FERREXPO

RESILIENT PERFOMANCE IN A CHALLENGING ENVIRONMENT

Interim Financial Results 2023

INTRODUCTION

Lucio Genovese, Executive Chair

OPERATING ENVIRONMENT

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RIGHT-SIZING THE BUSINESS AS WE ADAPT TO EVOLVING CHALLENGES

Resilient Ukraine

- Midway second year of war
- Situation remains challenging
- Humanitarian Fund committed US$19 million for 70 projects and initiatives:
  - Provision of shelter, food and medical supplies for individuals and families.
  - Partnering with regional authorities to respond to critical needs
  - Donation of medical supplies, equipment and rescue vehicles

Committed workforce

- Workforce different due to emigration, absences and military service
- Continuous support for +700 employee families and +2,000 IDPs
- Funding on site facilities and services for all employees
- Employee veteran programme to support physical and psychological rehabilitation

Nimble and adaptive business

- Right-sizing business for the near-term
- Second pelletiser restart provides additional production capacity and flexibility
- Power supply stabilised and costs reduced
- ESG initiatives continue implementation and progress
- Black Sea ports and railway logistic constraints
- Focus on high quality products to European customers

PERFORMANCE SNAPSHOT

OPERATIONAL EFFICIENCIES DELIVER AN IMPROVED PERFORMANCE

Operating performance

- Production 2 million tonnes, +57% compared to 2H 2022
- Focus on higher grade products, all grading 65%+ Fe
- C1 Costs[A] improved to US$71/t due to attractive energy costs (Q2), local currency devaluation from last year and cost saving initiatives
- Logistics constraints and alternative supply routes added approximately US$11 per tonne to distribution costs

Financial performance

- Sales of 2.1 million tonnes
- Revenues of US$334 million due to lower volumes and prices
- Underlying EBITDA[A] fell to US$64 million, due to limited energy supply (Q1), higher logistics costs, and rising global inflation.
- Prudent balance sheet management improved Net Cash[A] to US$131 million as of 30 June 2023
- Capital investment $58 million, split between maintenance and expansion

ESG performance

- LTIFR 0.26, below historic five-year average 0.69. Zero fatalities since 2017
- GHG emissions and safety metrics external assurance completed
- Reduction in absolute and unit basis emissions in 1H 2023
- High levels of clean power usage recorded at 80% for 1H 2023

[A] Denotes Alternative Performance Measures, see Interim Results Report for definitions.

