FY 2019

Operational and Financial Overview

INTERPIPE

Disclaimer

This presentation ("Presentation") has been prepared by Interpipe Holdings Plc and its subsidiaries (jointly referred to as the "Company")

The Presentation shall not be considered as investment, legal, tax, or accounting advice by the Company or any employee or other representative thereof, nor does it form a part of any offer for purchase, sale, or subscription of, or solicitation, or invitation of any offer to buy, sell, or to subscribe for any securities

The Presentation may also contain forward-looking information and statements. These may include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives, and expectations with respect to future operations, and statements regarding future performance. Such information and statements are subject to various risks and uncertainties, many of which are difficult to predict, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements

Each part of the Company, its employees and other representatives expressly disclaim any and all liability for the contents of, or for omissions from, this document or any written or oral communication transmitted or made to any person in connection with the Presentation

The Presentation is based on business, general economic, market, and other conditions that could be reasonably evaluated by the Company as of the Presentation date. The business and financial conditions of the Company are subject to change, which may not be reflected herein

In furnishing this Presentation, the Company does not undertake any obligation to provide the recipients with access to any additional information or to update the Presentation or any additional information or to correct any inaccuracies in any such information which may become apparent

INTERPIPE

Mission to sustain operations during COVID-19 (1/3)

INTERPIPE

Health & Safety

- Due to the COVID-19 outbreak worldwide the Company has taken very seriously all the potential risks related to this disease and is committed to procurement of the sustainable production activity on its facilities with the priority focus on protection of health and wellbeing of employees
- The Company has introduced additional measures aimed to prevent the coronavirus penetration to its facilities:
  - Hand disinfectors have been installed in change houses and offices, employees have been provided with masks and protective gear
  - Interpipe has introduced mandatory thermometry for every employee as well as for third-party drivers, contractors, auditors and visitors. People with high temperature are not allowed on Interpipe sites
  - For the period Interpipe has also suspended mass activities, including training programs, cultural and sports events
  - All business trips are suspended
  - At the same time, management and production meetings are carried out online
  - Office staff has been instructed to work remotely
  - In addition, Interpipe continues to use corporate transport along 40 routes to deliver employees to its production sites

Public Activity & Donations for Healthcare

- In order to prevent the virus spreading and support the healthcare of Ukraine the Company is supporting the Anti-Crisis Headquarters under the leadership of the Dnipropetrovsk Governor coordinating efforts between business and local authorities' representatives (key cities the Company is in charge of are Dnipro, Nikopol and Novomoskovsk)
- The Company jointly with its shareholders has donated UAH 114 mln (ca. USD 4.2 mln) for purchases of the coronavirus test systems, artificial lungs ventilation (ALV) machines for Ukrainian hospitals and other medical equipment and personal protection gear
- In addition, the Company via its charity fund "Revival of the Region" has already accumulated ca. UAH 6.8 mln[1] through private donations and support from local business for procurement of medical equipment and personal protection gear in the Dnipropetrovsk region

1. Including medical equipment purchased by a donator in amount of UAH 1.5 mln without direct transferring of funds via the charity fund

Mission to sustain operations during COVID-19 (2/3)

INTERPIPE

Government Support & Measures

- An introduction of defined and tangible programs by the Ukrainian Government to support large businesses like Interpipe during the outbreak are still pending
- The only yet applicable measure introduced is the tax holidays for the period from 1 March till 31 March (in turn, the Company has already transferred these savings in amount of ca. UAH 17 mln for medical equipment purchases)
- At the same time, as of today the Company's management does not anticipate an imposition of production shutdown measures by the Government going forward that could materially jeopardize its operations and/or lead to a temporary suspension of the Company's business activity given fragility and vulnerability of the Ukrainian economy and utmost dependency on large business in terms of its vital contribution to the country's GDP, export inflows, tax collections, etc

Operations & Capex

- In Q1 2020, negative consequences of COVID-19 outbreak had yet not factored in operations and sales of the Company as well as there has been a limited adverse impact so far observed in April.
- At the same time, the management anticipating certain softening of the global business activity and demand on the Company's products has already undertaken pre-emptive cash saving measures to buffer a potential recession in the industry:
  - Temporary changes to the Strategic Investment Plan – i.e. postponement of new expansion projects. At the same time, the Company has been continuing to fulfill all obligations under all expansion projects that are in progress (ca. USD 6.5 mln[1]) and cost reduction projects (ca. USD 5.7 mln[1]). All maintenance Capex will be held without any changes
  - Variable part of the remuneration of the management and some other categories of employees has been frozen
- In case of the worst outcome of the outbreak evolution and inherent negative consequences the management has also elaborated several options to keep flexibility for scaling down the business, including dismissal of up to 2,100 operational personnel

1. As of 31 March 2020

Mission to sustain operations during COVID-19 (3/3)

INTERPIPE

Liquidity

- The Company entered 2020 with the solid cash cushion in amount of USD 256 mln[1] which eventually allowed to reduce the debt by USD 121 mln in Q1 2020 and an unprecedentedly low leverage (Net Debt to EBITDA) of 0.3x
- As of 31 March 2020 the cash balance amounted to ca. USD 134 mln[1] suggesting a fairly modest Net Debt of USD 77 mln[2]
- In addition to the cash saving measures in operations and Capex the management has been proactively managing its Working Capital:
  - Cash. Limitation of cash balances on the accounts in potential economically vulnerable jurisdictions (Ukraine, UAE)
  - Inventory
    - Daily monitoring of finished goods production orders and flexible changes of raw materials stocks
    - Accumulation of additional stocks of imported materials in case of potential supply outages
  - Receivables
    - Weekly monitoring of duly payment receipts from key off-takers
    - Reduction of credit risk limits to off-takers from potentially unstable jurisdictions (Ukraine, CIS)
  - Payables. Negotiations with key suppliers regarding longer payment deferrals against guaranteed payments on an agreed date

1. Reported according to the IFRS as Cash & Cash Equivalents; for the cash balance as of 31 March 2020 – the figure is preliminary
2. Assuming the only remaining outstanding under the Notes in amount of USD 210.7 mln

Key Highlights of FY2019

- H1 2019 was generally favorable for the Company in both pipe and railway product segments

- H2 2019 saw mixed performance across segments: while the pipe segment has underperformed on the back of weakened demand in key markets, the railway product segment has seen a significant boost to its performance.

