FY 2020 Results

16 February 2021

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Industry Overview

Global steel, iron ore and coking coal markets

Global finished steel consumption is expected to have declined by 2.4% y-o-y in 2020, as the economic downturn caused by the the COVID-19 pandemic has affected all major economies. At the same time, China is showing another year of steel consumption growth in 2020, due to prompt virus containment and provision of economic support.

Numerous lockdowns impacted supply and demand across all commodities, and this was particularly severe in 1H 2020.

Economic stimulus measures and easing of lockdown restrictions later in 2020 helped economies to begin to recover and spurred a commodity price rally.

The price of hot-rolled coils (HRC) on FOB Black Sea basis surged by 25% q-o-q to US$582/t in 4Q 2020, which helped to bring the 2020 average to US$475/t (+2% y-o-y).

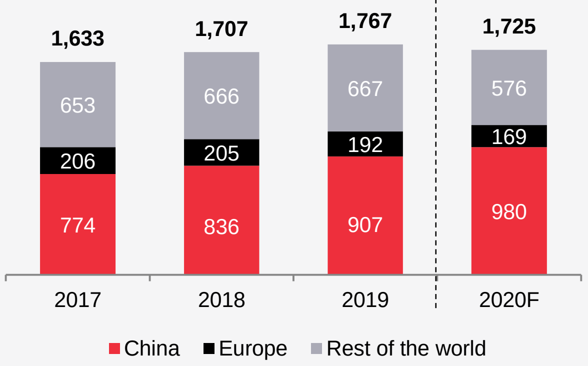
The price of 62% Fe iron ore increased by 13% q-o-q to US$133/t in 4Q 2020, bringing the 2020 average to US$109/t (+16% y-o-y). This was attributable to strong demand in China, where hot metal production rose by 4% y-o-y in 2020, as well as a slower than expected supply pick-up in Brazil.

Meanwhile, the pellet premium in Europe fell by 49% y-o-y to US$29/t in 2020, amid a 9% y-o-y drop in steel output in the region.

The hard coking coal spot price dropped by 30% y-o-y to an average of US$124/t in 2020, due to the imposition of import restrictions in China and weak demand in the rest of the world.

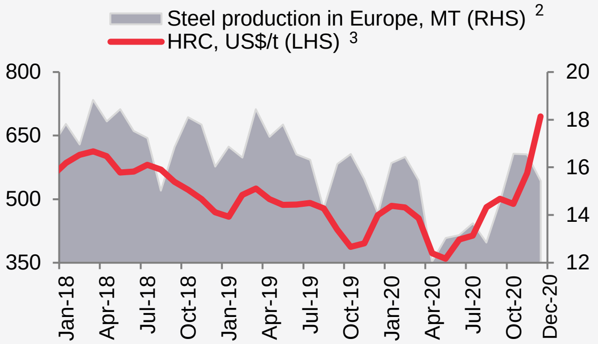
Finished steel consumption[1]

MT



Source: World Steel Association (WSA)

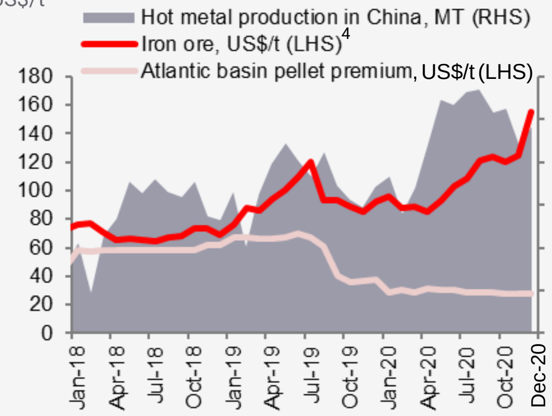
Steel price and production in Europe



Source: WSA, Metal Expert

Iron ore price

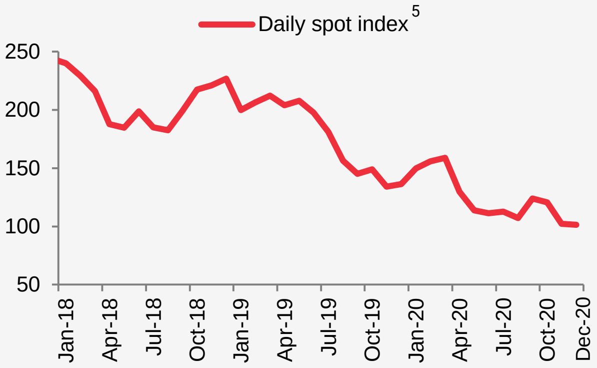
US$/t



Source: Bloomberg, WSA

Hard coking coal price

US$/t



Source: Bloomberg, Platts

1. Apparent consumption of finished steel products. 2020 data are WSA estimates as at October 2020
2. Europe includes the current 27 EU member states and the UK, Bosnia-Herzegovina, North Macedonia, Norway, Serbia and Turkey
3. FOB Black Sea
4. 62% Fe iron ore fines, CFR China
5. FOB Australia

Macro and steel industry in Ukraine

The Ukrainian economy demonstrated sustained growth for four straight years through 2019, amid overall macroeconomic stabilisation. This was supported by structural reforms, a rise in domestic investment, a revival in household consumption, an expansion of the agricultural sector and construction activity, as well as the improved environment on external markets.

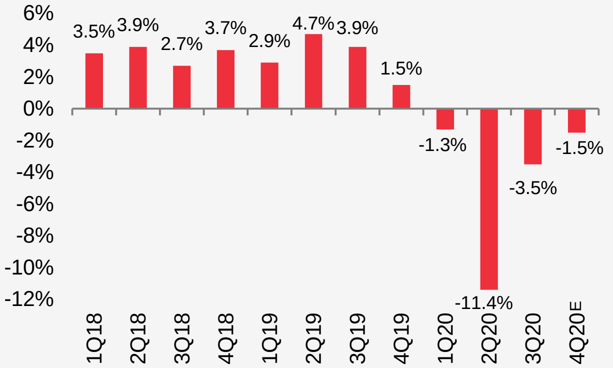
Beginning in 1Q 2020, the Ukrainian economy has been contracting amid a decrease in industrial output and lockdown measures introduced to contain the COVID-19 pandemic. The easing of restrictive measures spurred economic recovery in 2H 2020. Nevertheless, the NBU expects real GDP to have fallen by 4.4% y-o-y in 2020, compared with growth of 3.2% y-o-y in 2019.

The NBU continued to follow an interest rate policy of inflation targeting and keeping the local currency floating:

- the consumer price index (CPI) amounted to 2.7% y-o-y in 2020, compared to 7.9% in 2019, dropping below the target of 5%
- from April 2019, the NBU began a cycle of monetary policy easing and cut its key interest rate several times from 18.0% 2019 to 6.0% from June 2020
- the hryvnia depreciated against the US dollar by 4.2% y-o-y to 26.96 in 2020 from 25.84 in 2019

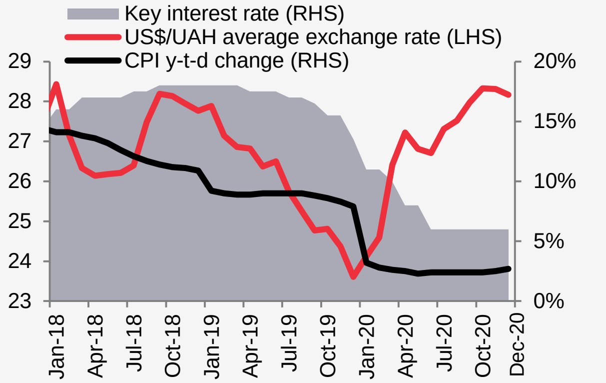
In 2020, total steel output declined by 1.1% y-o-y. At the same time, apparent steel consumption fell by 2.3% y-o-y, mainly due to a 18.5% drop in machinery output and a 10.2% reduction in pipe production, partly offset by a 4.0% y-o-y growth in construction activity.