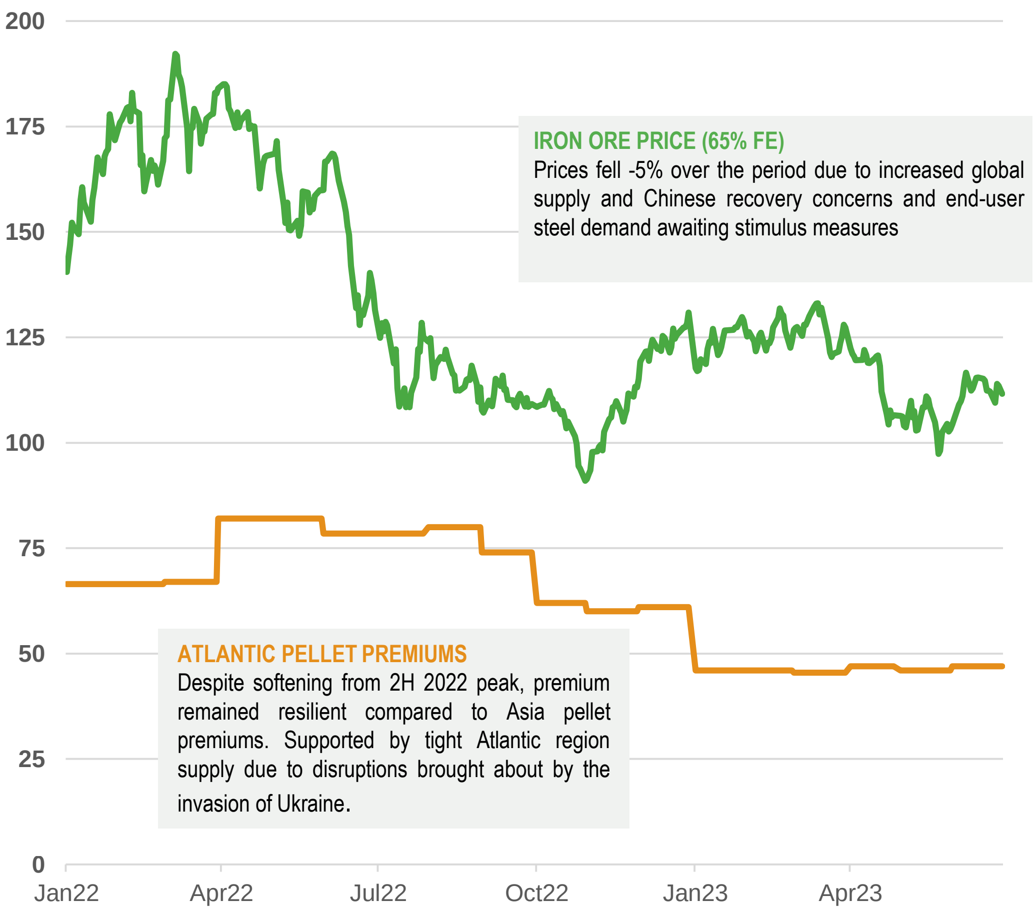
MARKET REVIEW

Yaroslavna Blonska, Acting Group Chief Marketing Officer

MARKET SNAPSHOT

PRICES REMAIN RESILIENT DESPITE INCREASED VOLATILITY

FE AND PELLET PRICES (US$/t)



Iron ore

-5%

During six months to June 2023

Review: Iron ore prices fell due to a weakened macro-environment and low Chinese construction sector starts at a time of low inventories and increasing supply.

Outlook: uncertainties around Chinese stimulus measures during the seasonally week third quarter lead commentators to suggest a weaker Q3 before a mild Q4 recovery.

Steel

+1%

YTD price for European hot rolled coil[1]

Review: Price improvements lost momentum due to weak end-user demand. European steelmakers cautious despite several blast furnace restarts

Outlook: A negative macroeconomic outlook and weak European construction hint at weaker demand, with some support from autos OEMs

[1] *Fastmarkets*

LOGISTICS

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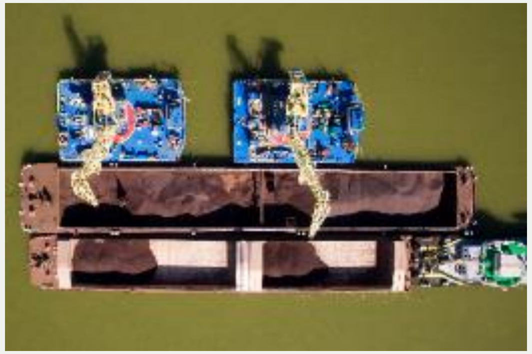
CAPACITY CONSTRAINTS DEMAND A RETHINKING TO TRADITIONAL SUPPLY ROUTES

Rail

- Owned rail wagon fleet ensures availability
- Improvement in journey times to Central-Eastern European customers
- Costs remain high following July 2022 tariff increases

Barging & Shipping



- C3 freight averaged 26% lower at US$19.5/t
- Utilising combination of rail, barges and ships to deliver to European customers
- Alternative Black Sea port access constraints

Warehousing

- Provides additional security and stability by reducing mine site stocks
- Improved journey time resulting in shorter cash cycle and opportunity to finance
- Low cash flow impact subject to cost of storage

Uncertain outlook due to lack of access to Black Sea ports and clarity concerning the Black Sea Grain Initiative

