

**INFORMATION FOR DEPOSITARY RECEIPT HOLDERS  
IN CONNECTION WITH THE VOLUNTARY TENDER OFFER MADE BY VTZ  
TO ACQUIRE ORDINARY SHARES OF TMK**

In accordance with the provisions of the Russian Joint-Stock Companies Law, the voluntary tender offer (the “**Voluntary Tender Offer**”) made by “Volzhsky Pipe Plant”, Joint stock company (“**VTZ**”), a wholly-owned subsidiary of PAO “**TMK**” (“**TMK**” or the “**Company**”), to acquire up to 358,758,064, or 34.7%, of ordinary shares of TMK at a cash price of RUB 61 per ordinary share (the “**Purchase Price**”) is made only to the holders of ordinary shares of the Company. Holders of Regulation S global depositary receipts (“**Regulation S GDRs**”), Rule 144A global depositary receipts (“**Rule 144A GDRs**” and, together with Regulation S GDRs, “**GDRs**”) and Level 1 American depositary shares (“**Level 1 ADSs**” and, together with the GDRs, the “**DRs**”) representing ordinary shares of the Company will be able to participate in the Voluntary Tender Offer provided that they cancel the DRs held by them, receive the respective underlying ordinary shares prior to the expiration date of the Voluntary Tender Offer period (*i.e.* 27 July 2020) and submit an application to sell such ordinary shares pursuant to the terms of the Voluntary Tender Offer. Detailed instructions for such cancellation are provided below. DR holders should be aware that the Purchase Price will be paid in Russian roubles, and accordingly changes in the rouble-dollar exchange rate will affect the amount of the proceeds received by them from the Voluntary Tender Offer in U.S. dollar terms.

Surrender of the DRs will be subject to the payment by DR holders of the relevant fees to The Bank of New York Mellon (the “**DR Depository**”) and to satisfaction of the other provisions of the relevant deposit agreement.

DR holders should be aware that the cancellation of the DRs, the receipt of the underlying ordinary shares, the sale of such ordinary shares pursuant to the Voluntary Tender Offer and receipt of the Purchase Price pursuant to the Voluntary Tender Offer may have certain tax consequences, and are urged to consult their tax advisers before cancelling the DRs and participating in the Voluntary Tender Offer.

**DR holders should note that the delivery of the Company’s ordinary shares represented by the DRs upon the surrender and cancellation of the DRs may take approximately ten Russian business days. This period does not include the time necessary for the opening of a securities account for the receipt of the ordinary shares represented by the DRs. DR holders wishing to cancel their DRs and sell the ordinary shares represented by the DRs held by them into the Voluntary Tender Offer are advised to notify their broker immediately of the deadline by which they need to receive the ordinary shares represented by the DRs and inform them of the instructions set forth below.** Once the broker submits the DR cancellation instruction, the broker can contact [drsettlements@bnymellon.com](mailto:drsettlements@bnymellon.com) or +353-1-900-34-66 / +353-1-900-34-67 / +1-315-414-44-75 / +1-315-414-35-59 for status updates.

The specific steps and instructions to be followed by DR holders and/or their brokers are as follows:

For Regulation S GDRs:

- 1) Process a type 40 instruction in Euroclear Bank SA/NV (“**Euroclear**”) or an instruction to Clearstream Banking, société anonyme (“**Clearstream**”) for the withdrawal of the Regulation S GDRs. Regulation S GDR holders or their brokers may contact the Euroclear Customer Service Team at +32-2326-3814 or [eb.ca@euroclear.com](mailto:eb.ca@euroclear.com) or the Clearstream Settlement Team at [CA\\_Luxembourg@clearstream.com](mailto:CA_Luxembourg@clearstream.com) for further assistance. The instruction must include the following information:
  - a. Security Name
  - b. CUSIP Number
  - c. Settlement Date
  - d. Number of Regulation S GDRs
  - e. Institution where the ordinary shares will be delivered to in the local market (name and BIC of bank, beneficiary name and beneficiary account number).
- 2) After the DR Depository receives a valid swift instruction from Euroclear or Clearstream for the withdrawal of the Regulation S GDRs, the DR Depository will bill Euroclear/Clearstream U.S.\$0.05 per Regulation S GDR (rounded up to the nearest 100 Regulation S GDRs) and any other applicable fees.
- 3) After the DR Depository receives the valid instructions, the certification required for the withdrawal of the Regulation S GDRs under the GDR deposit agreement and payment of applicable fees, it will instruct its custodian (*i.e.* Sberbank of Russia) to deliver the ordinary shares to the account specified in the instruction. Regulation S GDR holders should ensure that their custodian has all the necessary information, instructions and confirmations to accept delivery of the ordinary shares.