- In general in 2019, the railway product segment exhibited “abnormal” outperformance substantially exceeding the Company’s earlier forecasts. This was driven by increased demand that we saw overall and in the CIS market in particular due to a deficit in railway products that led to the suspension of the antidumping duty of 34.22% in the Customs Union (effective August 2019), which in turn also contributed to the superior profitability of the segment in H2 2019.

- At the same time, in H2 2019 the pipe segment and OCTG business line in particular was under pressure due to weakened demand for the following reasons:

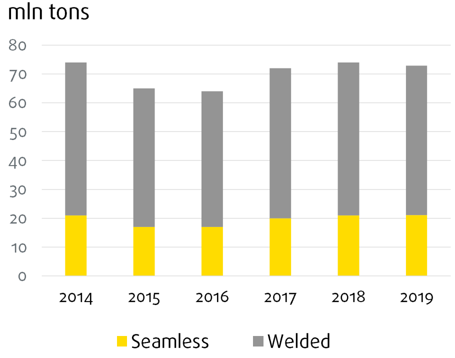
  - Slump in the overall drilling activity in Ukraine and overstocking - mainly by the state-owned company UGV (a subsidiary of Naftogaz);
  - Termination by the US Government of the existing tariff suspension agreement with Interpipe effective July 2019 in the OCTG pipe supply, which imposed the antidumping duty of 7.47% on the Company and has negatively affected profit margins in the US market. In Q4 2019, US pipe sales have decreased further due to overstocking of the main pipe distributors in the region;
  - adverse pricing environment and a reduction in the EU sales due to an overall negative sentiment in the market, which were partially offset by the EU Commission’s decision to reduce the antidumping duty for Interpipe’s seamless pipe supply from 13.8% to 8.1% effective August 2019

- In Q4 2019, overall the Company showed very strong performance underpinned by the railway product segment results, which allowed the Company to substantially improve its liquidity position as of YE 2019

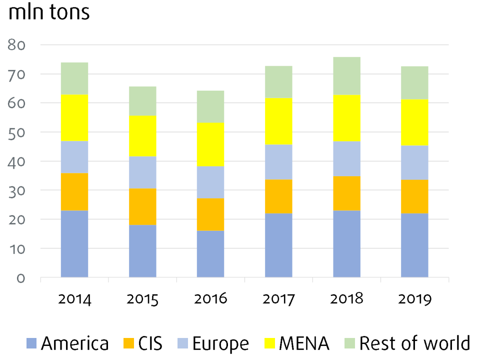
Pipe market

- Global trade tensions, economic slowdown and deteriorated drilling activity are major factors for 2019 industry's downturn
- Key pipe demand markets (North America, Europe and the MENA) in 2019 were slowing down in pipe supply as markets saw overstocking at the yards
- US rig count down by 25.4% y-o-y in 2019 and lost 274 units by the end of 2019 from December 2018. Low drilling activity strongly reflected on the pipe products demand
- In 2019, the EU industrial and construction sectors have been weighed down by many negative factors that have largely contributed to increasing global business uncertainty. The rapid deterioration of the business climate as well as pessimism on incoming orders and short-term production activity has increasingly led businesses to delay their investment decisions
- Trade safeguard measures initiated by the USA, China, and the EU had a tremendous impact on supply volumes – both locally and internationally as US mills increased production utilization and overseas suppliers had to find other export markets
- Ukrainian seamless pipe market continued deterioration in Q4 2019 caused by declined natural gas prices and slowed down drilling activity by state-owned company UGV (the subsidiary of Naftogaz)

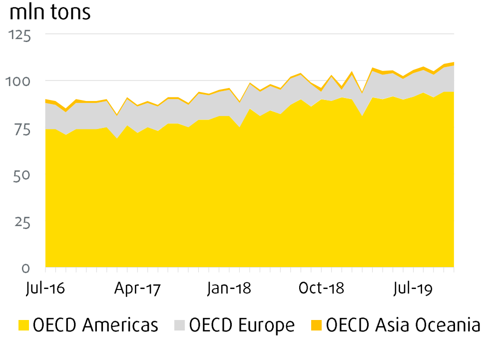
Pipe market by products[1]



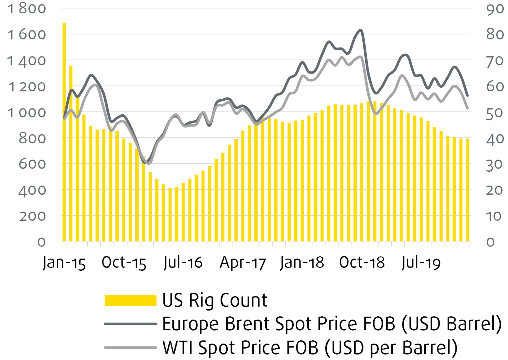
Pipe market by regions[1]



Crude Oil production



Crude Oil price and Rig Counts



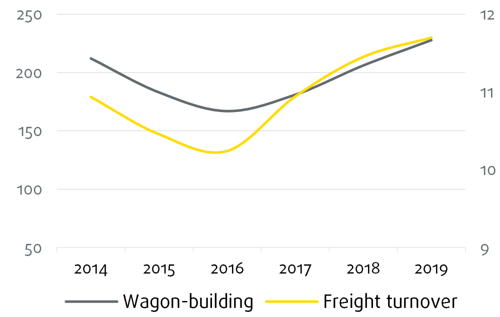
1. Excluding China. 2019 forecasts are as per the management's projections