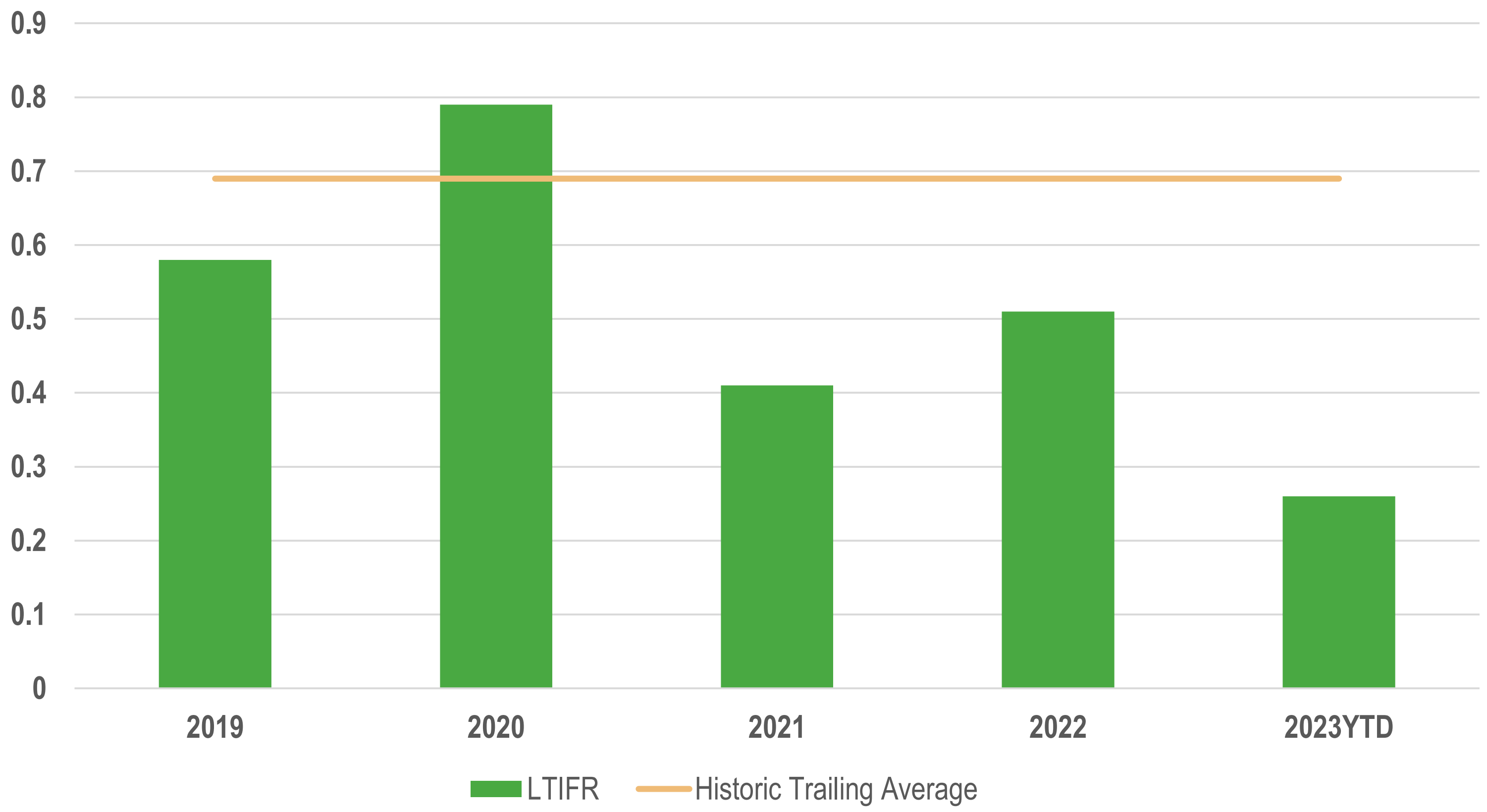
OPERATIONS REVIEW

Nikolay Kladiev, Group Chief Financial Officer

HEALTH AND SAFETY PERFORMANCE

SAFETY REMAINS OUR FIRST PRIORITY

SAFETY PERFORMANCE



1H 2023 PERFORMANCE

- Group LTIFR 0.26, below historic full year trailing average 0.69
- Ukrainian operations LTIFR 0.14 (0.30 2H 2022 and 0.71 1H 2022)
- External assurance process on 2022 safety statistics completed

FOCUS ON WELLBEING

- Increased activities to monitor wellbeing of workforce and provide support during war

OPERATIONAL UPDATE

RIGHT-SIZING OPERATIONS TO MEET ACCESSIBLE MARKETS

Mining activities

Operating a single mine out of two on a rotational basis, reflecting lower sales capacity

US$58 million capital investment, +50% expansion CAPEX, including:

- US$17 million capitalised stripping activities and capitalisation
- US$7 million expansion commitments including press filtration complex
- US$2 million Belanovo sustainability

Pellet production

Focus on high grade premium products for accessible markets

Operating between one and two pelletiser lines to provide additional flexibility and capacity

Logistics

Remains greatest single constraint on business

Access to alternative Black Sea ports limited; confounded by Black Sea Grain Initiatives