Details of the custodian of the DR Depository:

Full name of the custodian: Sberbank of Russia  
BIC: SABRRUMM  
PSET: NADCRUMMXXX  
Depositor’s code: MC0002500000  
Depositor’s account: ML9403170499  
Depositor’s sub-account: DR0000000000000000

For Rule 144A GDRs:

- 1) Deliver free the Rule 144A GDRs via The Depository Trust Company (“**DTC**”) to The Bank of New York Mellon, DTC account 2504. Indicate in the comment field, “See email instructions”. The DR Depository will then charge a fee of U.S.\$0.05 per Rule 144A GDR (rounded up to the nearest 100 Rule 144A GDRs) and other applicable fees.
- 2) Create a non-editable delivery instructions on company letterhead for fax submissions or send from an email address where at least one other person is copied on the email and include the following information:
  - a. Security Name
  - b. CUSIP Number
  - c. Settlement Date
  - d. Number of Rule 144A GDRs
  - e. Institution where the ordinary shares will be delivered to in the local market (name and BIC of bank, beneficiary name and beneficiary account number).
- 3) Email the instructions on company letterhead to: [DRinstructions@bnymellon.com](mailto:DRinstructions@bnymellon.com).
- 4) After the DR Depository receives the valid instructions, the certification required for the withdrawal of the Rule 144A GDRs under the GDR deposit agreement and payment of applicable fees, it will instruct its custodian (*i.e.* Sberbank of Russia) to deliver the ordinary shares. Rule 144A GDR holders should ensure that their custodian has all the necessary information, instructions and confirmations to accept delivery of the ordinary shares.

Details of the custodian of the DR Depository:

Full name of the custodian: Sberbank of Russia  
BIC: SABRRUMM  
PSET: NADCRUMMXXX  
Depositor’s code: MC0002500000  
Depositor’s account: ML9403170499  
Depositor’s sub-account: DR0000000000000000

For Level 1 ADSs:

- 1) Deliver free the Level 1 ADSs via The Depository Trust Company (“**DTC**”) to The Bank of New York Mellon, DTC account 2504. Indicate in the comment field, “See email instructions”. The DR Depository will then charge a fee of U.S.\$0.05 per Level 1 ADS (rounded up to the nearest 100 Level 1 ADSs) and other applicable fees.

- 2) Create a non-editable delivery instructions on company letterhead for fax submissions or send from an email address where at least one other person is copied on the email and include the following information:
  - a. Security Name
  - b. CUSIP Number
  - c. Settlement Date
  - d. Number of Level 1 ADSs
  - e. Institution where the ordinary shares will be delivered to in the local market (name and BIC of bank, beneficiary name and beneficiary account number).
- 3) Email the instructions on company letterhead to: [DRinstructions@bnymellon.com](mailto:DRinstructions@bnymellon.com).
- 4) After the DR Depository receives the valid instructions, the certification required for the withdrawal of the Level 1 ADSs under the Level 1 ADS deposit agreement and payment of applicable fees, it will instruct its custodian (*i.e.* Sberbank of Russia) to deliver the ordinary shares. Level 1 ADS holders should ensure that their custodian has all the necessary information, instructions and confirmations to accept delivery of the ordinary shares.

Details of the custodian of the DR Depository:

Full name of the custodian: Sberbank of Russia  
BIC: SABRRUMM  
PSET: NADCRUMMXXX  
Depositor's code: MC0002500000  
Depositor's account: ML9403170499  
Depositor's sub-account: DR0000000000000000

Additional information can be found at:

<https://www.adrbnymellon.com/resources/dr-tools/custodian-network>.

Any further clarifications related to the cancellation of the DRs can be obtained from: [drsettlements@bnymellon.com](mailto:drsettlements@bnymellon.com).

**All steps required for the cancellation of DRs and the receipt of ordinary shares represented by the DRs must be completed so that the ordinary shares are delivered to the DR holder's ordinary share account sufficiently in advance of the Expiration Date to allow for sufficient time for the acceptance of the Voluntary Tender Offer.**