

PRESS RELEASE

June 29, 2022

Interpipe announces operational and financial results for the first 3 months 2022

Interpipe (referred to as “Interpipe” or the “Company”), a global producer of steel pipes and railway products based in Ukraine, released (via Interpipe Holdings Plc) its unaudited IFRS consolidated financial statements for the period from January 1 to March 31, 2022.

3 months 2022 Operational and Financial Highlights:

- Steel output declined by 16% y-o-y, to 163 kt, pipes production went down by 12% y-o-y, to 97 kt, railway products production shrank by 43% y-o-y, to 23 kt;
- Overall sales declined by 10% y-o-y, to 140 kt;
- Revenue grew by 19% y-o-y to USD 239 million;
- EBITDA contracted by 63% y-o-y to USD 15 million.

During the first 2 months 2022 Interpipe enjoyed a generally favorable global market environment. However, after the Russian invasion of Ukraine on February 24 the Company's management decided to suspend production fully. The main task was to ensure the safety of employees and preservation of our assets and business continuity. This resulted in contraction of the overall pipe production by 12% y-o-y and railway product production by 43% y-o-y in Q1 2022.

Despite the decline in operating performance Interpipe's revenue in the first 3 months 2022 grew up by 19% y-o-y to USD 239 million driven by the surge in the pipe segment revenue by 47% y-o-y to USD 181 million. At the same time, the total EBITDA slumped by 63% y-o-y to USD 15 million. On the top of the loss of sales volumes and extra logistic and transportation costs due to the invasion the financial performance additionally affected by appreciation of key raw materials and production inputs: scrap, electricity, and natural gas. E.g. in Q1 2022 natural gas price in Ukraine on average skyrocketed by more than 6x y-o-y.

Andriy Korotkov, Acting CEO at Interpipe commented on the results:

- At the end of March Interpipe carefully restarted shipments of our products, in April we gradually renewed production facilities. In May, the EAF complex Interpipe Steel started operating, and the Company began gradually ramping up production and shipments of finished products.

However, unfortunately, Interpipe is currently unable to return to the pre-war production levels as the war has broken usual supply chains as Ukraine's Black Sea seaports are blocked, the country has full-scale motor fuel shortage, and transport infrastructure is constantly being destroyed by missile strikes. New supply and logistics chains are in the process of rebuilding and formation.

Since the beginning of the full-scale war Interpipe has been steadily paying salaries to all employees, including idled ones. Moreover, the Company together with Victor Pinchuk and Olena Pinchuk Foundations, provided a large-scale assistance to Ukrainian Armed Forces, medics, and civilians, channeling more than USD 35 million for humanitarian aid efforts during the 126 days of the war. In addition to the assistance at the national and regional levels, Interpipe helps employees mobilized to the Armed Forces of Ukraine.

About the company:

Interpipe is global producer of steel pipes and railway products based in Ukraine. The company's products are marketed in more than 80 countries all around the world via the network of sales offices located in key markets of Ukraine, Europe, North America and the Middle East. In 2021, Interpipe supplied 602 kt of pipes and 174 kt of railway products.

Interpipe has 10 thousand people working at the company's facilities. During 2021 the Company transferred ca. UAH 3bln in taxes to budgets of all levels and extra-budgetary funds.

Contacts for the mass media:

Andrey Pisarevskiy

Press Officer

Phone: +380 44 233 66 53

Cell: +380 67 952 17 62

Andrey.Pisarevskiy@m.interpipe.biz

www.interpipe.biz