



# Steel Under Duress

## How Ukrainian Steel is Moving Forward

# Interpipe at a Glance



## Brief Overview



**Interpipe is a vertically-integrated company**



The company operates a newly built **Electric Arc Furnace (EAF)** with an annual capacity of 1.32 mln tons



Sales geography comprising of more than **80 countries** around the world



**#1 producer** of seamless pipes and railway wheel products in **Ukraine**



**TOP-5 manufacturer** and **TOP-3 exporter** of railway products in the world

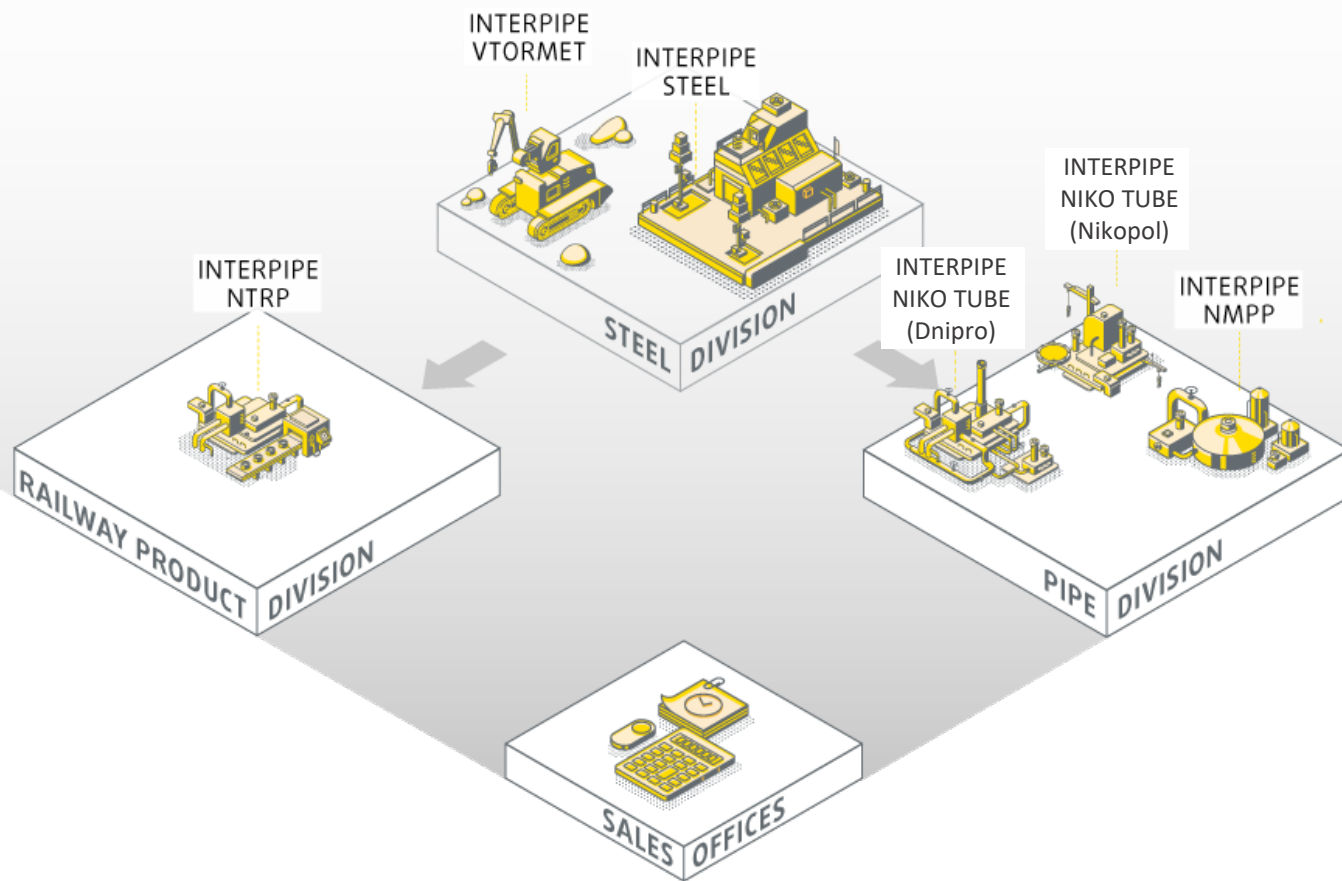


**TOP-10 seamless pipe producer** in the world

## Key Financial and Operating Highlights

	2019	2020	2021
<b>Steel production, kt</b>	855	758	972
<b>Pipe production, kt</b>	587	464	615
<b>Wheel production, kt</b>	208	190	172
<b>Revenue, US\$m</b>	1122	865	1,133
<b>EBITDA, US\$m</b>	259	273	228
<i>EBITDA margin</i>	23%	32%	20%
<b>Capex, US\$m</b>	60	44	63
<b>FCF, US\$m</b>	133	121	-2

