

Earnings Call 3Q26

FESA
B3 LISTED N1

INDX B3 IGC B3 IMAT B3 IGCT B3 SMLL B3 IBRA B3 IDIVERSA B3 SCSR B3

Notice

Cia de Ferro Ligas da Bahia – FERBASA (B3: FESA3 and FESA4), the main supplier of ferroalloys in Brazil and the only integrated producer of ferrochrome in the Americas, discloses the results regarding the **economic and financial performance of the third quarter of 2026.** The interim quarterly information, both from the parent company and consolidated, was prepared in accordance with accounting practices adopted in Brazil, based on the Brazilian Corporations Law, the rules and pronouncements of the Securities and Exchange Commission (CVM), the Accounting Pronouncements Committee (CPC), and IAS 34 – Interim Financial Reporting issued by the International Accounting Standards Board (IASB). This document contains forward-looking statements and information regarding FERBASA, based on assumptions and expectations that may or may not materialize, and therefore does not guarantee the Company's future performance. Although FERBASA believes that the assumptions and expectations used are reasonable, we advise investors that the aforementioned information is and will be, as the case may be, subject to risks and other factors relating to the Company's operations and business environments, so that actual results may differ from the projections, expressed or implied, contained in this material. Therefore, FERBASA expressly disclaims any obligation to update the statements, prospects, and expectations contained in this document.





Agenda

1. Highlights of 3Q26
2. Operational and financial performance
3. Market Overview
4. Strategic Projects



Quarterly Highlights – 3Q26

Positive effect of R$ 57.9 million resulting from the fair value calculation of the biological asset boosts profit in 3Q26.

Ferroalloy Sales

77,008 tons

+ 15.7% vs. 2Q26

Consolidated net revenue

R$ 606.8 million

+ 15.9% vs. 2Q26

CPV of ferroalloys

R$ 485.0 million

+12.9% vs. 2Q26

Consolidated Adjusted EBITDA

R$ 53.8 million

+ R$ 3.5 million vs. 2Q26

Consolidated net profit

R$ 66.4 million

+ R$ 61,9 million vs 2Q26

Net cash position

R$ 533.3 million

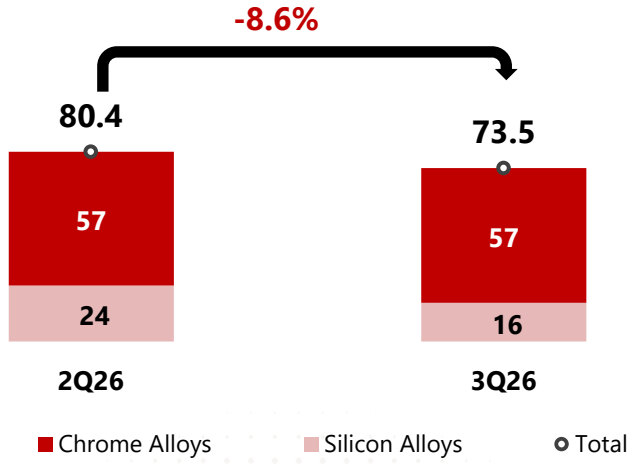
- R$ 185.1 million vs. 4Q25

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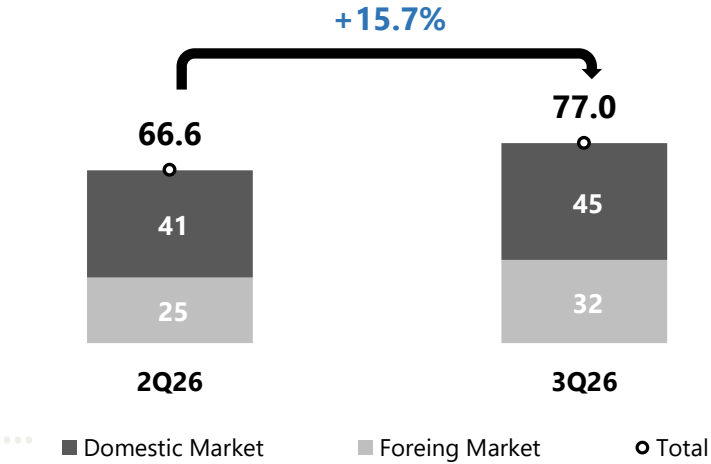
Production and sales volume

Silicon alloy production down 31%, reflecting adverse market conditions.

