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Ferrexpo plc ("Ferrexpo" or the "Group")

Notification to Ukraine under international investment agreements

Ferrexpo plc (LSE: FXPO) announces that the Company and its subsidiary, Ferrexpo AG, have provided a formal written notification to Ukraine under international investment agreements in place between Ukraine and the United Kingdom and Ukraine and Switzerland (the "UK-Ukraine BIT" and "Swiss-Ukraine BIT", respectively).

Background

As previously announced on 5 March 2025, a statement was made by the State Bureau of Investigation in Ukraine (SBI) stating that the Pecherskyi District Court of Kyiv had granted a request of the Prosecutor General's Office of Ukraine to transfer to Ukraine's Asset Recovery and Management Agency (ARMA) an unspecified percentage of corporate rights of 16 legal entities in Ukraine, including 49.5% of the corporate rights of Ferrexpo Poltava Mining. Ferrexpo Pic, Ferrexpo AG and Ferrexpo Poltava Mining (FPM) have still not received any official documentation or requests from the Ukrainian authorities with regards to the Court decision.

The SBI statement followed a separate press release made by the SBI twelve days earlier, in which the SBI said it was preparing to lodge a claim together with Ukraine's Ministry of Justice to the High Anti-Corruption Court of Ukraine, requesting the nationalisation of certain assets and corporate rights of FPM.

These are the latest steps in a series of actions and decisions taken by Ukrainian State bodies and the Ukrainian courts adverse to the Ferrexpo Group. There are currently more than ten significant civil and criminal cases open against the Ferrexpo Group that have resulted, at different points in time, in the freezing of shares in all of Ferrexpo's Ukrainian subsidiaries, the arrest of FPM's railway wagon fleet, the freezing of FPM's bank accounts and the detention of senior management personnel (including FPM's General Director) with the Ferrexpo Group having to pay in excess of US 16 million in bails to secure their release.

Legal status

These actions and decisions are wholly without merit. They are contrary to Ukrainian law, and the underlying legal proceedings in Ukraine have been riddled with procedural defects and due process violations. Further, there is no reasonable nexus whatsoever between these actions and decisions against the Ferrexpo Group and the supposed aim of prosecuting cases against Mr Konstantin Zhevago. Ferrexpo's subsidiaries in Ukraine are wholly owned by Ferrexpo AG; Mr Zhevago does not own any shares in those entities. Ferrexpo AG is run by its directors (which do not include Mr Zhevago), while Ferrexpo PIc is run by its directors (which do not include Mr Zhevago), for the benefit of its shareholders as a whole (which include many institutional investors, pension funds and private individuals).

UK-Ukraine BIT and Swiss-Ukraine BIT

The actions and conduct of Ukraine in relation to these cases constitute breaches of its obligations under the UK-Ukraine BIT and the Swiss-Ukraine BIT, including to accord Ferrexpo's investment fair and equitable treatment and not to impair by unreasonable or discriminatory measures the management, maintenance, use, enjoyment or disposal of Ferrexpo's investment.

In the circumstances, Ferrexpo Plc and Ferrexpo AG have been left with no option but to send to the Government of Ukraine a formal written notification of potential claims under the UK-Ukraine BIT and the Swiss-Ukraine BIT. The purpose of this notification is to explain how Ukraine's actions constitute breaches of Ukraine's obligations under the UK-Ukraine BIT and the Swiss-Ukraine BIT, to request that Ukraine procure the lifting and/or cessation of the unlawful actions, and to request the Government of Ukraine to enter into negotiations.

Further updates will be provided as and when appropriate.

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About Ferrexpo

Ferrexpo is a Swiss headquartered iron ore company with assets in Ukraine and a listing in the equity shares commercial companies category on the London Stock Exchange (ticker FXPO) and a constituent of the FTSE 250 and FTSE4Good indices. 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 converted into steel, compared to more commonly traded forms of iron ore. Ferrexpo's operations have been supplying the global steel industry for over 50 years. Before Russia's full-scale invasion of Ukraine in February 2022, the Group was the world's third largest exporter of pellets. The Group has a global customer base comprising of premium steel mills around the world. For further information, please visit www.ferrexpo.com.

Notes to Editors:

About international investment agreements

An international investment agreement is an agreement between two or more States (countries) which seeks to promote and protect private investments made by nationals of those States in each other's territories. Some of these may be bilateral (between two States) and are called bilateral investment treaties or BITs, and others are multilateral (between a number of States). Protections guaranteed in international investment agreements commonly include (among others): fair and equitable treatment, non-impairment by unreasonable or discriminatory measures, full protection and security, national treatment and protection from unlawful expropriation. While these are State-to-State agreements, they usually contain provisions allowing an investor from one State to directly enforce the guarantees as to the treatment of their investment against the host State through international arbitration before an independent tribunal.

About the UK-Ukraine BIT and the Swiss-Ukraine BIT

Ukraine has entered into a number of international investment agreements, including with the UK (the 1993 Agreement between the Government of the United Kingdom of Great Britain and Northern Ireland and the Government of Ukraine for the Promotion and Reciprocal Protection of Investments or the UK-Ukraine BIT) and Switzerland (the 1995 Agreement between the Swiss Confederation and Ukraine on the Promotion and Reciprocal Protection of Investments or the Swiss-Ukraine BIT). The UK-Ukraine BIT and the Swiss-Ukraine BIT impose a number of obligations on Ukraine as to the standard of treatment to be afforded to protected investments made by UK and Swiss investors respectively in Ukraine. These include (among others): (i) the obligation to accord fair and equitable treatment to investments (Article 2(2) of the UK-Ukraine BIT and Article 4(2) of the Swiss-Ukraine BIT, (ii) the obligation not to impair by unreasonable or discriminatory measures the management, maintenance, use, enjoyment or disposal of investments (Article 2(2) of the UK-Ukraine BIT and Article 4(1) of the Swiss-Ukraine BIT, and (iii) the obligation not to nationalise or expropriate investments except in certain limited circumstances (which include payment of prompt, adequate and effective compensation) (Article 6(1) of the UK-Ukraine BIT and Article 6(1) of the Swiss-Ukraine BIT).

About written notifications under the BITs

The UK-Ukraine BIT and the Swiss-Ukraine BIT also provide UK and Swiss investors respectively with the right to enforce the guarantees directly against Ukraine through international arbitration before an independent tribunal (Article 8 of the UK-Ukraine BIT and Article 9 of the Swiss-Ukraine BIT). Before commencing international arbitration, the UK-Ukraine BIT and the Swiss-Ukraine BIT require the investor to send a written notification of a potential claim. The purpose of such a written notification is to: (i) explain the breach(es) of the obligation(s) under the BIT, and (ii) request negotiations with the State and/or a resolution or a settlement. The action taken by Ferrexpo today is to give such a formal written notification to Ukraine under the UK-Ukraine BIT and the Swiss-Ukraine BIT.

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