Journey times by rail to Central-Eastern Europe reduced significantly

FINANCIAL REVIEW

Nikolay Kladiev, Chief Financial Officer

1H 2023: FINANCIAL HIGHLIGHTS

CONTINUING TO DELIVER STRONG PERFORMANCE

- **Revenue** of US$334 million, 64% lower due to restricted logistics availability and tighter market environment
- **C1 Cash Cost[A]** of US$71 per tonne, reflecting benefits from the local currency devaluation in 2H 2022, lower prices for some input materials and the effects from further cost saving initiatives
- **Underlying EBITDA[A]** decreased by 87% to US$64 million, reflecting above factors and operating foreign exchange gains in 1H 2022 and 2H 2022
- **Capital investment[A]** of US$58 million includes investment in future growth despite the war
- **Profit after tax** of US$27 million compared to US$82 million in 1H 2022
- **Net cash position** of US$131 million compared to US$106 million at the beginning of the year

[A] *denotes Alternative Performance Measures, see Interim Results Report for definitions.*

FINANCIAL PERFORMANCE IN 1H 2023

FOCUS ON HIGH QUALITY, HIGH GRADE PRODUCTS CONTINUES

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(USD million, unless stated)	1H 2023	2H 2022	%	1H 2022	%
Pellet production (Mt)	**1,967**	1,256	*+57%*	4,797	*-59%*
Sales volumes (Mt)	**2,085**	1,806	*+15%*	4,374	*-52%*
Average iron ore price (65% Fe, US$/t)	**118**	101	*+17%*	140	*-16%*
Revenue	**334**	313	*+7%*	936	*-64%*
Average C1 Costs[A] (US$/t)	**71**	75	*-5%*	85	*-16%*
Underlying EBITDA[A]	**64**	279	*-77%*	486	*-87%*
Underlying EBITDA[A] Margin	**19%**	89%	-70pp	52%	-33pp
Profit after tax for the period	**27**	138	*-80%*	82	*-67%*
Net cash flow from operating activities	**80**	68	*+18%*	233	*-66%*
Capital Investment	**58**	59	*-2%*	102	*-43%*
Net cash position	**131**	106	*+24%*	172	*-24%*

PRODUCTION & SALES ALIGNED TO LOGISTICS AVAILABILITY

- Black Sea ports in Ukraine still not available to the Group
- Focus on sale of high-quality products to European customers

TIGHTENING IRON ORE MARKET CONDITIONS

- Iron ore prices remain subdued in weakened macro-environment, with low demand in China for iron ore products

MARGINS MAINTAINED DESPITE ONGOING WAR

- Right-sizing business resulted in positive EBITDA margins, albeit much reduced on stronger period comparisons benefiting from UAH devaluation

IMPACT OF WAR ON ASSET VALUATION

- No additional impairment in1H 2023 compared to US$254 million in 1H 2022

CONTINUED FOCUS ON BALANCE SHEET STRENGTH

- Strong net cash position maintained, with no financial debt outstanding

REVIEW OF CASH FLOW IN 1H 2023

BENEFITING FROM LOW DEBT LEVELS AND BALANCE SHEET STRENGTH

(USD million, unless stated)	1H 2023	2H 2022	%	1H 2022	%
Underlying EBITDA[A]	**64**	279	*-77%*	486	*-87%*
Working capital movement	**21**	93	-77%	(112)	*+119%*
Income tax paid	**(7)**	(51)	*-86%*	(60)	*-88%*
Other (incl. non-cash operating forex)	**2**	(253)	*-101%*	(80)	*-103%*
Net cash flow from operations	**80**	68	*+18%*	233	*-66%*
Capital investment	**(58)**	(59)	*-2%*	(102)	*-43%*
Shareholder returns	**-**	75	-	80	-
Net debt repayments	**(3)**	(3)	-	(46)	*-93%*
Cash and cash equivalents	**135**	113	*+19%*	177	*-24%*
Net cash position	**131**	106	*+24%*	172	*-24%*

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RECONCILIATION OF UNDERLYING EBITDA[A] (1H 2022)