# Integrated Business Model



## Steel Division

**INTERPIPE VTORMET** — Dnipro, Ukraine, Scrap collection

**INTERPIPE STEEL** — Dnipro, Ukraine, Con-cast billet production, state-of-the-art electric steel melting facility for production of round steel billets

## Pipe Division

**INTERPIPE NIKO TUBE** — Nikopol & Dnipro, Ukraine, Seamless pipe production

**INTERPIPE NMPP** — Novomoskovsk, Ukraine, Welded pipe production

## Railway Products Division

**INTERPIPE KLW**, Wheel-rolling shop, Wheelset production shop — Dnipro, Ukraine, Railway products

# Interpipe Steel: State-of-the-Art Steel Melting Technology

## The Largest Electric Steel Melting Complex for Production of Round Steel Billets in Eastern Europe

- Production capacity – **1.32 mln tons** of round steel billets a year
- The mill was built by DANIELI in 2012
- State-of-the-art high-tech equipment:**
  - Electric-arc steel-melting furnace
  - Ladle furnace unit
  - Steel degassing unit
  - Two continuous casting machines
- More than **570 steel grades** for different applications:
  - forgings
  - pipes (mechanical, industrial, OCTG)
  - railway use (wheels, axles, tyres)
- Interpipe Steel has an **environmentally friendly** production process, equipped with an up-to-date degassing and gas purification system to reduce the dust content of emissions.



