

## JSW Group's operating activity in Q2 2025

### 1. Production and sales volumes

In Q2 2025, total coal production in the JSW Group was 3.34 million tons and coke production was 0.71 million tons.

YTD 2025 total coal production was 6.20 million tons and coke production was 1.41 million tons.

#### Coal segment

Production and sales – coal segment (millions of tons)			
	Q2 2024	Q1 2025	Q2 2025
<b>(a+b) Total coal production:</b>	<b>2.87</b>	<b>2.86</b>	<b>3.34</b>
a) coking coal production	2.31	2.32	2.82
b) steam coal production	0.56	0.54	0.52
<b>(a+b) Total coal sales:</b>	<b>2.61</b>	<b>3.01</b>	<b>3.00</b>
a) coking coal sales	2.27	2.49	2.62
<i>including internal sales</i>	0.95	0.88	0.99
b) steam coal sales	0.34	0.52	0.38

The operating results of the coal segment in Q2 2025 were as follows:

- **total coal production** was 3.34 million tons, up by approx. 16.7% compared to Q1 2025 and up by approx. 16.4% compared to Q2 2024;
- **coking coal production** was approx. 2.82 million tons, up by approx. 21.4% compared to Q1 2025 and up by approx. 22.0% compared to Q2 2024;
- **steam coal production** was approx. 0.52 million tons, down by approx. 3.4% compared to Q1 2025 and down by approx. 6.7% compared to Q2 2024;
- **total coal sales** were approx. 3.00 million tons, down by approx. 0.2% compared to Q1 2025 and up by approx. 15.0% compared to Q2 2024;
- **coking coal sales** were approx. 2.62 million tons, up by approx. 5.0% compared to Q1 2025 and up by approx. 15.2% compared to Q2 2024;
  - **of which: internal sales** were approx. 0.99 million tons, up by approx. 12.2% compared to Q1 2025 and up by approx. 3.8% compared to Q2 2024;
- **steam coal sales** were approx. 0.38 million tons, down by approx. 25.6% compared to compared to Q1 2025 and up by approx. 14.0% compared to Q2 2024;
- **coal sales to external customers** in Q2 2025 accounted for approx. 67% of the total volume.

#### Coke segment

Production and sales – coke segment (millions of tons)			
	Q2 2024	Q1 2025	Q2 2025
Total coke production	0.73	0.70	0.71
Total coke sales	0.76	0.74	0.74

The operating results of the coke segment in Q2 2025 were as follows:

- **total coke production** in Q2 2025 was 0.71 million tons, up by approx. 0.5% compared to Q1 2025 and down by approx. 2.9% compared to Q2 2024;
- **total coke sales** in Q2 2025 were 0.74 million tons, down by approx. 0.5% compared to Q1 2025 and down by approx. 3.1% compared to Q2 2024.

## **Internal drivers of production levels in Q2 2025**

JSW's coal production in Q2 2025 was adversely affected by the following unforeseeable events:

- force majeure declared on 16 May 2025 in connection with the events that occurred on 7 May 2025 at the Budryk mine, where an endogenous fire broke out, necessitating the temporary sealing off of the affected area (Current Report No. 41/2025),
- persisting effects of the force majeure events announced in previous periods.

Despite these hindrances, coal production in Q2 2025 increased significantly compared to both Q1 2025 and Q2 2024 owing to the following optimization and incentive measures taken by JSW:

- acceleration of the commissioning of new longwalls,
- introduction of incentive elements as part of the Strategic Transformation Plan,
- optimization of the use of human and machine resources to maximize production.