Real GDP dynamics (y-o-y)



Source: State Statistics Service of Ukraine, NBU

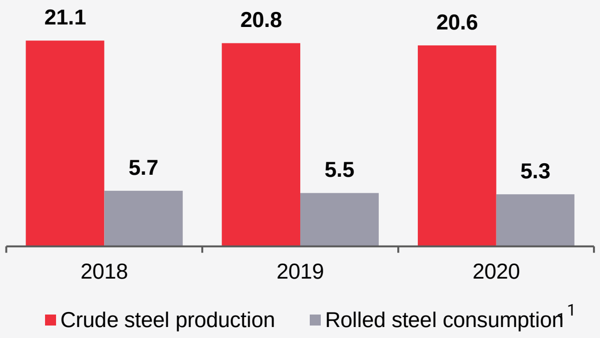
Inflation targeting policy in place



Source: National Bank of Ukraine (NBU), State Statistics Service of Ukraine

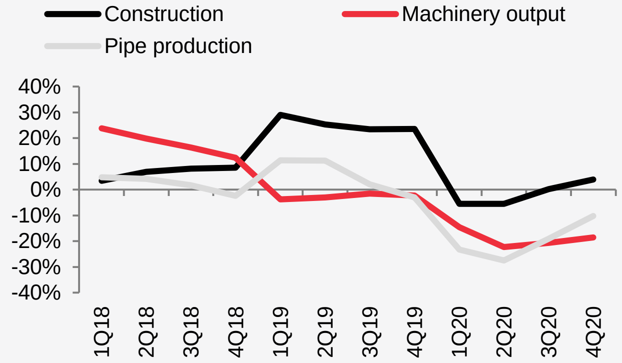
Steel industry

MT



Source: WSA, Metal Expert

Key steel-consuming sectors[2]



Source: State Statistics Service of Ukraine, Metal Expert

1. Consumption in Ukraine includes flat, long and certain semi-finished products, but excludes pipes.
2. Index represents the cumulative index from the beginning of the respective year, y-o-y change.

FY 2020 Highlights

Financial highlights

Total revenues decreased by 3% y-o-y to US$10,453 mn:

- metallurgical revenues fell by 6% y-o-y to US$8,200 mn
- mining revenues rose by 9% y-o-y to US$2,253 mn

Adjusted EBITDA[1] increased by 82% y-o-y to US$2,204 mn:

- metallurgical EBITDA recovered to positive US$890 mn
- mining EBITDA increased by 8% y-o-y to US$1,448 mn

The segmental contribution to EBITDA[2] changed y-o-y:

- metallurgical accounted for 38% (-9% in 2019)
- mining accounted for 62% (109% in 2019)

The consolidated EBITDA margin rose by 10 pp y-o-y to 21%:

- metallurgical EBITDA margin recovered to positive 11%
- mining EBITDA margin increased by 6 pp y-o-y to 46%

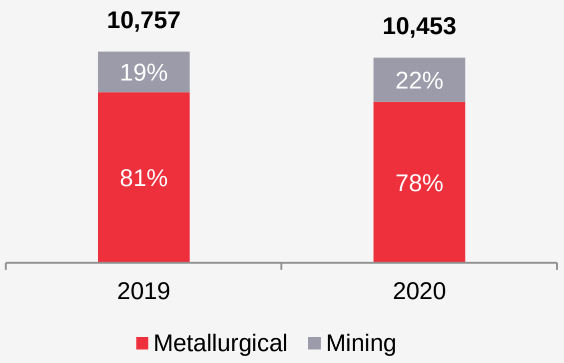
CAPEX totalled US$663 mn, down 37% y-o-y

Free cash flow[3] reached US$916 mn in 2020, amid strong profitability and EBITDA to operating cash flow conversion

Net debt[4] to EBITDA decreased to 1.0x as at 31 December 2020, down 1.3x y-o-y, driven mainly by strong EBITDA generation and a high cash balance

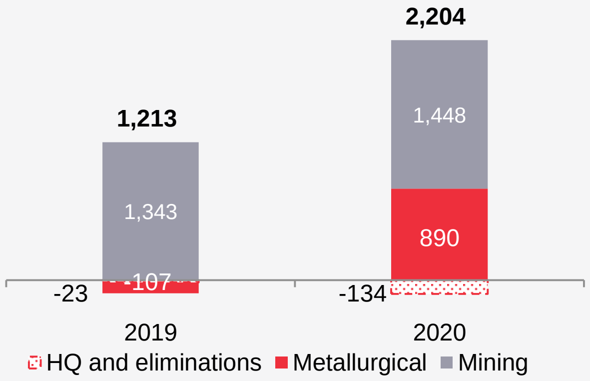
Revenues

US$ mn



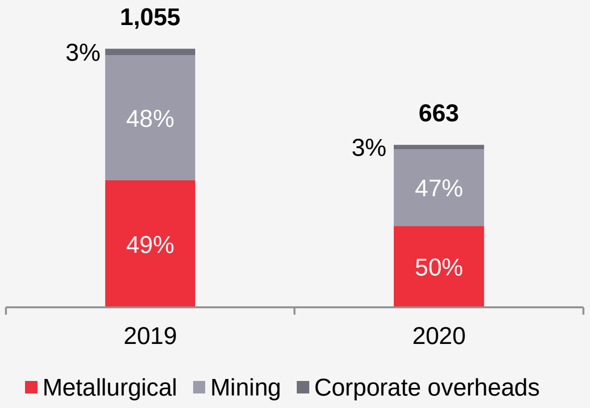
EBITDA

US$ mn



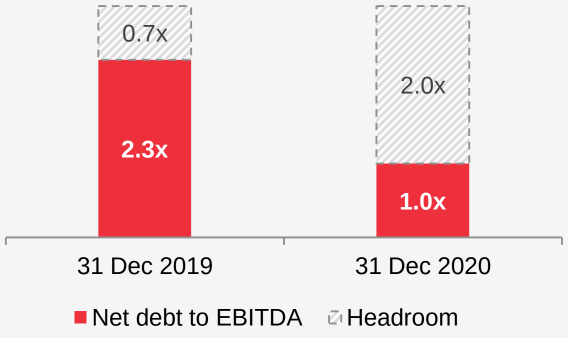
CAPEX

US$ mn



Net debt to EBITDA

x



1. Adjusted EBITDA is calculated as earnings before income tax, finance income and costs, depreciation and amortisation, impairment of property, plant and equipment, foreign exchange gains and losses, the share of results of associates and other expenses that the management considers non-core plus the share of EBITDA of joint ventures. Adjusted EBITDA will be referred to as EBITDA in this presentation
2. The contribution is to the gross EBITDA, before adjusting for corporate overheads and eliminations
3. Free cash flow is calculated as net cash from operating activities less net cash used in investing activities
4. Net debt is calculated as total debt less cash and cash equivalents

Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect absolute figures.