Railway product market

- In 2019, railcar manufacturing in the Customs Union increased by 14% y-o-y, production doubled in other CIS countries. The railway wheels after-market segment was mainly driven by the continuous peak of freight wagon maintenance in Russia during 2017-2019.
- The Eurasian commission suspended action of 34,22% duty on Interpipe's railway wheels, and significantly changed pricing conditions on the market.
- In 2019, the Ukrainian railway wheels market was supported by strong railcar manufacturing, driven by the domestic deficit in freight railcars and export sales. Major demand volumes came from private customers while Ukrainian state-owned Ukrzaliznytsia (Ukrainian Rail) did not finance manufacturing of rail cars.
- In Europe, there is a sustainable demand for railway products (wheels, wheelsets and axels) from both wagon-building and after-market segment: positive production dynamics within the high-speed trains, electric multiple units segments. The trend is moving towards more efficient wagons with higher capacities and mileages.
- The US also expanded activity in railcar-building, after a decline during 2015-2016, supported with a strong demand of the after-market segment as a result of increased freight turnover and industrial output.

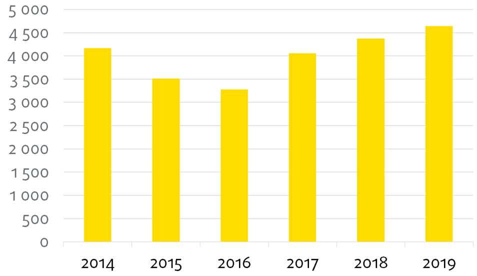
Global markets' wagon building and freight turnover

th. units mln tkm



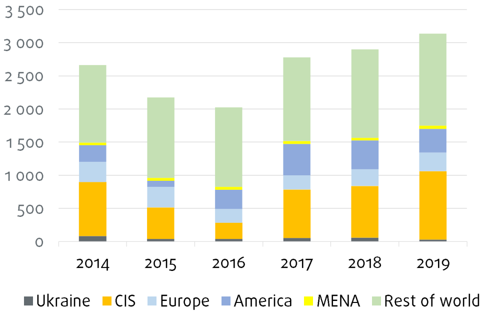
Railway wheel market[1]

th. units



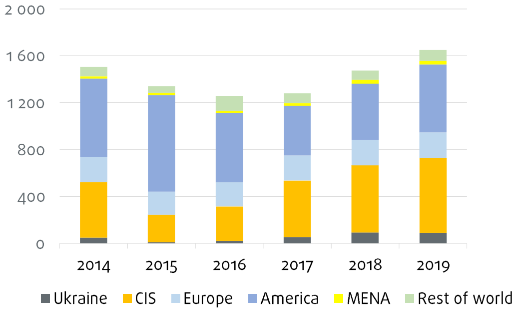
Railway wheels for after-market segment[1]

th. units



Railway wheels for wagon-building segment[1]

th. units

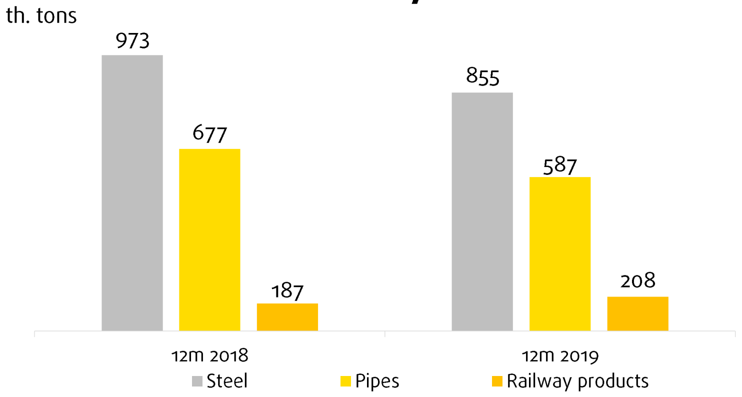


1. Excluding China. 2019 forecasts are as per the management's projections

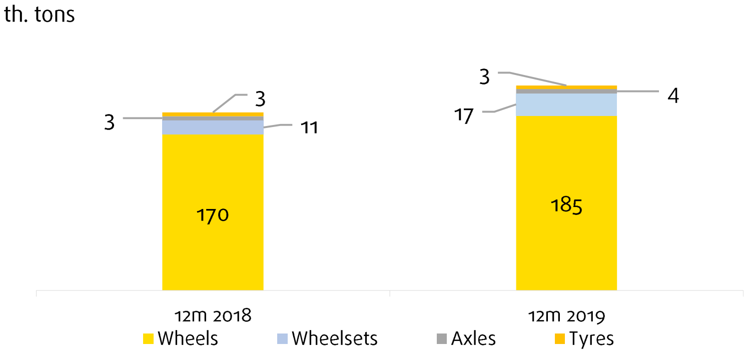
Operational Results

- Production dynamics fully correlates with the sales pattern of the Company in this period when sales were fully driven by a demand at the respective markets and regions.
- In 2019 pipe production decreased by 13% y-o-y due to trade barriers implemented in Russia and the EU market as well as a weakened demand in the Ukrainian and US markets in H2 2019 which mostly affected the linepipe and OCTG products.
- Railway products production in 2019 rose by 11% y-o-y as a result of increased demand in the CIS and European markets.
- Steel production went down by 12% y-o-y due to an overall curtailment in pipe production and purchases of round steel billets from third parties (up to 25 thousand tons)