## **2. Market conditions and estimated prices in Q2 2025**

Coking coal prices in Q2 2025 ranged between USD 169.0 and USD 195.8 per ton FOB Australia. In Q2 2025, price declines were observed across the steel value chain, while limited final demand led to a further decline in coking coal prices at the end of June. The following were key factors that shaped the global coking coal market in Q2 2025:

- uncertainty resulting from US customs policy, expectations regarding decisions on the extension of export limits for coke in India,
- decline in demand on the Chinese domestic market, resulting in an increase in steel exports,
- low volumes on the coking coal spot market accompanied by increased volumes on the secondary market, putting pressure on end users to lower prices,
- continuing gradual decline in Chinese blast-furnace coke prices.

## **Market price quotes in Q2 2025**

- the benchmark price<sup>1</sup> for coking coal in Q2 2025 was USD 185.94 per ton, which signifies a 6.1% decrease compared to Q1 2025 and a 33.7% decrease compared to Q2 2024;
- in Q2 2025, the average quoted price of blast-furnace coke on the European market was USD 316.67 per ton, which marks a 3.1% decrease compared to Q1 2025 and a 17.7% decrease compared to Q2 2024;
- in Q2 2025, the average quoted price of blast-furnace coke (65/63 CSR) imported into Europe on a CIF ARA basis was USD 243.93 per ton, a decrease of 6.4% compared to Q1 2025 and 28.3% compared to Q2 2024;
- in Q2 2025, the average quoted price of Chinese blast-furnace coke (62 CSR) was USD 198.42 per ton, down by 11.4% compared to Q1 2025 and down by 32.4% compared to Q2 2024;
- the average quote of the Polish Steam Coal Market Index (PSCMI1) in sales to the commercial and industrial energy sector stood at PLN 354.44 per ton in Q2 2025 (data for April and May 2025), down by approx. 2.0% compared to the previous quarter and down by 27.8% compared to Q2 2024.

## **Estimated average contract prices received from sales of JSW Group products:**

- **the estimated average contract price of coking coal in sales to external customers in Q2 2025 was PLN 682.98 per ton (or USD 181.81 per ton<sup>2</sup>);** compared to Q1 2025, it was down by 8.5%, and compared to Q2 2024, it was down by approx. 27.7%;
- **the estimated average contract price of steam coal in sales to external customers in Q2 2025 was PLN 306.96 per ton;** compared to Q1 2025, it was down by 1.5%, and compared to Q2 2024, it was down by approx. 35.4%;
- **the estimated average contract price of coke in sales to external customers in Q2 2025 was PLN 1,038.48 per ton (or USD 276.45 per ton<sup>2</sup>);** compared to Q1 2025, it was down by 1.4%, and compared to Q2 2024, it was down by approx. 24.6%.

### **Estimated revenues from product sales of JSW S.A.**

- **estimated revenues from coal sales** (external and internal sales excluding consolidation adjustments) **in Q2 2025 amounted to approximately PLN 1.848 billion**, compared to PLN 1.972 billion in Q1 2025, a 6.3% decrease;
- **estimated revenues from coke sales in Q2 2025 amounted to approximately PLN 766 million**, compared to approximately PLN 781 million in Q1 2025, a 1.9% decrease;
- **estimated revenues from sales of coal-derivative products in Q2 2025 amounted to approximately PLN 81.4 million**, compared to PLN 81.6 million in Q1 2025, a 0.2% decrease.
- **Total sales revenues of JSW S.A. amounted to approximately PLN 2.760 billion**, compared to PLN 2.901 billion in Q1 2025, recording a decrease of 4.8%.

*Data sources: Platts, McCloskey, Coke & Anthracite Market Report, polskirynekwegla.pl*

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<sup>1</sup>JSW sets coking coal prices with customers based usually on two models:

- quarterly prices – based on average quotations of The Steel Index (TSI) from the previous quarter;
  - monthly prices – based on the average quotations from the previous month,
- the average price of coking coal in a given quarter is influenced by prices over five months (from the previous quarter and the first two months of the current quarter).

<sup>2</sup> The price was converted to USD using weighted average exchange rates of the National Bank of Poland: USD/PLN for the period of April-June 2025.