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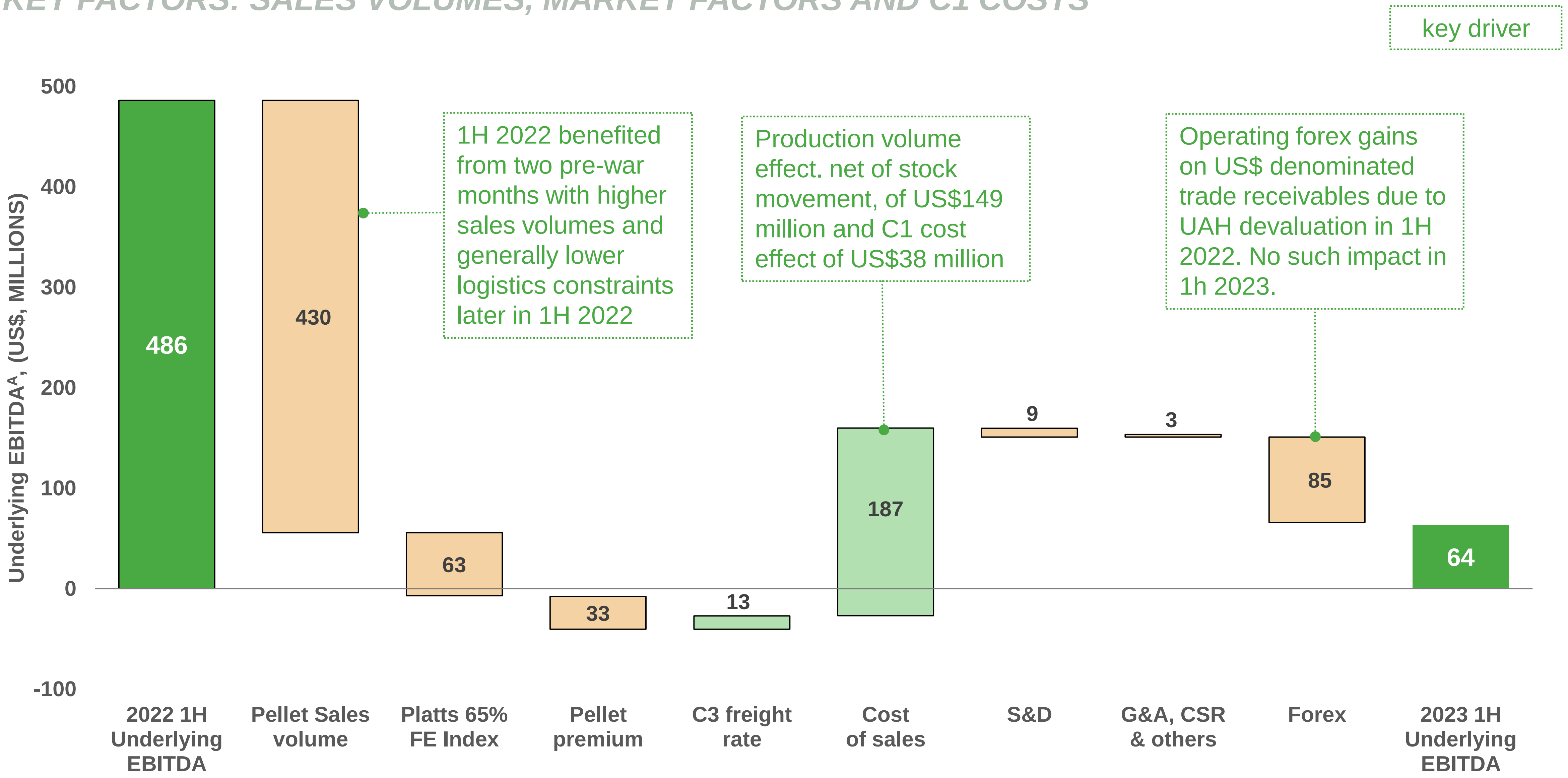
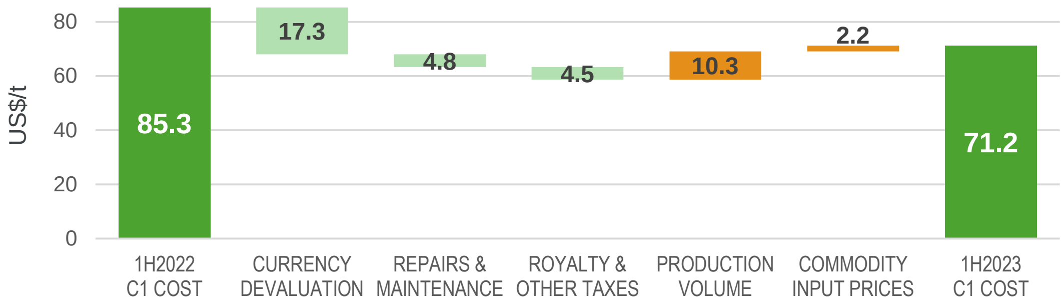
KEY FACTORS: SALES VOLUMES, MARKET FACTORS AND C1 COSTS