Production of Ferroalloys (thousand tons)



Sales of Ferroalloys (thousand tons)

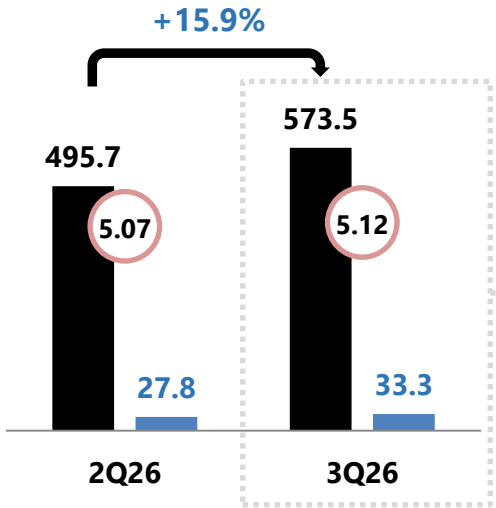


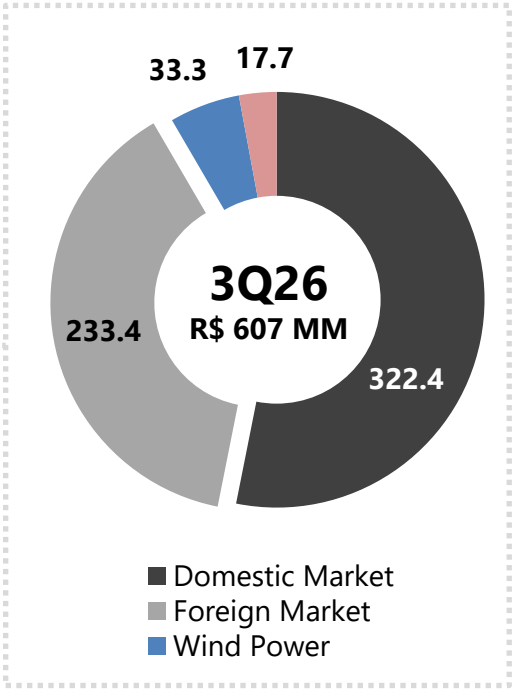
- In 3Q26, the Metallurgy division operated at **72.7% of the installed capacity of the metallurgical plant.**
- **Part of the ferroalloys manufactured is consumed domestically** in the production of other alloys.

- **Expansion of 8.9%** in the Domestic Market and **26.8%** in the Foreign Market.

Net revenue and exchange rate variation

The increase in net revenue can be attributed primarily to the rise in sales volume.





Net revenue from ferroalloys represented 92% of the total in 3Q26, with the main effects compared to 2Q26 being:

+15.7% **Sales volume**

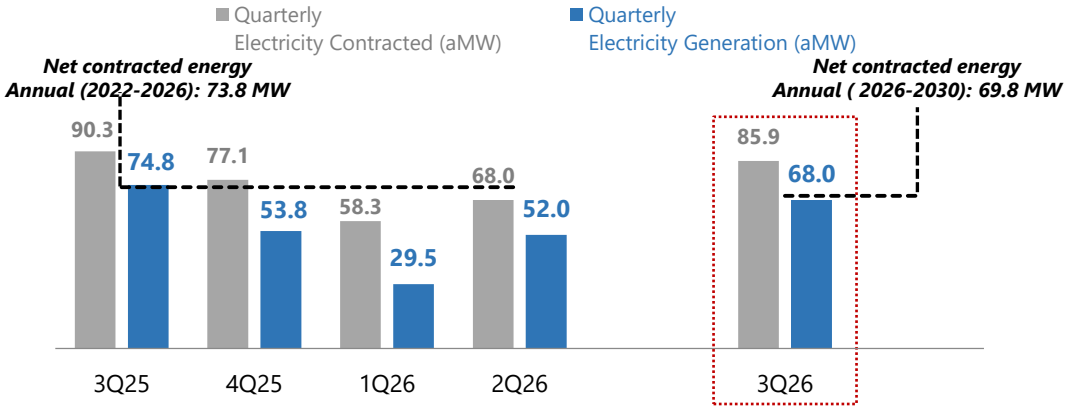
-0.8 % **Average price of ferroalloys (US$)**

+1.0 % **Average exchange rate applied**

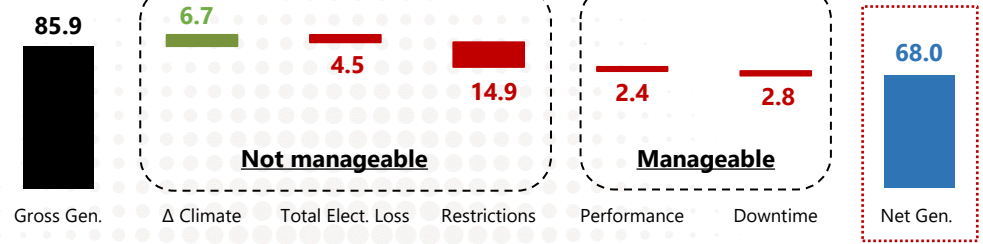
Energy production at BW Guirapá

ONS restrictions remain challenging for BWG's net generation.