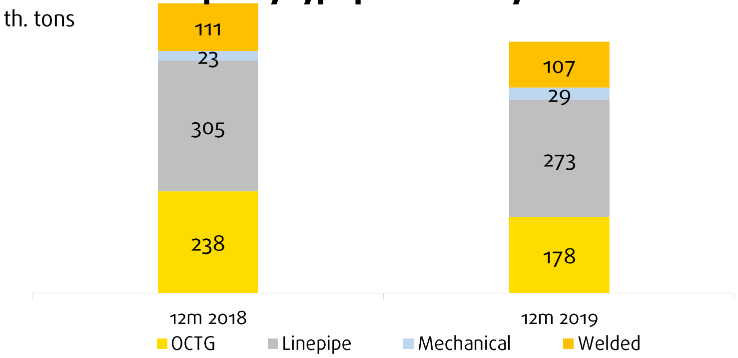
Production dynamics



Railway products by type production dynamics



Pipes by type production dynamics



Commitment to ESG principles

Focused on environment

- Interpipe mills introduced a system for ecological management and **operate according to the EN ISO 14001** standard
- Interpipe mills **adhere to the norms of CO2 emissions, set by the Kyoto protocol**
- While ensuring safe environments for its employees, Interpipe focuses on the international norms and standards - **OHSAS 18001 and ISO 14001**
- Interpipe Steel, a state-of-the-art steel melting complex built in 2012, has significantly improved the efficiency and **reduced the level of gross pollutant emissions in the atmosphere by 2.5 times** in comparison to older mills
- Interpipe Steel and Interpipe NTRP have **closed-loop water supply systems** that ensure **complete elimination of industrial waste water discharge** to the Dnipro River

Developing local communities

- Annual socially important events in the region – **Interpipe Dnipro Half Marathon** and **Interpipe TechFest**, gathering thousands of people to **promote healthy life style and technical education**. Interpipe TechFest 2019 presented a large exposition of new equipment for STEM education, booths of leading Ukrainian universities, technical competitions, and popular science lectures
- As a major employer in the region, Interpipe supports educational institutions and **creates new educational facilities at local universities**. In 2018, Interpipe **set a unique mechatronic lab** at the National Technical University "Dnipro Polytechnic", capable of educating 500 students annually
- Interpipe is **one of the largest taxpayers in Ukraine**. In 2019, the company transferred ca. USD 127 million to budgets of all levels and extra-budgetary funds

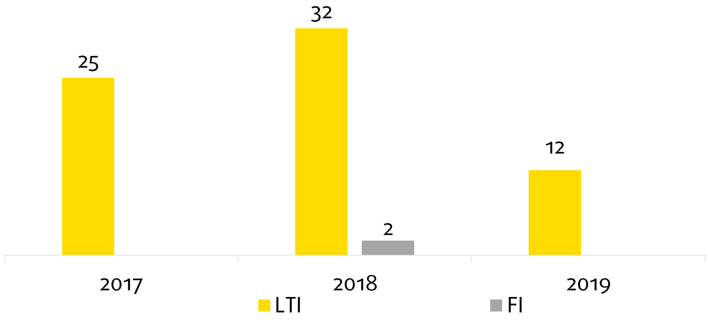
Following corporate governance procedures

- **Advanced procedures of corporate governance and developed reasoned corporate politics** in human resources, finance, quality, economic security, marketing strategy, business development, and other fields
- **Two-tier corporate governance structure**:
  - Balanced Board of Directors composition: highly professional Directors with local and international experience in all key areas of expertise
  - Diversified and distinguished management team
- **Strategic steps** in Company's development **are based on the collegial decisions made after the detailed analysis by 3 regular committees** (Audit and Compliance Committee, Strategy and Investment Committee, Nomination and Remuneration Committee) or non-regular committees
- **IFRS statements are audited on annual basis** by the reputable international auditor; unaudited accounts are published quarterly
- **Regular extensive disclosures** for investors via the website

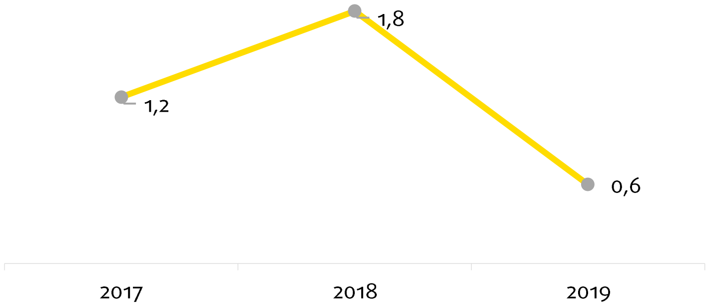
Health & Safety

- Health & Safety of employees has been one of key objectives for the management and shareholders of the Company
- In 2019, the number of lost time injuries (LTI) drastically dropped almost by 2/3 to 12 cases
- There were no fatal injuries within the Company's production assets in 2019
- LTIFR (Lost Time Injury Frequency Rate)[1] declined in 3 times down to 0.6x amid the following measures undertaken by the management:
  - Introduction of additional health & safety training and instruction programs for all personnel of the Company
  - Investments of ca. USD 0.5 mln in additional special equipment and facilities like security barriers, sensors and detectors and CCTV monitoring
  - Introduction frequent regular health & safety top-management inspections in production assets

Lost time injuries (LTI) and fatal injuries (FI)



Lost Time Injury Frequency Rate[1]



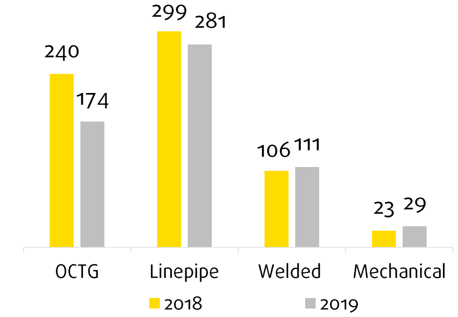
1. Calculated as the number of lost time injuries occurring in a workplace per 1 million hours worked.