Sales portfolio

Metallurgical sales

- 6% y-o-y decline, mainly due to lower average selling prices of steel and coke products, following global benchmarks, as well as the impact of the COVID-19 pandemic on demand in several strategic markets
- recently realised investments and the global sales network enabled Metinvest to increase sales volumes of both semi-finished and finished steel products by 7% y-o-y
- distribution highlights:
  - lower share of Europe (-3 pp), due to weak demand in the region amid the pandemic
  - share of Ukraine remained relatively high at 26%, as local pig iron and steel shipments rose by 10% y-o-y
  - higher share of MENA (+2 pp), mainly due to demand in Turkey for high quality slabs and HRC
  - higher share of Southeast Asia (+1 pp), as Metinvest resumed sales to China amid a post-COVID economic recovery, selling 862 kt in 2020

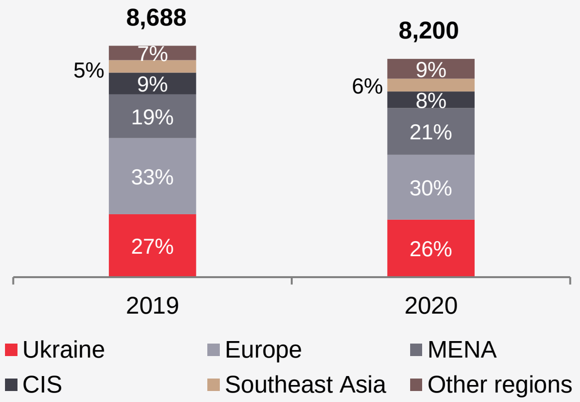
Mining sales

- 9% y-o-y increase, amid a 9% rise in sales volumes of iron ore products and favourable market prices for iron ore concentrate
- strong demand in China boosted the share of Southeast Asia to 44% (+21 pp), while that of Europe fell to 19% (-18 pp)

Sales in hard currencies (US$, US$-linked, EUR and GBP) accounted for 81% in 2020 (+3 pp y-o-y)

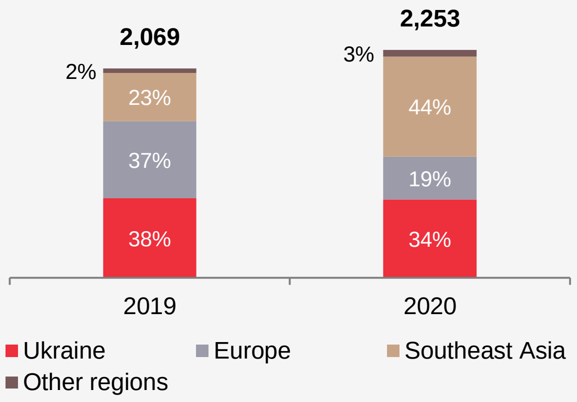
Metallurgical sales by region

US$ mn



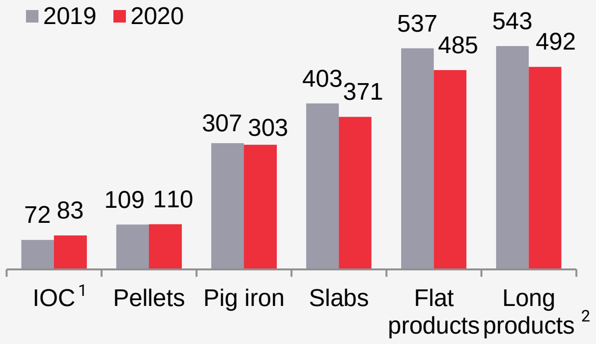
Mining sales by region

US$ mn



Price trends, FCA basis

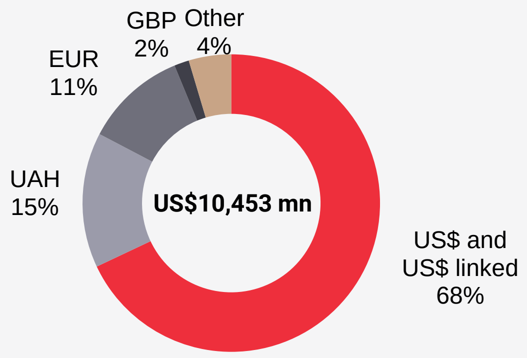
US$/t



1. Iron ore concentrate
2. Excluding railway products

Total sales by currency in 2020

US$ mn



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EBITDA

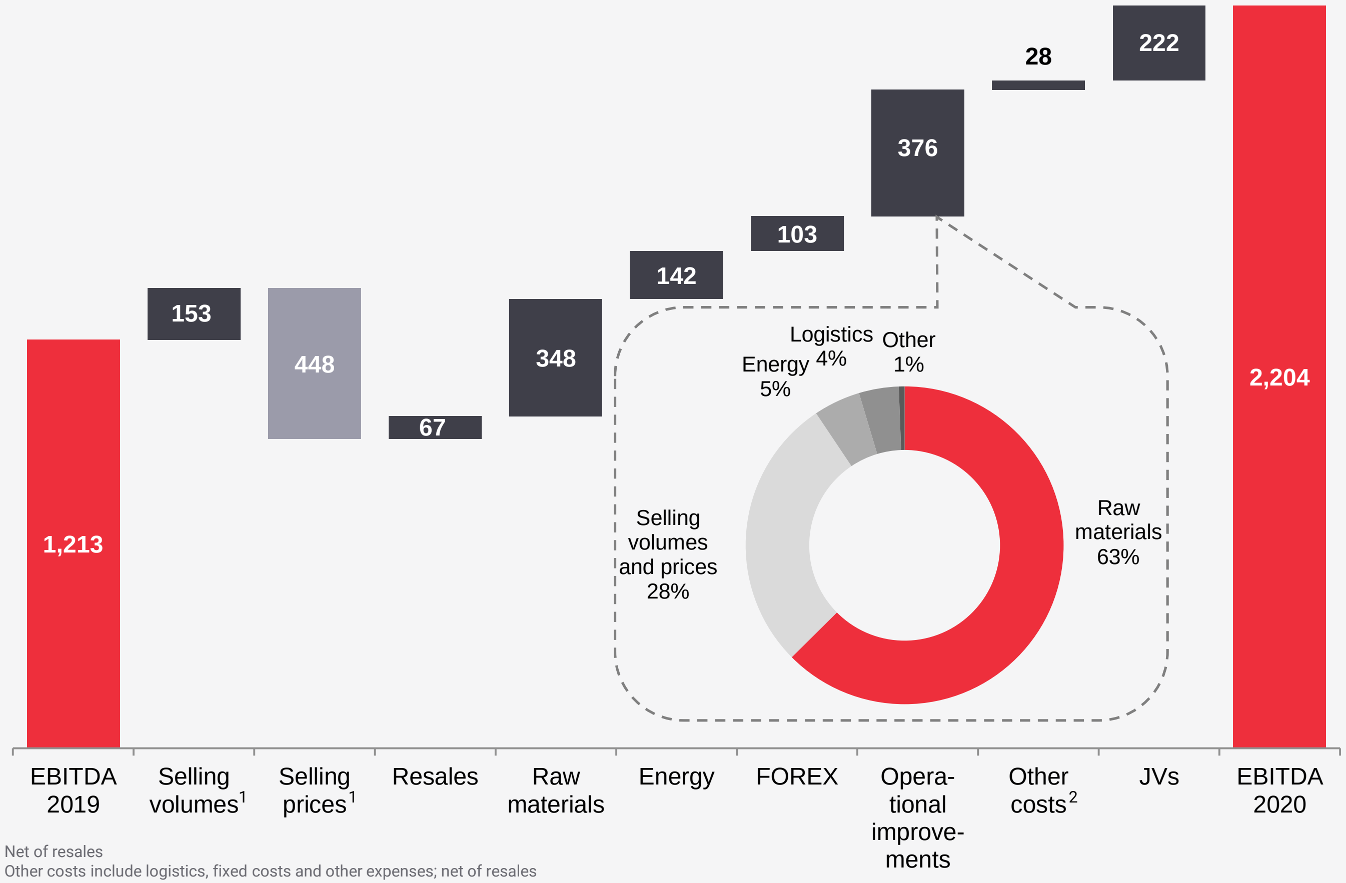
EBITDA rose by 82% y-o-y to US$2,204 mn, mainly driven by:

- a positive effect from operational improvements amid:
  - improved efficiency of raw and energy material consumption
  - increased productivity of key production equipment
  - streamlined logistics
  - enhanced value proposition for customers
- lower spending on raw materials, primarily as a result of decreased market prices (namely for coking coal, coke, scrap, ferroalloys), reduced consumption of seaborne coking coal, lower railway costs in the US and Ukraine, lower inventory destocking and fewer purchases of third-party coils for further processing
- improved performance of the joint ventures
- higher sales volumes
- lower expenses on energy materials, mainly amid reduced prices of natural gas (-35% y-o-y) and PCI coal (-35% y-o-y)
- 4.2% y-o-y depreciation of the hryvnia against the US dollar
- higher average iron ore concentrate selling prices

Negative impact on EBITDA was from lower selling prices for steel products, coke and coking coal concentrate, as well as weaker pellet premiums

EBITDA drivers

US$ mn



1. Net of resales
2. Other costs include logistics, fixed costs and other expenses; net of resales

Cash flow

Operating cash flow (OCF)

- US$1,740 mn in 2020, up 2.1x y-o-y
- EBITDA to OCF conversion reached 79% in 2020, up 12 pp y-o-y

Working capital release, attributable to:

- a decrease in inventory (US$217 mn), mainly iron ore products (-838 kt), coal (-609 kt) and pig iron (-87 kt)
- an increase in trade payables (US$372 mn)

Cash conversion cycle[1] shortened to 30 days in 2020, down 22 days y-o-y

Purchases of property, plant and equipment (PPE) and intangible assets (IA) totalled US$678 mn, down 24% y-o-y

Financing cash outflow, mainly attributable to:

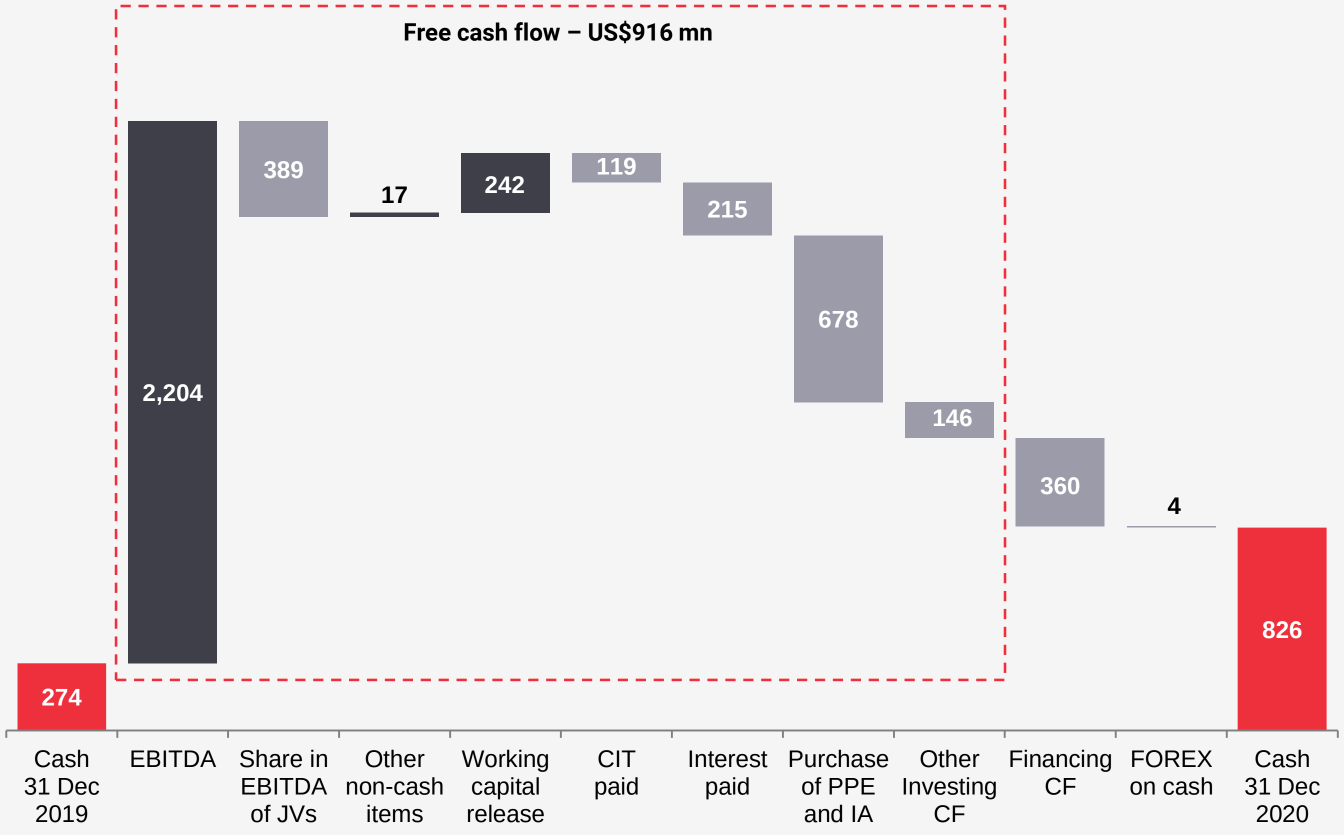
- PXF repayment of US$178 mn, including a US$45 prepayment in December
- net trade financing repayments of US$130 mn
- dividends paid of US$100 mn

Free cash flow[2] reached US$916 mn in 2020

Cash balance improved to US$826 mn as at 31 December 2020, up 3.0x y-o-y

Cash flow in 2020

US$ mn



1. Cash conversion cycle is calculated as days of inventories on hand and days of sales outstanding less days of payables
2. Free cash flow is calculated as net cash from operating activities less net cash used in investing activities

Capital expenditure

In 2020:

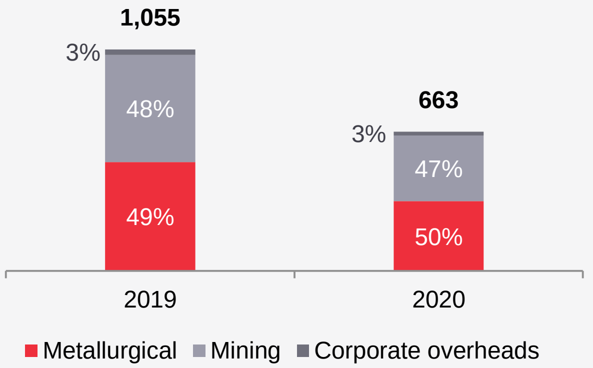
- CAPEX was US$663 mn, down 37% y-o-y, as planned
- the Metallurgical segment accounted for 50% of total investments, up 1 pp y-o-y
- the share of strategic projects was 28%, down 4 pp y-o-y

2020 CAPEX priorities:

- ring-fenced environmental agenda: such investments totalled a record high US$204 mn in 2020, up 32% y-o-y
  - Core works are completed for the largest project – the reconstruction of the Ilyich Steel's sinter plant
  - Ilyich Steel completed the construction of new gas cleaning facilities for the casthouse and stockhouse of blast furnace (BF) no. 3
- complete ongoing strategic projects:
  - Ilyich Steel's hot strip mill 1700 is progressing towards target capacity utilisation, the new down coiler was installed in 4Q 2020
  - Central GOK completed the upgrade of its beneficiation facilities to produce premium quality iron ore products
  - Northern GOK completed the first stage of the technical modernisation of the OK-306 roasting machine
- conducting crucial maintenance
- developing design for projects in the pipeline, driven by the Technological Strategy 2030