Evolution of Contracted Energy vs. Net Generation (MW avg.)



Contracted Energy vs. Net Generation – 3Q26 (MW average)



In 3Q26, BWG's net electricity generation was 9.1% lower than the same period of the previous year.

In <u>unmanageable factors</u> (-12.6 MW average), a negative highlight being the persistent restrictions imposed by the ONS.

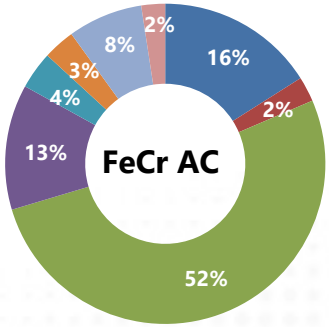
The <u>manageable factors</u> (-5.2 MW average) were influenced by damage to wind turbines and calibration of the equipment that guides the wind turbines.

Composition of production costs | 9M26 vs. 9M25

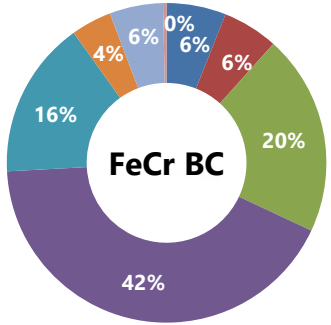
Stability in the costs of chromium alloys and an increase in the costs of silicon

- **A 2.3% reduction in the cost of goods sold (COGS) for ferroalloys** , reflecting a 2.5% decrease in sales volume, in addition to higher production costs.
- **A 3.6% increase in the cost of electricity** consumed in the Metallurgy furnaces.

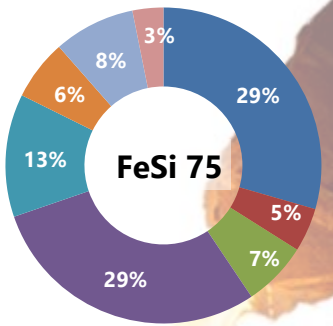
= Chromium Ore
- Coke (reducer)