Pipe Segment: Sales portfolio

- Revenue from seamless pipes decreased by 16% y-o-y in 2019, while welded pipe revenue improved by 13% y-o-y:
  - OCTG: volumes decreased by 28% y-o-y due to a change in drilling strategic plan by UGV in Ukraine
  - Linepipe: sales volumes decreased by 6% y-o-y due to EU quota limit, causing revenue loss of 13%
  - Mechanical pipe: shipments surged by 26% y-o-y, providing revenue growth of 54%
  - Welded pipe: revenue increased by 5% y-o-y, this is attributable to higher sales volumes in Americas region and Ukraine
- Despite lower revenue in seamless pipes, the Company has significantly increased export sales with revenue gains in the US and Middle East, even though sales to CIS customers decreased
- Europe sales volumes declined as a result of safeguard quotas introduced by the EU Commission
- The CIS markets' share reduced due to lower sales volumes in Russia and a weaker payment discipline in Uzbekistan and Azerbaijan
- Higher volumes were delivered to North America and LATAM regions due to a stronger cooperation with OCTG clients and increased welded line pipe sales
- In 2019, 71% of the pipe segment revenue came from export sales

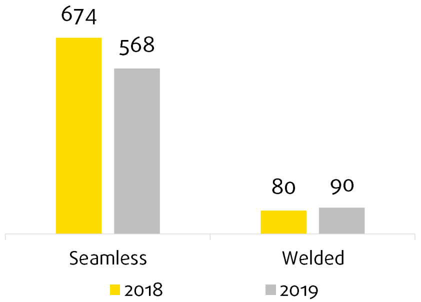
Pipe sales volumes by production type

th. tons

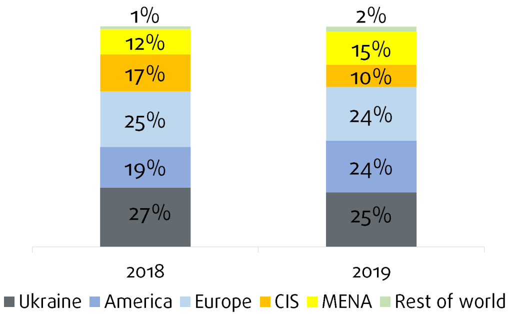


Pipe revenue by production type

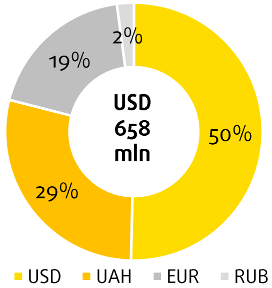
USD mln



Pipe sales volumes split by region[1]



Currency breakdown in FY 2019

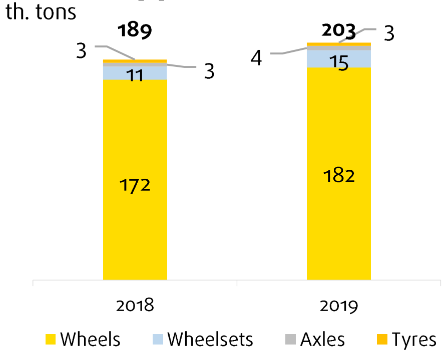


1. Physical volumes split (in tons sold)

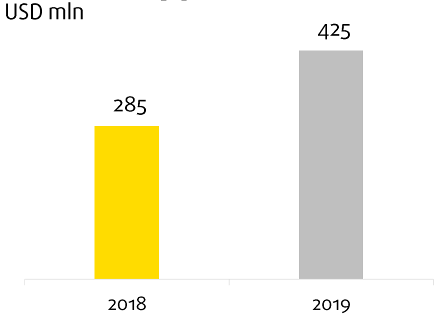
Railway product segment: Sales portfolio

- In 2019, the railway product revenue surged by 49% y-o-y and was positively impacted by overall price appreciation within the CIS region
- Sales volumes were primarily secured in Ukraine, Europe, and CIS countries, having substantial impact on revenue
- Sales to the CIS countries comprised a large part of the total volume (ca. 46%) due to strong demand and market supply deficit thanks to high level of rail car production and after-market operations
- Domestic sales volumes in Ukraine were also supported by private railcar builders and operators who imported used rail cars from Russia due to a scarcity of available rolling stock to secure freight turnover
- The European region had stable demand in freight wheel segment from railcar operators and has been a steady customer during the recession time. During 2018-2019, the share of sales in Europe has been growing sustainably and reached 26% in 2019 due to high demand in the freight wheel segment
- In 2019, 72% of the railway product revenue came from export sales

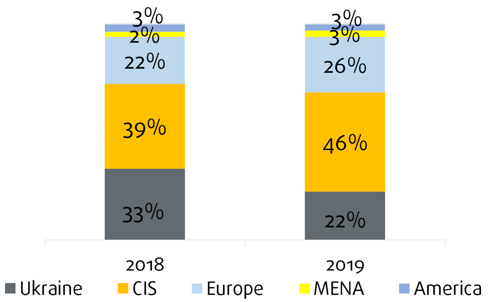
Railway product sales volumes



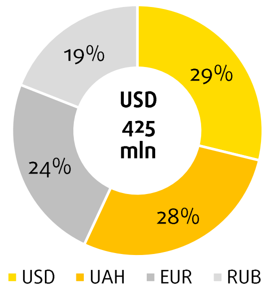
Railway product revenue



Railway product sales split by region[1]