# Ukrainian Seaports are Blocked by Russian Troops

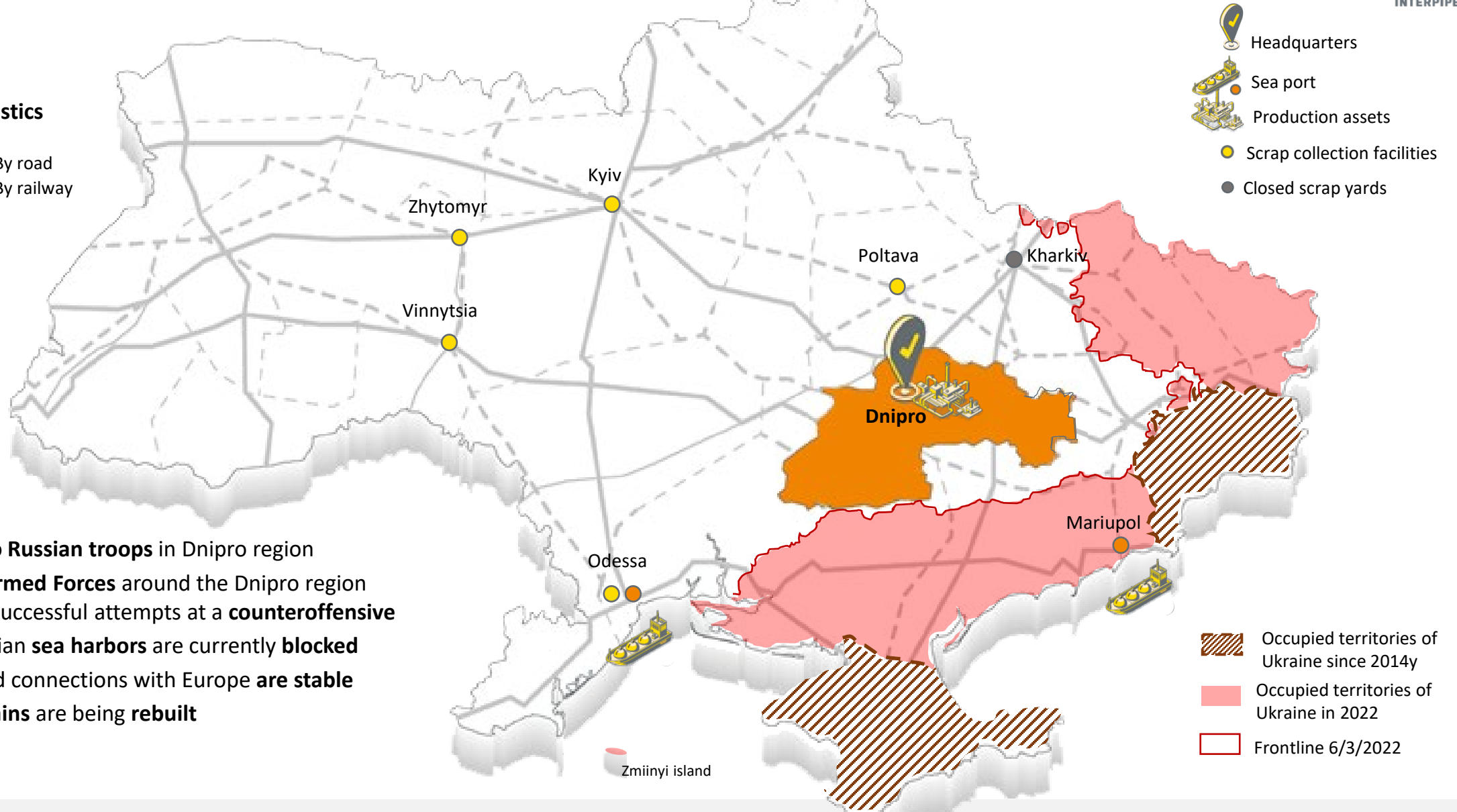


## Available logistics routes:

- By road
- By railway

- Headquarters
- Sea port
- Production assets
- Scrap collection facilities
- Closed scrap yards

- There are **no Russian troops** in Dnipro region
- Ukrainian Armed Forces** around the Dnipro region are making successful attempts at a **counteroffensive**
- Main Ukrainian **sea harbors** are currently **blocked**
- Rail and road connections with Europe **are stable**
- Logistics chains** are being **rebuilt**



# Available Sea-Route through Constanta Port, Romania



Shipping **by sea** through **Constanta, Romania** for clients in **North and South America, MENA and Asia**

Delivery **by rail and road** for **European customers**



A photograph of a warehouse filled with stacks of cardboard boxes. Several men in red uniforms are working, some holding boxes. The scene is brightly lit, and the workers appear to be organizing or moving the boxes. The text 'Interpipe Humanitarian Aid' is overlaid on the image.

# Interpipe Humanitarian Aid



INTERPIPE

# Victor Pinchuk together with Interpipe have spent more than **\$25 million** to Defend Ukraine

## Assistance to the Army at the National Level

Interpipe supplies armored vehicles, thousands of body armor and helmets, communications equipment, reconnaissance equipment and other ammunition to be distributed by the Ministry of Defense

## Tactical and Civilian Medicine

- 7 fully-equipped armored ambulances of STANAG 4569 standard
- 50,500 three-component tactical first aid kits (CAT tourniquet, emergency bandage, hemostatic combat gauze)
- 77,500 CAT tourniquets and 32,000 bandages for ambulances in dangerous regions
- 2,500 fully equipped tactical first aid kits handed over to paramedics
- Transport incubators for evacuation of newborns in critical health condition delivered to 8 hospitals in dangerous regions
- 39 hospitals at 15 regions received the necessary medicines

## Humanitarian help

- Purchasing and delivering food, baby food, medicines and hygiene products for Ukrainians in areas where hostilities continue, as well as for shelters for the displaced citizens in Lviv, Dnipropetrovsk, Poltava and other regions
- 49 local humanitarian aid projects were financed in Chernihiv, Kharkiv, Sumy, Mykolaiv, Kherson

## Cultural and communication projects

- Ukrainian Pavilion “Defending Freedom” at the 59th Venice Biennale
- Russian War Crimes House project in Davos 2022

**The work is ongoing.**



# Mobilized Interpipe Employees



**806 people of 10,000 Interpipe employees** are defending Ukraine as a part of the Armed Forces and Territorial Defense (629 of them have been mobilized since the beginning of the Russian invasion)

Interpipe with the support of **Victor Pinchuk** created a **volunteer headquarters**

The Company has provided **550 employees** with:

- ❑ **Bulletproof Vests** of the **4th class** of protection
- ❑ **Kevlar Helmets**
- ❑ **First Aid Kits** with Combat Application Tourniquet and Celox hemostatic wound dressing
- ❑ **Military Gear** (uniforms, boots, tactical goggles and gloves, tactical backpacks, etc.)

**Interpipe purchased specialized equipment**

**21** German thermal imagers

**100** sets of walkie-talkies

Gasoline generators, drones, car repair tools, etc.





**Thank you!**



**INTERPIPE**