+ FeSiCr (reducing agent)
+ Chromium Ore



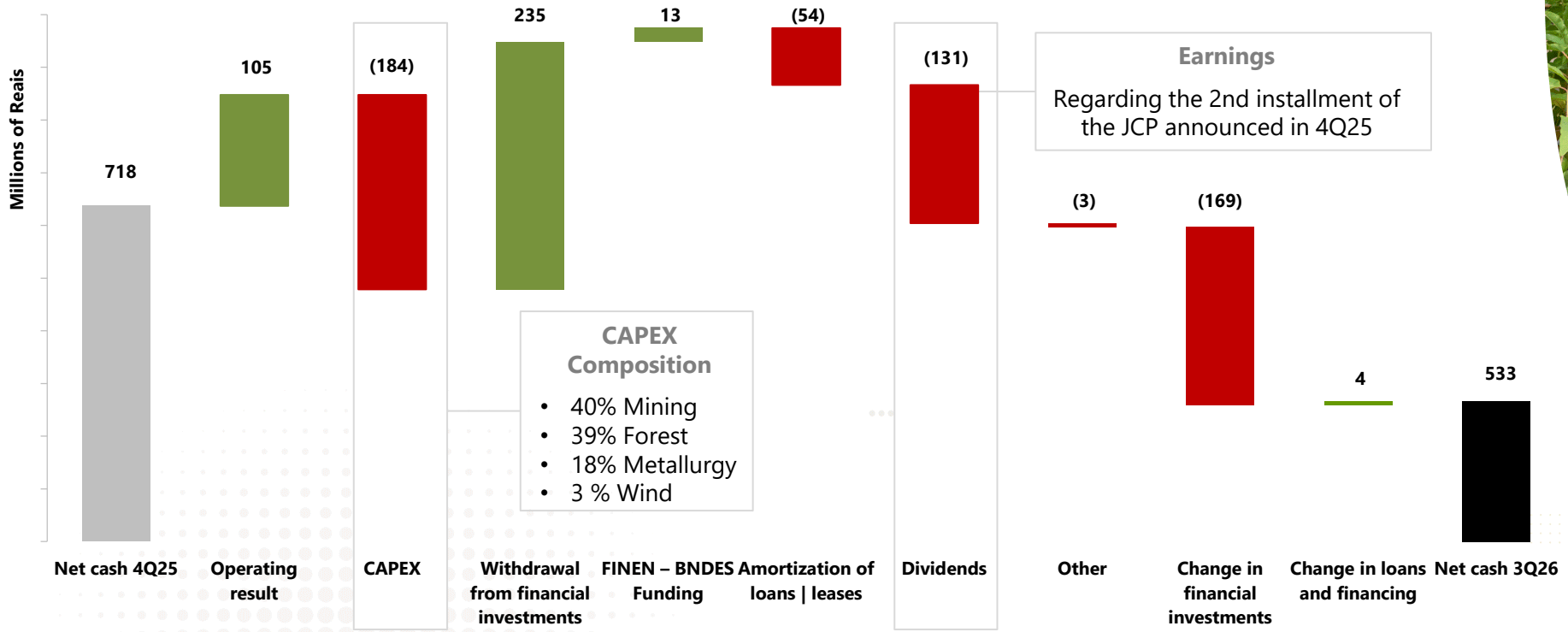
+ Energy
+ Quartz



Electricity
Direct Labor
Ore (Chrome / Quartz)
Reductors (Coke / Bioreducer)
Other Raw Materials
Maintenance
Direct Spend
Other Costs

Cash Flow | 4Q25 vs. 3Q26

Reduced operating profit requires redemption of financial investments.



Net profit | Q2 2026 vs. Q3 2026

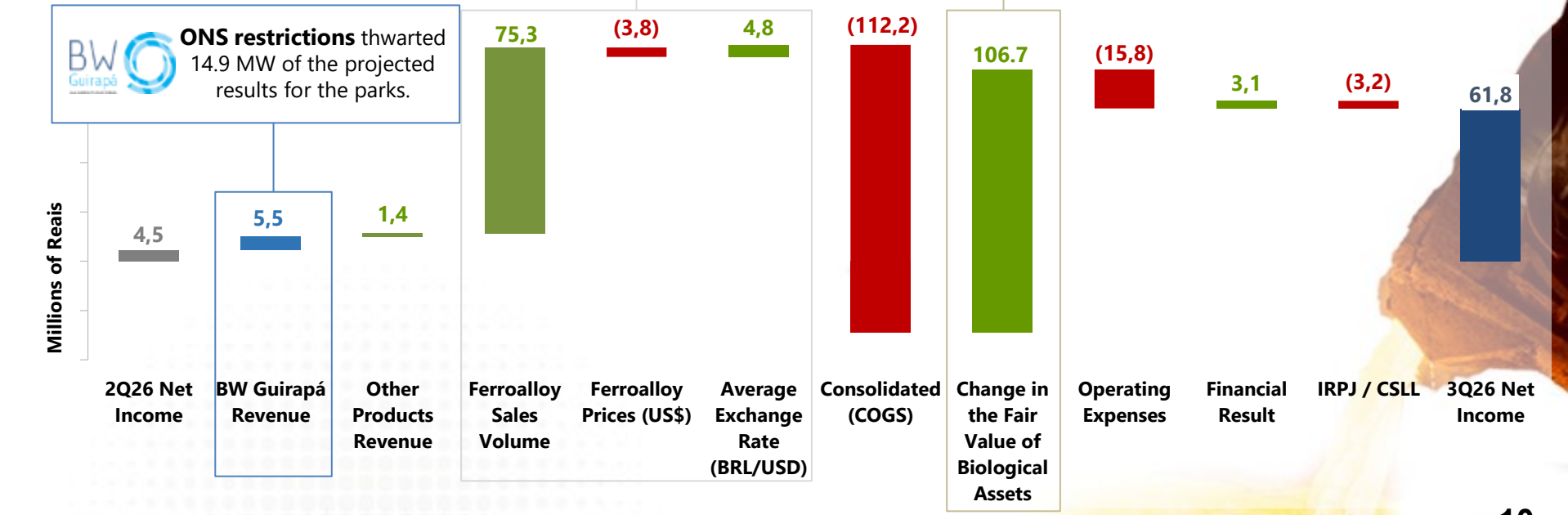
Positive effect of fair value calculation of biological assets boosts profit in 3Q26.