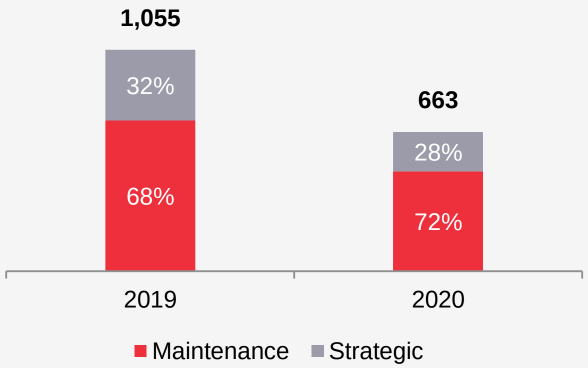
CAPEX by segment

US$ mn



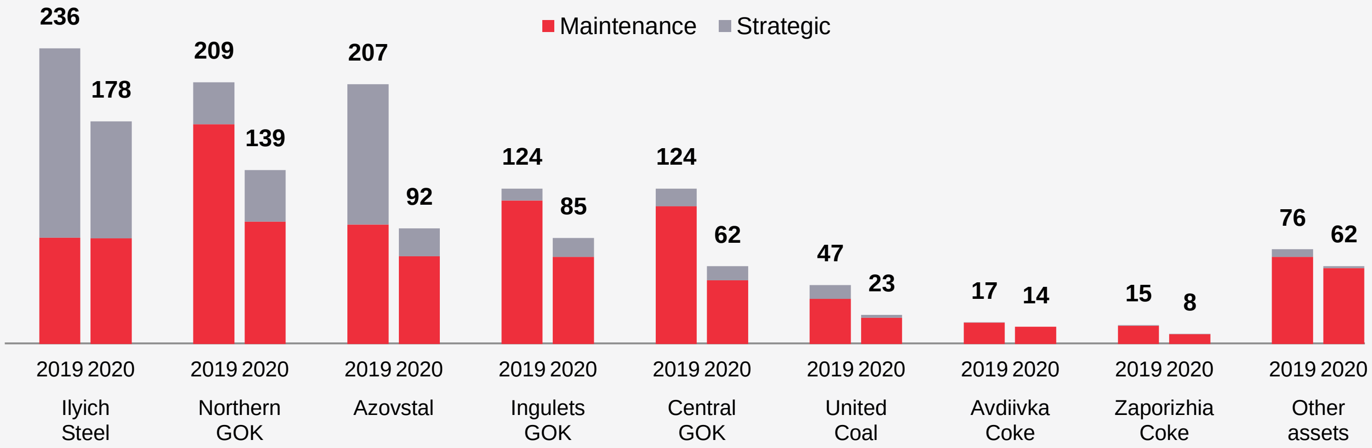
CAPEX by purpose

US$ mn



CAPEX by key asset

US$ mn



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Key strategic CAPEX projects in 2020

No	Project	Asset	Description	Status
1	**Reconstruction of hot strip mill (HSM) 1700**	**Ilyich Steel**	Increase HSM capacity to 2.5 mt/y; improve HRC quality by reducing the minimum thickness to 1.2 mm, increasing weight to 32 t, as well as allowing widths of 900-1600 mm; and reduce production costs	The mill was shut down for a scheduled major overhaul from 27 August to 5 November 2019. First coils were produced in November 2019. Equipment operation is approaching design parameters. The new down coiler was installed and produced first coils in November 2020
2	**Construction of air separation units**	**Ilyich Steel**	Increase production of oxygen and nitrogen required for steel production	Detailed engineering has been developed. Air Liquide was selected as the key equipment supplier. Contracting process with sub-suppliers has been started. Pre-construction works have been completed. Commissioning is expected in 1H 2022
3	**Sinter plant reconstruction**	**Ilyich Steel**	Comply with environmental requirements	Construction of the complex for the two-stage gas cleaning system of sintering and cooling zones for all 12 sintering machines has been completed. Auxiliary works to be finalised in 2021
4	**Reconstruction with new construction of the gas cleaning facilities for the casthouse and stockhouse of BFs nos. 3, 4 and 5**	**Ilyich Steel**	Comply with environmental requirements	The project at BF no. 3 was completed in March 2020, KPIs have been fulfilled. The project at BF no. 5 started in 3Q 2020, with its completion expected in mid-2021. The next in line will be BF no. 4
5	**Reconstruction of gas cleaning equipment of basic oxygen furnaces (BOF)**	**Azovstal**	Comply with environmental requirements	Basic and detailed engineering and documentation is being developed. A contract for the main technological equipment supply has been signed. Launch is scheduled for 2022
6	**Installation of a new plasma cutting line**	**Metinvest Trametal**	Increase the cutting capacity by 150-190 kt/y of plates with a thickness from 4 mm to 40 mm	Basic and detailed engineering and documentation was developed. Tendering process with suppliers has been started
7	**Re-equipment of beneficiation facilities**	**Central GOK**	Improve mechanical properties of pellets (produce DRI-quality pellets) to penetrate new premium markets	Upgraded facilities put into pilot operation in March 2020. Test shipments of BF pellets were sent to customers
8	**Construction of crusher and conveyor system**	**Ingulets GOK**	Reduce operational and capital expenditure in iron ore mining and maintain production volumes	Construction is ongoing on the Eastern conveyor line. It is expected to be completed in 2H 2021
9	**Construction of crusher and conveyor system at Pervomaisky quarry**	**Northern GOK**	Reduce operational and capital expenditure in iron ore mining and maintain production volumes	Construction of the facility for rock transportation is ongoing. Completion is scheduled for 2H 2021
10	**Upgrade of OK-306 roasting machine (1st stage)**	**Northern GOK**	Improve mechanical properties of pellets to capture additional market premium	Completed in 3Q 2020
11	**Replacement of gas cleaning units in Lurgi 552-A roasting machine**	**Northern GOK**	Comply with environmental requirements and improve workplace conditions	Active construction works are ongoing. Completion is expected in 1H 2022

Debt profile

As at 31 December 2020:

- total debt was US$2,937 mn (-3% y-o-y)
- net debt was US$2,111 mn (-23% y-o-y)
- net debt to EBITDA was 1.0x (-1.3x y-o-y)

Metinvest proactively improved its debt portfolio:

- extended bond maturity profile by issuing US$333 mn 7-year paper to redeem bonds due in 2021 and 38% of bonds due in 2023
- partnered with an international financial institution – the Black Sea Trade and Development Bank – and secured EUR62 mn 7-year facility
- raised more than US$70 mn of other CAPEX financing
- launched its first EUR75 mn securitisation programme
- repaid US$178 mn of the PXF facility, including a US$45 mn prepayment amid strong liquidity position

CREDIT RATINGS

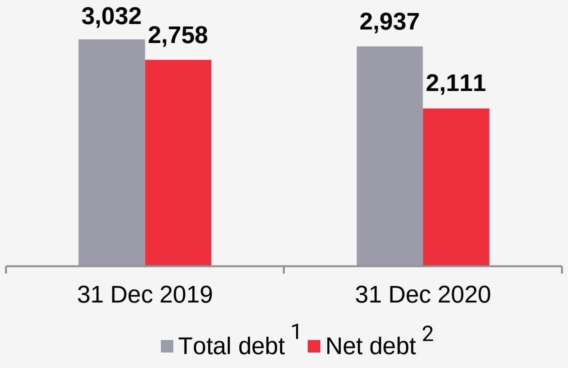
BB- negative / outlook change (Jun-20)
Fitch

