largest taxpayers in Ukraine, having paid around UAH165 billion to budgets of all levels since it was established. Metinvest is a strategic investor in Ukraine’s economy, having spent some US\$10 billion for the past 15 years on upgrading local town-forming enterprises and around UAH2.5 billion in developing the cities of Mariupol, Kryvyi Rih, Avdeevka and Zaporizhzhya.