Currency breakdown in FY 2019

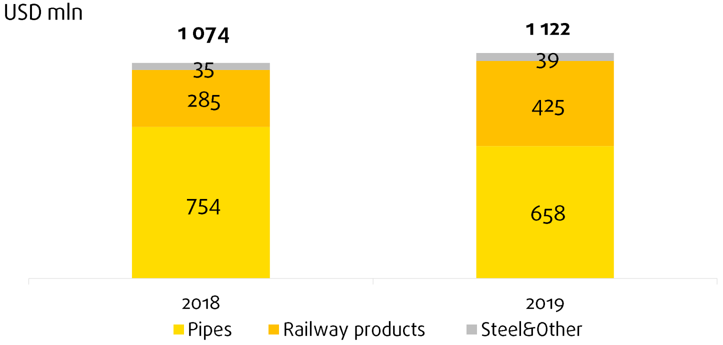


1. Physical volumes terms split (in tons sold)

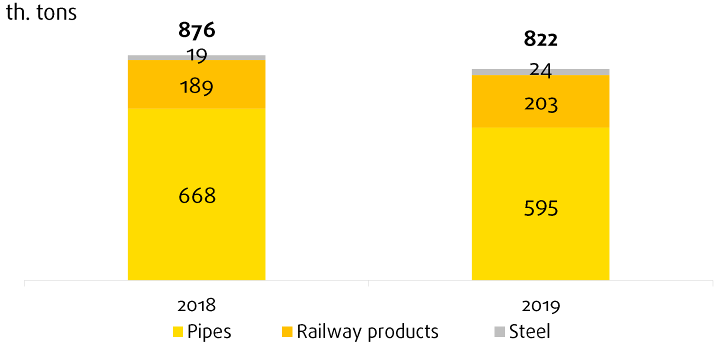
Financial Highlights[1]

INTERPIPE

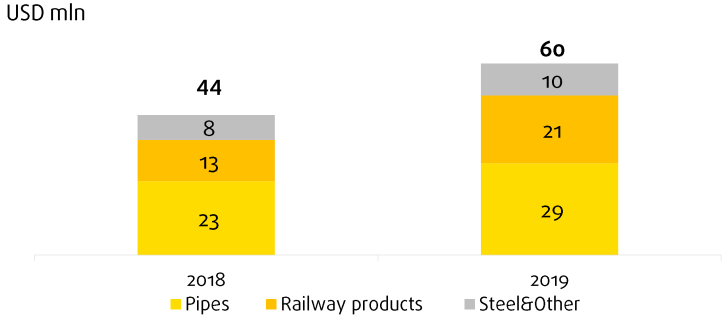
Revenue



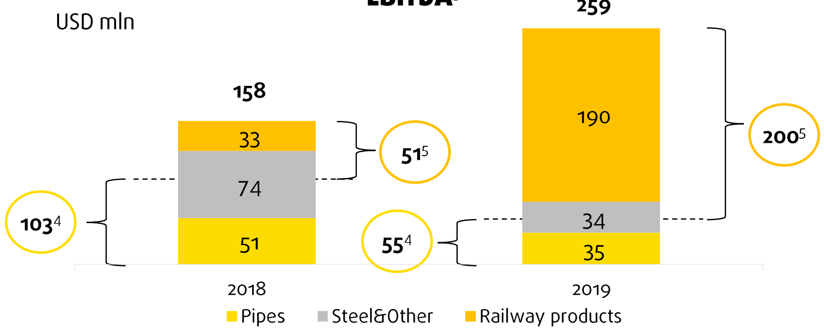
Sales volumes



Capex²



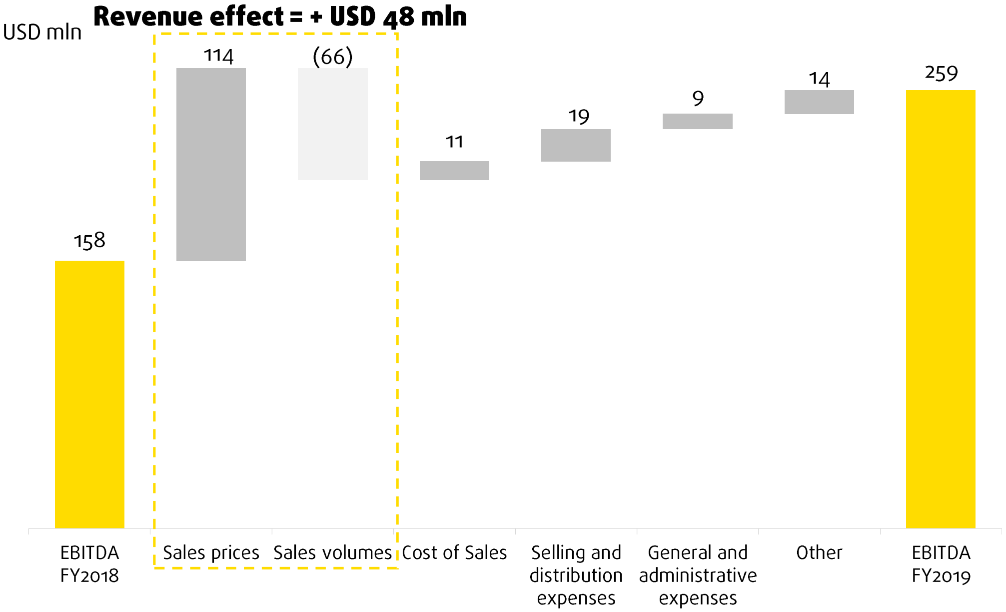
EBITDA³



1. Financial figures are presented based on the audited consolidated financial statements for the FY 2019 prepared according to the IFRS (the auditor – E&Y)
2. Capex figure represents the line Purchases of property, plant and equipment and intangible assets as part of the net cash flow from investing activities
3. EBITDA is calculated as an operating profit (or loss) plus depreciation and amortization charges, plus impairment of property, plant, and equipment and intangible assets, plus loss / (gain) on disposal of property, plant, and equipment, plus foreign exchange cash flow hedges effect, plus extraordinary losses / (gains), and plus operating foreign exchange gain/(loss)
4. EBITDA of the pipe segment on a pass-through basis reallocating of the relevant portion of EBITDA from the steel segment to the pipe segment
5. EBITDA of the railway product segment on a pass-through basis reallocating of the relevant portion of EBITDA from the steel segment to the railway product segment