B stable / rating affirmed (Jul-20)
S&P

B2 stable / rating upgrade (Jun-20)
Moody's

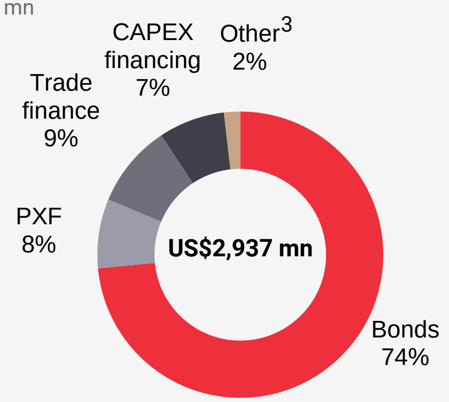
Total and net debt

US$ mn



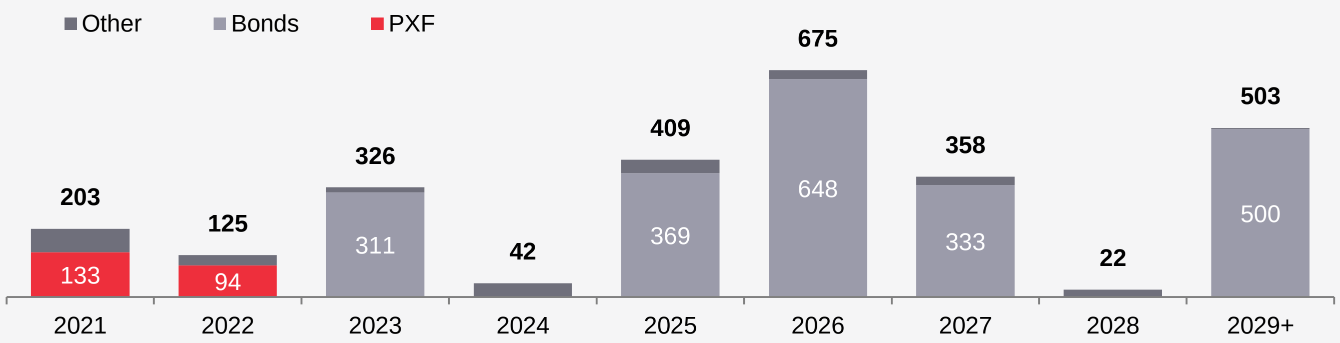
Total debt as at 31 December 2020

US$ mn



Corporate debt maturity as at 31 December 2020[4]

US$ mn



1. Total debt is calculated as the sum of bank loans, bonds, trade finance and lease liabilities
2. Net debt is calculated as total debt less cash and cash equivalents
3. Lease liability under the IFRS 16 and other bank loans
4. Notes:
   - Presented amounts of scheduled installments include principal only (without accrued interest, fees, commissions and discounts)
   - Bonds: US$311 mn at 7.75% pa due in 2023, EUR300 mn at 5.625% pa due in 2025 (converted at EUR/USD f/x of 1.2287), US$648 mn at 8.50% pa due in 2026, US$333 mn at 7.65% pa due in 2027, US$500 mn at 7.75% pa due in 2029
   - PXF : US$228 mn at LIBOR + margin due in October 2022
   - Other includes ECA-covered and other facilities
   - Trade finance lines are mainly rollovers, so are excluded from the maturity profile chart; Lease liability under the IFRS 16 is excluded

ESG

Environment

Goals

Reduce environmental footprint

Introduce more efficient, energy-saving technology

Meet best global standards in this area

Proactively address critical issues

Results in 2020

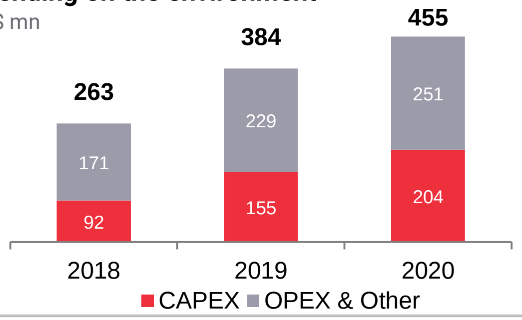
Around US$455 mn was spent on environmental safety[1] in 2020, up 18% y-o-y

Progress on key projects to reduce environmental footprint:

- reconstruction of the gas cleaning system at Ilyich Steel's sinter plant – expected up to 90% reduction in dust emissions and up to 46% reduction in SOx emissions
- reconstruction of the gas cleaning systems for basic oxygen furnaces nos. 1 and 2 at Azovstal – expected 70% reduction in dust emissions
- replacement of gas cleaning units of Lurgi 552-A roasting machine at Northern GOK – expected 40% reduction in dust emissions
- systematic extensive maintenance of coke oven chambers at all coke production facilities to keep dust and gaseous emissions at well below permitted levels

Spending on the environment[1]

US$ mn



Social

Goals

Cooperate with the communities where Metinvest operates to achieve sustainable improvements in social conditions

Maintain a close dialogue with local stakeholders

Achieve zero incidents

Results in 2020

Around 69,000 employees as at 31 December 2020

US$105 mn was spent on health and safety in 2020, up 14% y-o-y

LTIFR was 0.529 in 2020 – the lowest rate in Metinvest's history

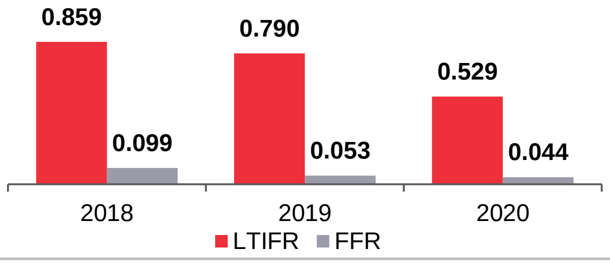
Metinvest rejected tax holidays offered by Ukrainian government and paid US$612 mn of taxes globally in 2020, incl. CIT

US$15 mn was invested to support communities in 2020, of which around US$6 mn was spent to help fight COVID-19

In response to the COVID-19 pandemic:

- all administrative employees switched to remote working, enhanced health protocols introduced at all assets
- the Group purchased 18,000 COVID-19 express tests for 44 medical institutions and financed the delivery of humanitarian supplies from China
- Metinvest constructed 240 additional oxygen supply points at four healthcare facilities in Mariupol

LTIFR[2] and FFR[3]



Governance

Goals

Develop the corporate governance system to be among the most transparent international companies and serve the interests of all stakeholders as thoroughly as possible

Results in 2020

The Supervisory Board includes three independent members, who are deemed independent within the meaning of the Dutch Corporate Governance Code 2016

Avetik Chalabyan joined the Supervisory Board and became a member of the Strategy and Investments Committee.
Mr. Chalabyan held various positions at McKinsey & Company (2001-2020), including Senior Partner (2013-2020) leading the global Metallurgical practice

Metinvest published the Sustainability Report 2019, which was prepared in accordance with the Global Reporting Initiative (GRI) and, for the first time ever, the guidelines of the Sustainability Accounting Standards Board (SASB) were considered

SUSTAINALYTICS 32.0

In June 2020, Sustainalytics assigned Metinvest an ESG Risk Ratings score of 32.0 on a scale between 0 (lowest risk) and 100 (highest risk). While the risk of experiencing material financial impacts driven by ESG factors was assessed as high due to the steel industry's significant exposure, Sustainalytics recognised the Group's management of material ESG issues as strong.

MSCI ESG RATINGS B

CCC | B | BB | BBB | A | AA | AAA

As of 2020, Metinvest received MSCI ESG Rating of 'B'[4] (on a scale of AAA-CCC) in the MSCI ESG Ratings assessment. The rating remained unchanged y-o-y.