Ferroalloys Revenue
+ R$ 76.4 million

Fair value calculation of biological assets = + R $ 57.9 million
referring to the difference between R$ 106.7 million (price of wood x increase in forest area), minus R$ 48.8 million (wood consumed)

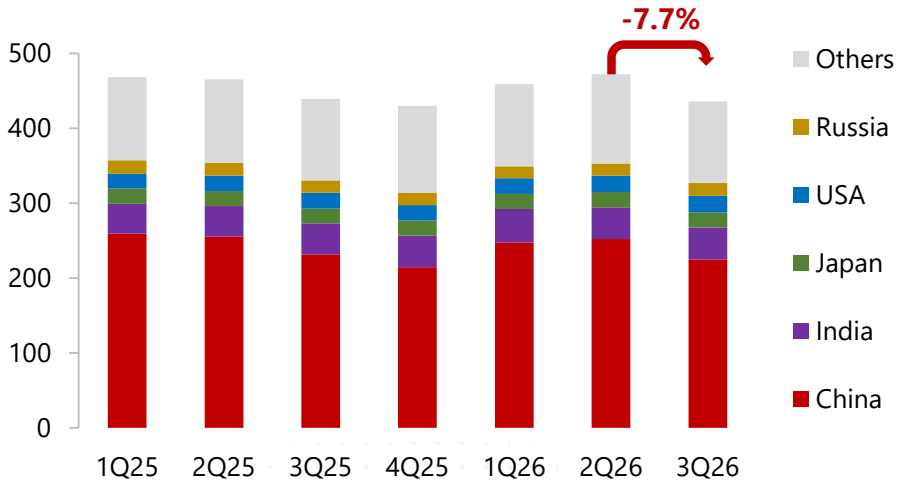
ONS restrictions thwarted 14.9 MW of the projected results for the parks.



Market overview | Crude steel and FeSi

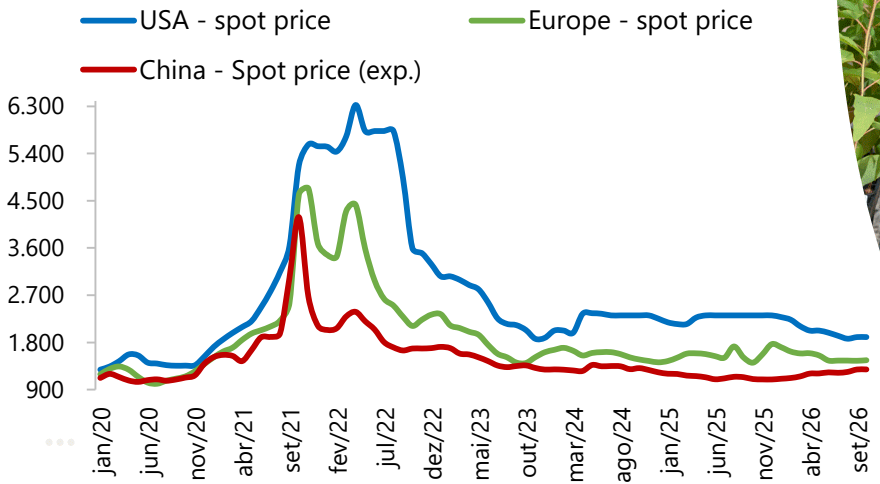
Excess supply continues to hinder the recovery of silicon alloy prices.

World crude steel production (Mt)



National crude steel production remained stable in both 3Q26 (-0.1%) compared to 2Q26, and **in the first nine months of 2026 (-1.7%) compared to the first** nine months of 2025, according to IABr .

Evolution of the price of FeSi 75 (USD/t)



In 3Q26, both Chinese prices for FeSi 75 increased – reaching their highest quarterly level since the first half of 2025.