EBITDA

- The FY2019 EBITDA[1] surged by 64% y-o-y and amounted to USD 259 mln
- The railway product segment is the main pillar of the EBITDA growth in 2019: its pass through EBITDA hiked by 4x almost and comprised 77% of the total FY2019 EBITDA
- At the same time the pipe segment pass through EBITDA shrank by 47% y-o-y and represented only 21% of the total FY2019 EBITDA (vs 66% in FY2018 EBITDA)
- The FY2019 EBITDA growth was the product of a number of diverging drivers including but not limited to:
  - The main driver was an increase in railway product sales prices and volumes due to robust demand in the CIS and EU markets
  - Reduction of pipe sales in the US and Ukrainian markets due to drop of drilling volumes in Ukraine which was partially counter balanced by an increase of sales to the MENA market
  - Cash production costs reduction mainly driven by lower prices for natural gas
  - Selling and distribution expenses went down by 12% y-o-y primarily driven by suspension of the antidumping duty of 34.22% in the Customs Union in August 2019 as well as changes in product mix
  - General and administrative costs decreased by 15% y-o-y mainly due to savings in payroll and related expenses and professional fees (ca. USD 7 mln in aggregate)

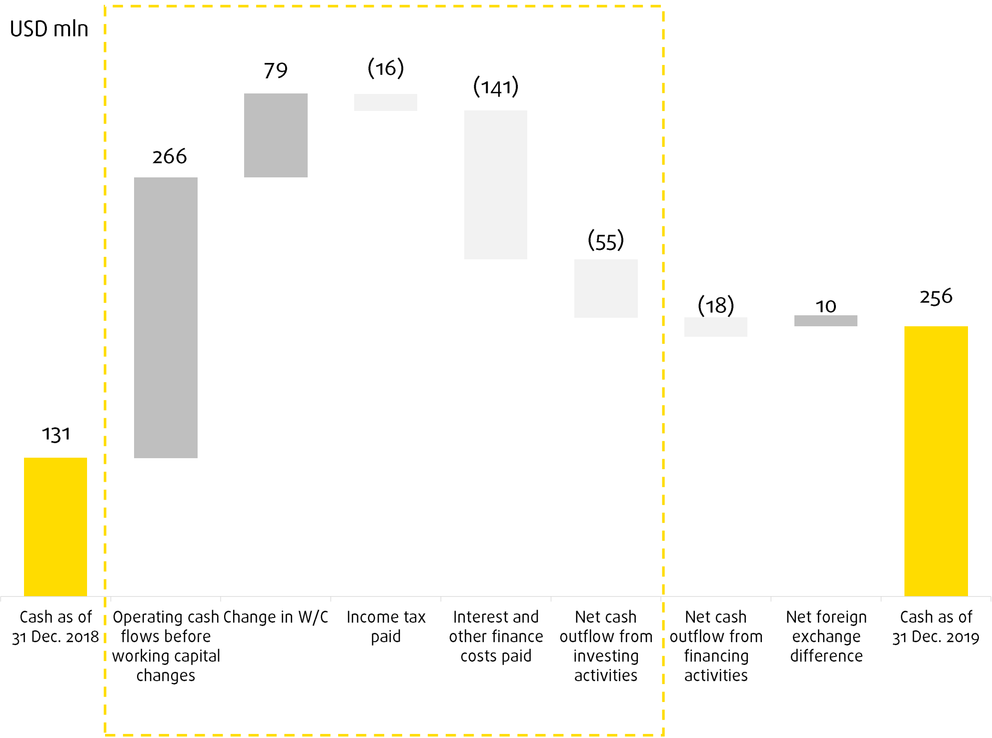


1. EBITDA is calculated as an operating profit (or loss) plus depreciation and amortization charges, plus impairment of property, plant, and equipment and intangible assets, plus loss / (gain) on disposal of property, plant, and equipment, plus foreign exchange cash flow hedges effect, plus extraordinary losses / (gains), and plus operating foreign exchange gain/(loss)

Cash flow

- The 12m 2019 Free cash flow[1] amounted to USD 133 mln and was driven by:
  - Strong operating cash flow before working capital changes amounted to USD 266 mln (o/w USD 259 mln is attributable to the FY2019 EBITDA)
  - Reduction in the working capital (USD 79mln)
  - Continued investment program (USD 55 mln)[2]
  - USD 141mln is attributable to finance costs and fees related to the debt restructuring and interest paid in Q4 2019
- Positive working capital change was almost fully attributable to sizeable advances received from CIS railway product off-takers end of Q4 2019 (ca. USD 96 mln eqv.)
- Net cash outflow from financing of USD 18 mln is a product of 2 diverging factors:
  - Equity contribution of USD 50 mln as the condition of the debt restructuring
  - And bank debt amortization in amount of USD 68 mln in Q4 2019

Free cash flow = +USD 133 mln



1. Free cash flow is calculated as the net cash flow from operating activities less the net cash flow from investing activities
2. Net cash outflow from investing activities consists of USD 60 mln of Capex net of USD 3 mln of interest received and USD 2 mln of Proceeds from sale of property, plant and equipment