Note: FY2020 data on this slide are preliminary and may change upon completion of internal verification procedures

1. Including both capital and operational improvements
2. The lost-time injury frequency rate (LTIFR) is the number of lost-time incidents per 1 million man-hours.
3. The fatality frequency rate (FFR) is the number of job-related fatalities per 1 million man-hours.
4. Disclaimer statement. The use by Metinvest B.V. of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Metinvest B.V. by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

Segmental Review

Mining operations

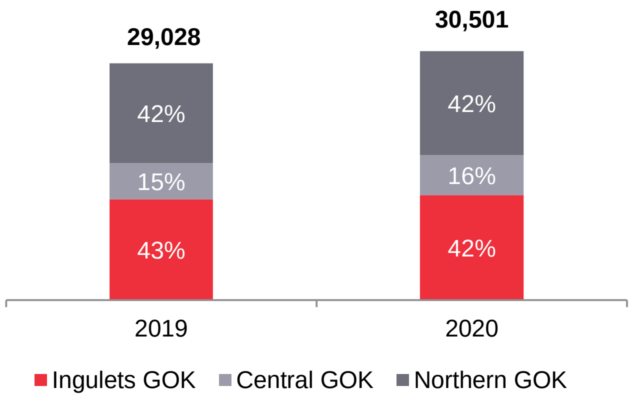
Overall iron ore concentrate output grew by 5% y-o-y, as a result of:

- the Group's mining assets boosting ore production
- operational improvements
- Central GOK processing third-party ore

Iron ore self-sufficiency of around 299%[1] in 2020

Iron ore concentrate production

kt



1. Iron ore self-sufficiency is calculated as actual iron ore concentrate production divided by actual consumption of iron ore products to produce hot metal in the Metallurgical segment

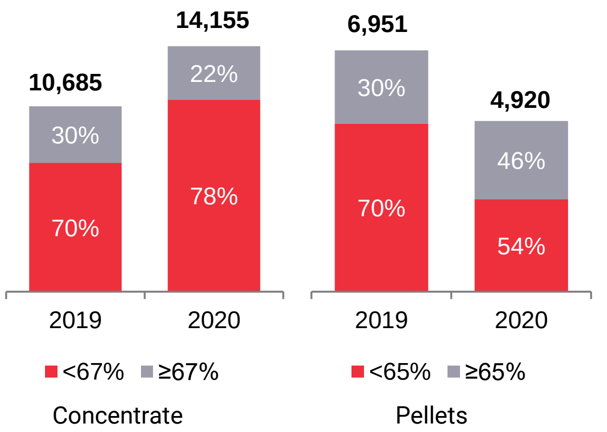
Merchant iron ore concentrate[2] output surged by 32% y-o-y, due to greater overall concentrate output and changes in the order book at Northern GOK

Merchant pellet[2] output dropped by 29% y-o-y

- the share of high-grade pellets was 46%, up 16 pp y-o-y, primarily as a result of the launch of production of concentrate with 70.5% Fe content and pellets with 67.5% Fe content that is used in DRI technology after the upgrade of beneficiation facilities at Central GOK
- output of pellets with 67.5% Fe content reached 1,004 kt in 2020

Output of iron ore products by Fe %

kt



2. Merchant iron ore product output figures exclude intragroup sales and consumption. The production data for merchant iron ore concentrate in 2019 and 1Q 2020 was revised to exclude sales between the mining assets to produce pellets.

Coking coal concentrate output[3] at United Coal in the US fell by 3% y-o-y , as operations were suspended at one of the blocks of the Affinity mine in late March and the Huffman mine in February

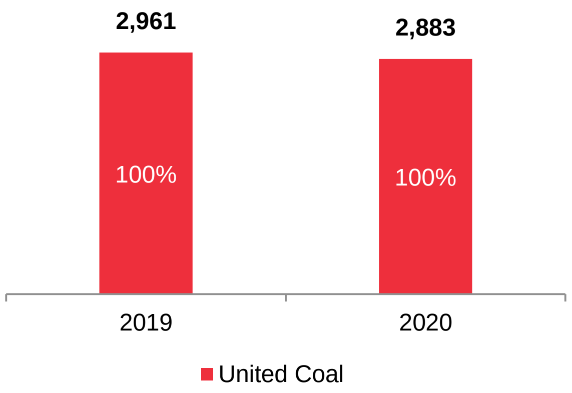
Coking coal self-sufficiency was 46%[4] in 2020

Direct supplies of Russian coal resumed in March 2020

Additional long-term supplies are secured following the acquisition of 24.77% in the biggest coking coal asset in Ukraine

Coking coal production

kt



3. Excluding production from raw coal purchased from third parties
4. Coal self-sufficiency is calculated as actual coal concentrate production divided by actual consumption of coal concentrate to produce coke required for production of hot metal in the Metallurgical segment, and coal consumption for PCI is included in the calculation

Mining segment financials

Sales

- external sales increased by 9% y-o-y, driven by higher selling prices of iron ore concentrate, a 9% y-o-y rise in sales volumes of iron ore products and strong demand in China
- share of pellets in the iron ore sales mix fell to 26% in 2020 (-14 pp y-o-y), amid lower demand and premiums globally, while that of merchant concentrate rose to 74%
- the top five customers of the segment accounted for 48% of segmental sales (62% in 2019)
- overall, 61% of iron ore volumes were sold under annual contracts (71% in 2019)

EBITDA

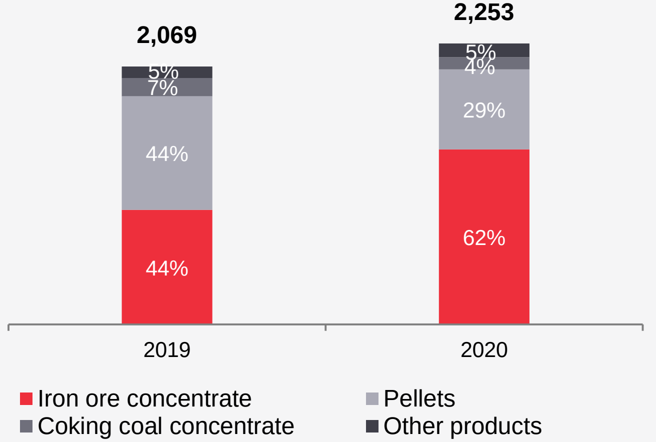
- EBITDA rose by 8% y-o-y, amid higher segmental top line, a positive effect of operational improvements, as well as improved contribution from the Mining JV
- the contribution to gross EBITDA[1] totalled 62%, down 47 pp y-o-y
- the EBITDA margin was 46%, up 6 pp y-o-y

The segment's CAPEX decreased by 39% y-o-y to US$313 mn, primarily due to lower maintenance investments at iron ore and coking coal producers

US$ mn	2020	2019	CHANGE
Sales (total)	3,155	3,390	-7%
Sales (external)	2,253	2,069	9%
% of Group total	22%	19%	+3 pp
EBITDA	1,448	1,343	8%
% of Group total[1]	62%	109%	-47 pp
Margin	46%	40%	+6 pp
CAPEX	313	510	-39%

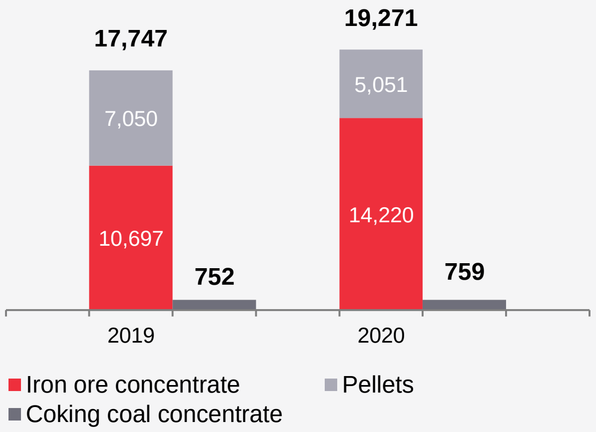
Sales by product

US$ mn



Sales by product

kt



1. The contribution is to the gross EBITDA, before adjusting for corporate overheads and eliminations

Metallurgical operations

Hot metal output increased by 7% y-o-y, amid:

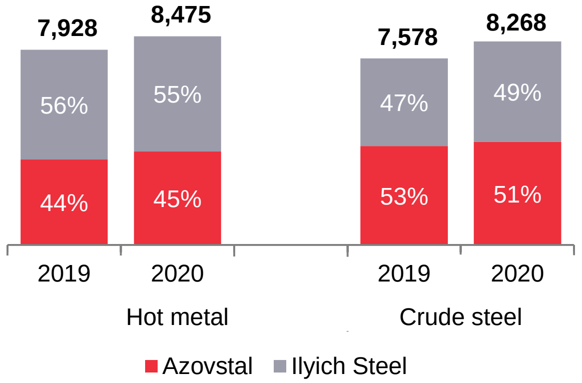
- a 9% increase at Azovstal amid the launch of BF no. 3 after a major overhaul and upgrade in June 2019 and a planned major overhaul of BF no. 2 in 4Q 2019
- a 5% rise at Ilyich Steel due to a lower base in the prior year, attributable to the shutdown of BFs nos. 3 and 5 for planned overhauls in 2019

Crude steel output climbed by 9% y-o-y as a result of:

- a 4% increase at Azovstal amid greater hot metal production
- a 14% rise at Ilyich Steel due to the reallocation of hot metal to steelmaking

Hot metal and crude steel production

kt

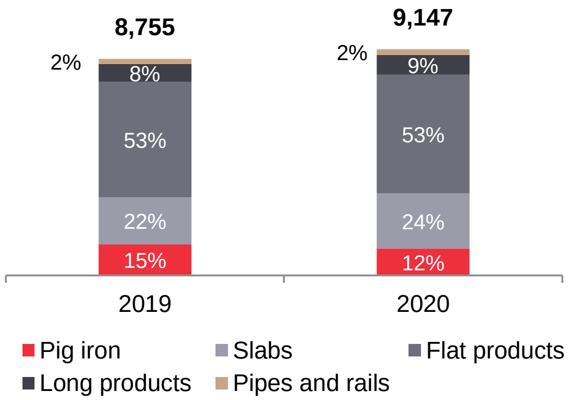


Merchant pig iron and steel product mix highlights:

- higher share of slabs (+2 pp) and lower share of pig iron (-3 pp), due to a 17% rise in output of the former amid greater demand
- unchanged share of flat products due to higher HRC production after the revamp of HSM 1700 at Ilyich Steel and steady market demand for that product, which fully compensated for the drop in plate output
- higher share of long products (+1 pp), amid an increase in orders for rebar
- stable shares of pipes and rails

Merchant pig iron and steel product output

kt



Dnipro Coke has been a subsidiary of the Group since March 2020

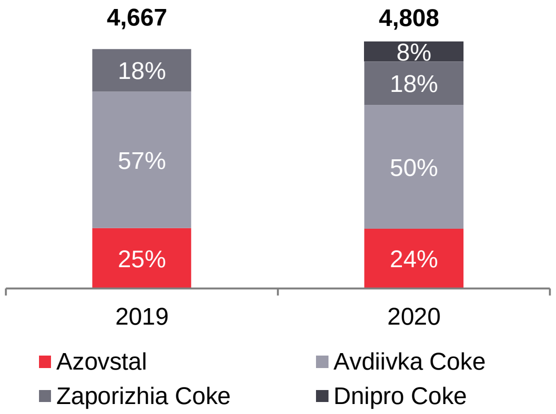
Coke[1] output grew by 3% y-o-y, following the consolidation of Dnipro Coke's production from 2Q 2020 (383 kt)

Coke self-sufficiency stood at 160%[2] in 2020

In 3Q 2020, Metinvest increased its stake in Zaporizhia Refractories, a producer of refractory products and materials in Ukraine, to 50.79%, following which it became a subsidiary of the Group

Coke production

kt



1. Dry blast furnace coke output. Starting in 2Q 2020, coke production data include production volumes of Dnipro Coke after the Group increased its stake in the asset to 73.01%
2. Coke self-sufficiency is calculated as actual coke production divided by actual consumption of coke to produce hot metal in the Metallurgical segment

Metallurgical segment financials

Sales

- external sales declined by 6% y-o-y, mainly due to decreased steel and coke selling prices following global benchmarks
- the share of HVA products[1] in the sales mix volumes, excluding resales, was 43% in 2020, down 5 pp y-o-y
- the top five customers accounted for 16% of the segment's revenues, unchanged y-o-y
- almost all steel volumes were sold on the spot market

EBITDA

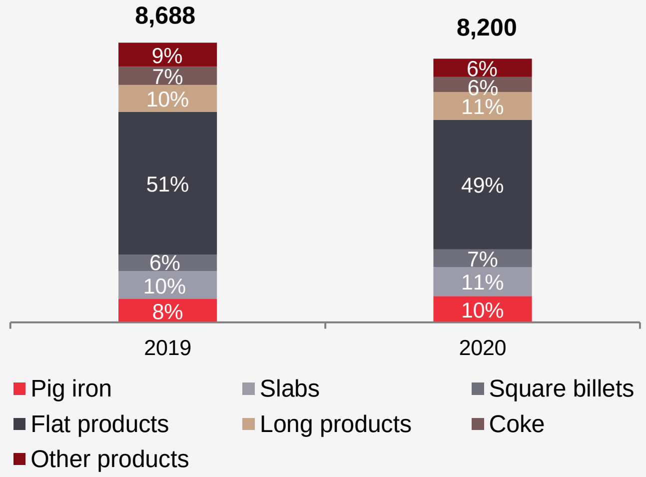
- EBITDA recovered to positive US$890 mn, driven primarily by lower expenses for raw and energy materials amid lower purchase prices and improved consumption efficiency, greater sales volumes of pig iron and steel products, as well as higher contribution from the Metallurgical JV
- contribution to gross EBITDA[2] reached 38%, up 47 pp y-o-y
- EBITDA margin rose by 12 pp y-o-y to 11%, as a result of a lower cost base

The segment's CAPEX declined by 36% y-o-y to US$332 mn, following the completion of major strategic projects at Azovstal and Ilyich Steel

US$ mn	2020	2019	CHANGE
Sales (total)	8,270	8,771	-6%
Sales (external)	8,200	8,688	-6%
% of Group total	78%	81%	-3 pp
EBITDA	890	-107	+997
% of Group total[2]	38%	-9%	+47 pp
Margin	11%	-1%	+12 pp
CAPEX	332	519	-36%

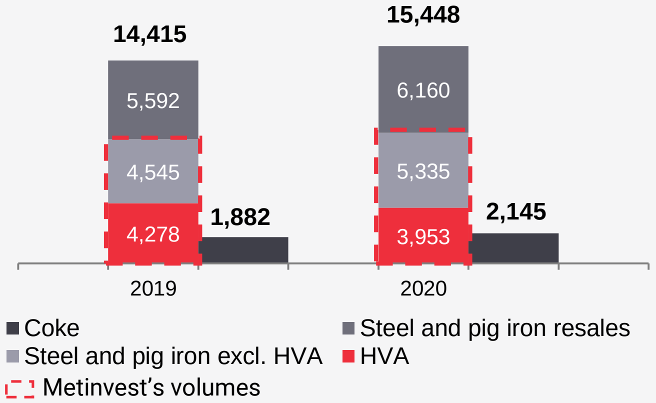
Sales by product

US$ mn



Sales by product

kt



1. HVA products include thick plates, cold-rolled flat products, hot-dip galvanised sheets and coils, structural sections, rails and pipes
2. The contribution is to the gross EBITDA, before adjusting for corporate overheads and eliminations

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