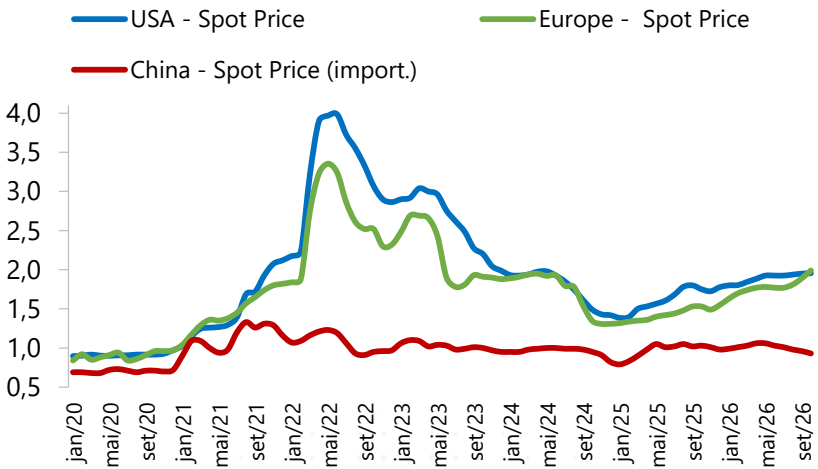
Impacted by global oversupply , the European price fell and reached its lowest value, in dollars, since 1Q25.

In the US, the price of FeSi 75 also decreased and approached its lowest price since 1Q25.

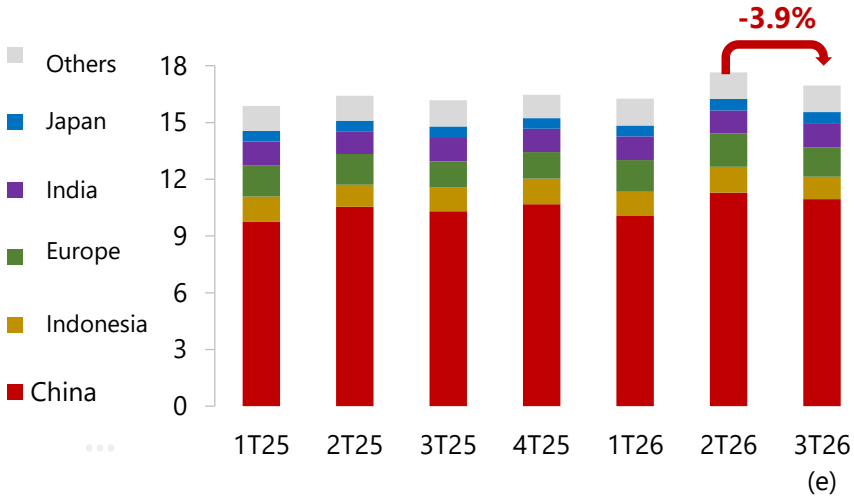
Market overview | Stainless steel and FeCr

Lower demand and iron ore costs are putting downward pressure on HC FeCr prices in China.

Evolution of the price of HC FeCr (USD/ lb)



World production of stainless steel (Mt)



- **In the US and Europe, the price of FeCr AC has increased** for the 5th consecutive quarter .
- **The price of Chinese FeCr AC decreased** , pressured by falling demand and the price of chromium ore.
- **South African production of FeCr AC It jumped 43%** in Q3 2026 and reached its highest level in 5 quarters.

- **Brazilian stainless steel production is expected to register a 14.3% reduction in Q3 2026** (vs. Q2 2026). **and an increase of 5.5% in 9M26** (vs. 9M25).

Geopolitical Context

Trade Barriers



Anti-dumping & Tariff Increase:

- **FeSi surcharge : 56%** (since 08/2026)
- **Total FeCr surcharge : 0%** (since 02/20/2026)

Import tax for steel :

- **Rate for ALL* countries: 50%**
- Destination of approximately 50% of Brazilian exports.

**United Kingdom = 25%*



Safeguards : FeSi

- **Brazil quota** : 25,000 tons/year, with a quarterly limit of 6,000 tons.
- **Minimum price** : 2,408 EUR/t (after quota is filled)
- **Duration of Safeguards** : 3 years, until November 2028

CBAM : FeCr AC & BC

- CO2 emissions should be audited .
- The European Union can only import from authorized companies.
- **Billing starting in 2027**, based on audited emissions.



Strategic projects

Challenging times bring conservatism to project management.

Chromium Mining



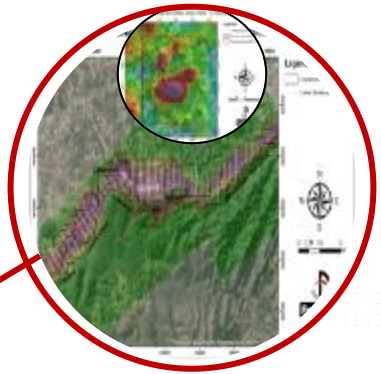
Ferroalloy Production



Self-sufficiency in Bioreducing Agents



Research into new mineral assets







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