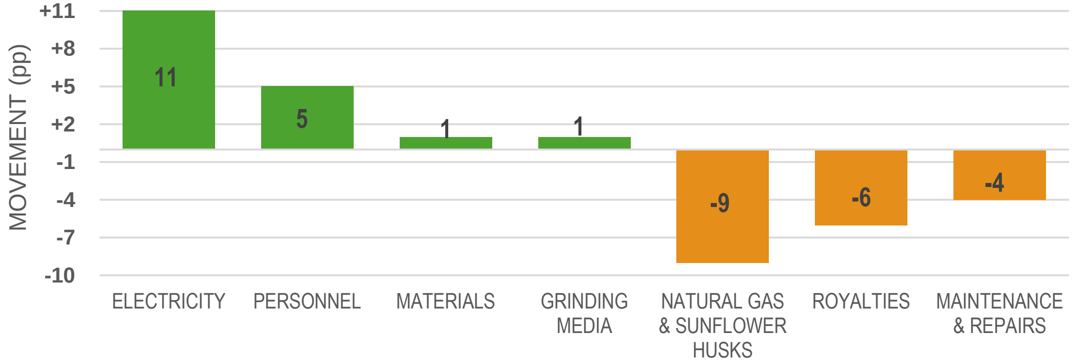
REVIEW OF C1 COSTS[A]

ELECTRICITY AVAILABILITY AND PRICES KEY FACTOR

WATERFALL CHART: C1 COSTS[A]

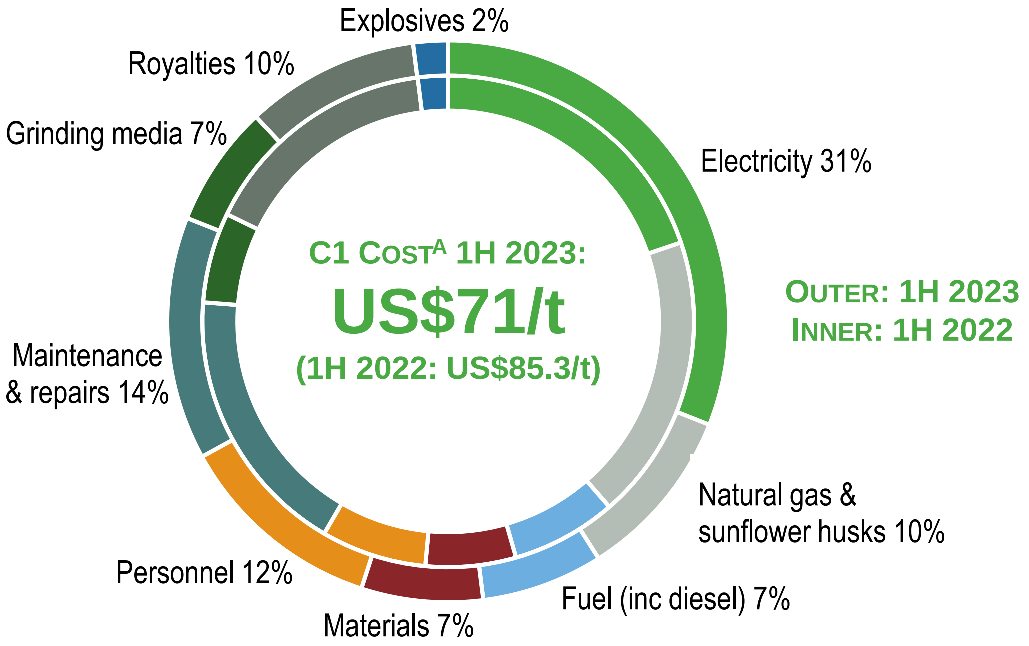


C1 COSTS[A] – YEAR ON YEAR MOVEMENT[2]



C1 COST[A] COMPOSITION

- Energy-linked costs of 48% compared to 46% in 1H 2022 reflecting the net effect of higher electricity costs and lower costs for natural gas
- Lower royalty related costs driven by lower index and mining activities
- Lower maintenance & repairs due to reduced mining activity
- General benefit from UAH devaluation in 2H 2022



Q&A

STANDING WITH UKRAINE