Key Capex projects

Projects completed in 2019

Inspection & finishing lines

Division: Pipes
Asset: Interpipe Niko Tube
Type: Expansion
Two finishing lines for testing, coating, and bundling of pipes of all sizes at shops #2 and #7

Modernization of heat-treatment line

Division: Pipes
Asset: Interpipe NTRP
Type: Expansion
Enhancement of productivity and quality characteristics of existing heat treatment facilities for OCTG pipes

New axle machining and finishing line

Division: Wheels
Asset: Interpipe NTRP
Type: Expansion
Line for machining, testing, and coating of axles

Threading and coupling lines

Division: Pipes
Asset: Interpipe NTRP
Type: Expansion
Increasing capacities for production of OCTG with premium connections

Closed-loop water system for rolling mill

Division: Pipes
Asset: Interpipe Niko Tube
Type: Environment protection
System for enhanced water cleaning and reduction electricity consumption

Wheel machining and finishing line

Division: Wheels
Asset: Interpipe NTRP
Type: Expansion
Line for machining, testing, coating, and packaging of wheels in accordance with the EU standards

Projects to be in focus in 2020[1]

Hydraulic press line

Division: Pipes
Asset: Interpipe NTRP
Type: Expansion
Installation an automated hydraulic press line for pipes (for pipe diameters 140-340 mm) in shop #4
Status: temporary postponed until resolving the COVID-19 outbreak situation

Heating system modernization

Division: Pipes
Asset: Interpipe Niko Tube
Type: Expansion
Heating system modernization at all shops for energy efficiency purposes and cost reduction
Status: in progress. Expected completion - in Q3 2020

Wheelset assembling equipment

Division: Wheels
Asset: Interpipe NTRP
Type: Expansion
Increasing capacities for in-house wheelset assembling up to 16 thousand wheelsets per year
Status: in progress. Expected completion - in Q4 2021

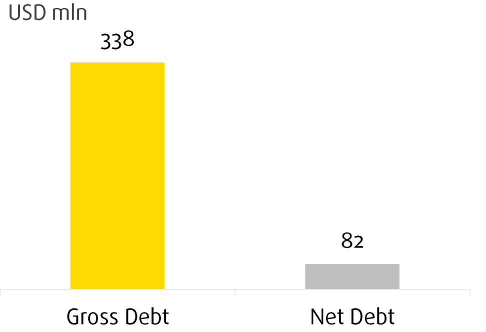
1. Approved by the Board of Directors

Debt profile

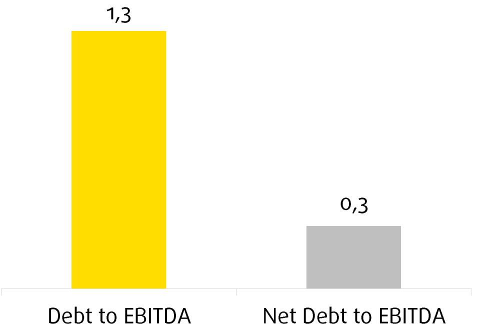
- The debt restructuring became effective on **25 October 2019**
- The Restructured Debt: USD 400 mln, all USD denominated, comprising of:
  - USD 309.2 mln 10.25% Notes due in December 2024
  - USD 45.8 mln Term Facility (L+6.65% p.a.) due in December 2020
  - Two restructured Working Capital facilities USD 45 mln in aggregate (L+6.65% p.a.) due in December 2020
- In Q4 2019, **USD 45.8 mln Term Facility was repaid in full** and USD **22.5 mln under the Working Capital facilities were repaid** according to the amortization schedule.
- As of 31 December 2019, the Company **has also recognized certain contingent liabilities on its balance sheet**, which were introduced as a result of debt restructuring transaction, namely: Exit Fees at the carrying IFRS value of USD 24.5 mln and Performance Sharing Fees and Securities of USD 59.6 mln (**USD 84.1 mln in total**).
- **In Q1 2020,** the Company additionally:
  - partially **redeemed the Notes in amount of USD 98.5 mln;**
  - **repaid USD 22.5 mln of the Working Capital facilities** (having repaid them in full)
- As of 31 December 2019, **over 80% of Cash & Cash Equivalents** were held predominantly **in hard currencies** (USD and EUR)

1. The Gross Debt is calculated subject to the terms of the credit documentation under the Notes and consists of the Notes and bank debt facilities outstanding, interest accrued but not paid (ca. USD 1 mln) and reimbursement obligations (guarantees) (ca. USD 5 mln) but excluding any nominal or carrying value of Exit Fees, Performance Sharing Fees and Securities.
2. The current Gross Debt maturity profile is presented net of interest accrued but not paid and reimbursement obligations (guarantees)

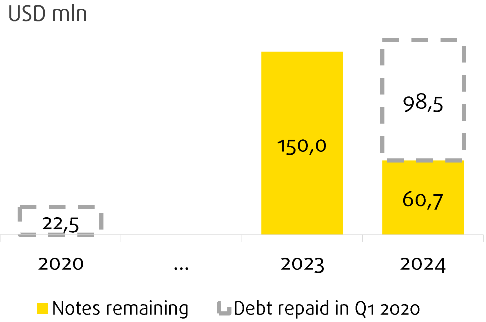
Debt as of 31 December 2019[1]



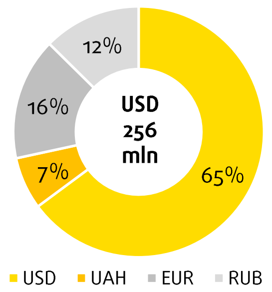
Leverage ratios



Current Gross Debt maturity profile[2]



Cash & Cash Equivalents currency breakdown as of 31 December 2019



Investor Relations Contacts

Andrii Okolnych,
Head of Investor Relations

+380 44 233 68 21

IR@m.interpipe.biz

www.interpipe.biz