



2 May 2024

Dear partner

I am pleased to inform you that LIBERTY Ostrava has taken the necessary steps to start the implementation of its restructuring plan as approved by an overwhelming majority of its creditors.

We have been unable to find an agreement with the management of Tameh Czech on the provision of energy supplies on fair and mutually acceptable terms by the deadline of 30 April. Therefore, LIBERTY Ostrava will proceed to implement the Plan B option of the restructuring plan, which does not envisage further cooperation with Tameh.

The commitments to you, our creditors, set out in the restructuring plan provide for fixed cost reductions in several areas, on top of the EUR 50 million (CZK1.26 billion) already achieved over the last six months. The company will now start the consultations and the technical process for the potential closure of the plant's two remaining coke ovens, which will further reduce the costs by over EUR 1 million (CZK25.2 million) a month. There is no intention to use this proposal as an opportunity to reduce roles, therefore impacted employees will be offered retraining and redeployment within the business.

The collective bargaining process has also now begun with representatives of the company's trade unions on a new version of those parts of the collective agreement that will expire in the middle of the year.

Our only goal is to preserve LIBERTY Ostrava and its long-term sustainable future, including the thousands of jobs that depend on it directly and indirectly throughout the supply chain. All of the decisions we have taken to date, and will take over the next eighteen months, are taken to achieve this ambition and ensure that we meet our commitments to our creditors. To return to profitable operations, we must take temporarily uncomfortable steps and the road ahead will be challenging. However, we trust that all stakeholders who have so far supported us in restoring the viability of the company and preserving as many jobs as possible will understand the proposed changes and contribute to their adoption.

As a reminder, the restructuring plan is based on five basic principles, namely the resumption of production in the rolling mills, the resumption of blast furnace operations, significant cost savings, securing energy supplies and financial assistance from the parent group.

We regret that we were not able to get its long-term partner, Tameh Czech, to set the parameters of future cooperation in a way that would be acceptable to both parties, especially so that LIBERTY would not be forced to buy what it does not need at prices many times higher than market prices. In

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the short term, moving to a self-supply solution will delay the execution of the Plan, but in the long term it will provide a cheaper and more efficient solution than continuing to supply Tameh.

Kind regards

Ajay Aggarwal
Chairman of the Board of Directors
LIBERTY Ostrava a.s.

Deepak Sogani
Member of the Board of Directors
LIBERTY Ostrava a.s.

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