

12 January 2022

Ferrexpo plc
 (“Ferrexpo” or the “Company” or the “Group”)

Production Report and Trading Update for 4Q 2021

Summary:

- Quarterly iron ore pellet production increases 18% quarter on quarter to 3.1 million tonnes, reflecting the resumption of all four pelletiser lines following upgrade work in previous quarters.
- Total full year production of iron ore pellets of 11.2 million tonnes in 2021, a result in line year on year, and includes disruptions during the year for pelletiser upgrade work.
- 100% of pellet production in 2021 comprised of high grade forms of iron ore (grading 65% Fe or above), with production of medium grade iron ore pellets phased out (2020: 99% high grade products).
- Production of higher grade (67% Fe) direct reduction pellets increases by 27% to 431 thousand tonnes in 2021, representing 4% of total pellet production in 2021 (2020: 3% of total).
- Total full year shipments of commercial concentrate of 234 thousand tonnes in 2021 (2020: 183 thousand tonnes). Production of commercial concentrate typically coincides with periods of pelletiser downtime and is primarily enabled by investment in the Group’s concentrate stockyard project in 2020.
- Total full year sales volume of 11.3 million tonnes, mirroring production for the year, and representing a 6% decrease year on year as a result of a stockpile drawdown process completed in 2020.
- Group net cash position of approximately US\$117 million as at 31 December 2021, increasing from a net cash position of US\$4 million as at the end of 2020, with this balance sheet strength reflecting the Group’s investments in high grade iron ore production and strong market demand for the Group’s products. This operational and financial performance enabled the Group to announce on 22 December 2021 a further Interim Dividend of 6.6 US cents per Ordinary share.
- In late December 2021 the Group’s Board of Directors (“Board”) also announced the appointment of an additional Independent Non-executive Director, Natalie Polischuk, who increases the number of independent directors on the Board to five.

Jim North, Interim Group Chief Executive Officer, said:

“Drawing 2021 to a close, we are proud to report a strong end to the year, with over three million tonnes of pellets produced in the final quarter, and achieving our target run rate for pellet production of over 12 million tonnes. With the successful completion of a number of pelletiser upgrades, we are now in a strong position to grow our production base in the year ahead, both in terms of production volumes and product grades, with a positive outlook ahead for premium grade iron ore pellets.”

Thousand tonnes (“kt”), unless stated otherwise	Product Grade	4Q 2021	QoQ (vs. 3Q 2021)	YoY (vs. 4Q 2020)	12M 2021	YoY (vs. 12M 2020)
Total commercial production (pellets & commercial concentrate)		3,101	+17%	(2%)	11,454	+0.5%
Total pellet production		3,062	+18%	(1%)	11,220	+0.02%
<i>Pellet production comprised of:</i>						
○ Direct Reduction (“DR”) Pellets	67% Fe	101	(48%)	(34%)	431	+27%
○ Ferrexpo Premium Pellets	65% Fe	2,961	+23%	+1%	10,790	+0.1%
○ Ferrexpo Basic Pellets	62% Fe	-	-	-	-	(100%)
Commercial concentrate production*	67% Fe	39	(14%)	(52%)	234	+28%

(* Please note that the Group produced and sold 183 thousand tonnes of commercial concentrate in 2020, which was not reflected in the comparison period columns for previous quarterly production reports in 2021, and the above table now accounts for this material in the comparator period columns. The Group also now defines commercial concentrate production as the tonnage sold in any given period, rather than shipments to the Group’s berth. Commercial concentrate production this year was therefore 62kt, 89kt, 45kt and 39kt in 1Q, 2Q, 3Q and 4Q respectively.)

For further information, please contact:

Ferrexpo:

Rob Simmons r.simmons@ferrexpo.ch +44 207 389 8305

Tavistock:

Jos Simson ferrexpo@tavistock.co.uk +44 207 920 3150

Gareth Tredway +44 7785 974 264

About Ferrexpo:

Ferrexpo is a Swiss headquartered iron ore company with assets in Ukraine and a premium listing on the London Stock Exchange in the FTSE 250 index (ticker FXPO). The Group produces high grade iron ore pellets, which are a premium product for the global steel industry and enable reduced carbon emissions and increased productivity for steelmakers when the Group's iron ore pellets are converted into steel, compared to more commonly traded forms of iron ore. Ferrexpo's operations have been supplying the global steel industry for over 40 years and in 2021 the Group produced 11.2 million tonnes of iron ore pellets, placing Ferrexpo as the world's 3rd largest exporter of pellets to the global steel industry with a market share of approximately 9%. The Group has a global customer base comprising of premium steel mills around the world, which includes steel mills in Austria, Germany, Japan, South Korea, Taiwan, China, Slovakia, the Czech Republic, Turkey, Vietnam and America. For further information, please visit www.ferrexpo.com.