



# ALGOMA

## STEEL INC.

## Earnings Call Presentation

*For the Quarter & Fiscal Year ending March 31<sup>st</sup>, 2023*

**June 22<sup>nd</sup>, 2023**

NASDAQ:ASTL  
TSX: ASTL

*in Canadian dollars unless otherwise noted*

## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

*This presentation contains “forward-looking information” under applicable Canadian securities legislation and “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, “forward looking statements”). Forward-looking statements and information generally can be identified by the use of forward-looking terminology such as “outlook”, “objective”, “may”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “should”, “plans”, “budget”, “continue” or similar expressions suggesting future outcomes or events. Forward-looking statements and information include, but are not limited to, statements regarding the operations, business, financial condition, expected financial results, performance, opportunities, strategies, outlook and guidance of Algoma Steel Group Inc. (the “Company” or “Algoma”), Algoma’s strategic objectives, its implementation of an ISO 45001 Safety Management System, its expectation to pay a quarterly dividend, potential purchases under its normal course issuer bid, and Algoma’s transformation to electric arc furnace steelmaking (the “EAF Transformation”), including the expected timing of the EAF Transformation and the resulting effects on the Company, expectations regarding future economic conditions, including the price of steel, potential recession and interest rates.*

*Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results, performance or achievements of the Company to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements and information. Readers should consider the other risks and uncertainties set forth in the section entitled “Risk Factors” and “Cautionary Note Regarding Forward-Looking Information” in Algoma’s Annual Information Form for the year ended March 31, 2023, filed by Algoma with applicable Canadian securities regulatory authorities (available under the company’s SEDAR profile at [www.sedar.com](http://www.sedar.com)) and with the U.S. Securities and Exchange Commission (the “SEC”), as part of Algoma’s Annual Report on Form 40-F (available at [www.sec.gov](http://www.sec.gov)), as well as in Algoma’s current reports with the Canadian securities regulatory authorities and SEC.*

*Given these risks, uncertainties and other factors, readers should not place undue reliance on forward-looking statements or information as a prediction of actual results. The forward-looking statements and information reflects management’s current expectations and beliefs regarding future events and operating performance and is based on information currently available to management. Although we have attempted to identify important factors that could cause actual results to differ materially from the forward-looking statements and information contained herein, there are other factors that could cause results not to be as anticipated, estimated or intended. The forward-looking statements and information contained herein is current as of the date hereof and, except as required under applicable law, we do not undertake to update or revise it to reflect new events or circumstances.*

*Certain information in this presentation may be considered as “financial outlook” within the meaning of applicable securities legislation. The purpose of this financial outlook is to provide readers with disclosure regarding the Company’s reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.*

## PRESENTATION OF FINANCIAL INFORMATION

*The Company’s fiscal year runs from April 1st to March 31st. The Company and its subsidiaries’ functional currency is the United States dollar (“US dollar” or “US\$”). The US dollar is the currency of the primary economic environment in which the Company and subsidiaries operate. The items included in the audited consolidated financial statements are measured using the US dollar.*

*For reporting purposes, the audited consolidated financial statements are presented in millions of Canadian dollars (“C\$” or “\$”). The assets and liabilities are translated into the reporting currency using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at average exchange rates for the reporting period. Exchange differences arising are recognized in other comprehensive (loss) income and accumulated in equity under the heading ‘Foreign exchange on translation to presentation currency.’*

*The Company’s financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”). IFRS differs in certain material respects from U.S. generally accepted accounting principles (“U.S. GAAP”). As such, the Company’s financial statements are not comparable to the financial statements of U.S. companies prepared in accordance with U.S. GAAP.*

*This presentation should be read in conjunction with, the Company’s March 31, 2022 audited consolidated financial statements and the accompanying notes.*

## NON-IFRS MEASURES

*To supplement our financial statements, we use certain non-IFRS measures to evaluate the performance of Algoma. These terms do not have any standardized meaning prescribed within IFRS and, therefore, may not be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing a further understanding of our financial performance from management’s perspective and providing management and investors with additional information for comparison of our operating results across different time periods and to the operating results of other companies. Accordingly, they should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. Please refer to the Company’s most recent MD&A for further discussion of these non-IFRS financial measures, including Adjusted EBITDA, and for a reconciliation to comparable IFRS measures, including net (loss) income. See also Annex: Adjusted EBITDA Reconciliation on slide 13.*



**Today's Presenters:**



**Michael Garcia**  
*Chief Executive Officer*



**Rajat Marwah**  
*Chief Financial Officer*

Safety Performance

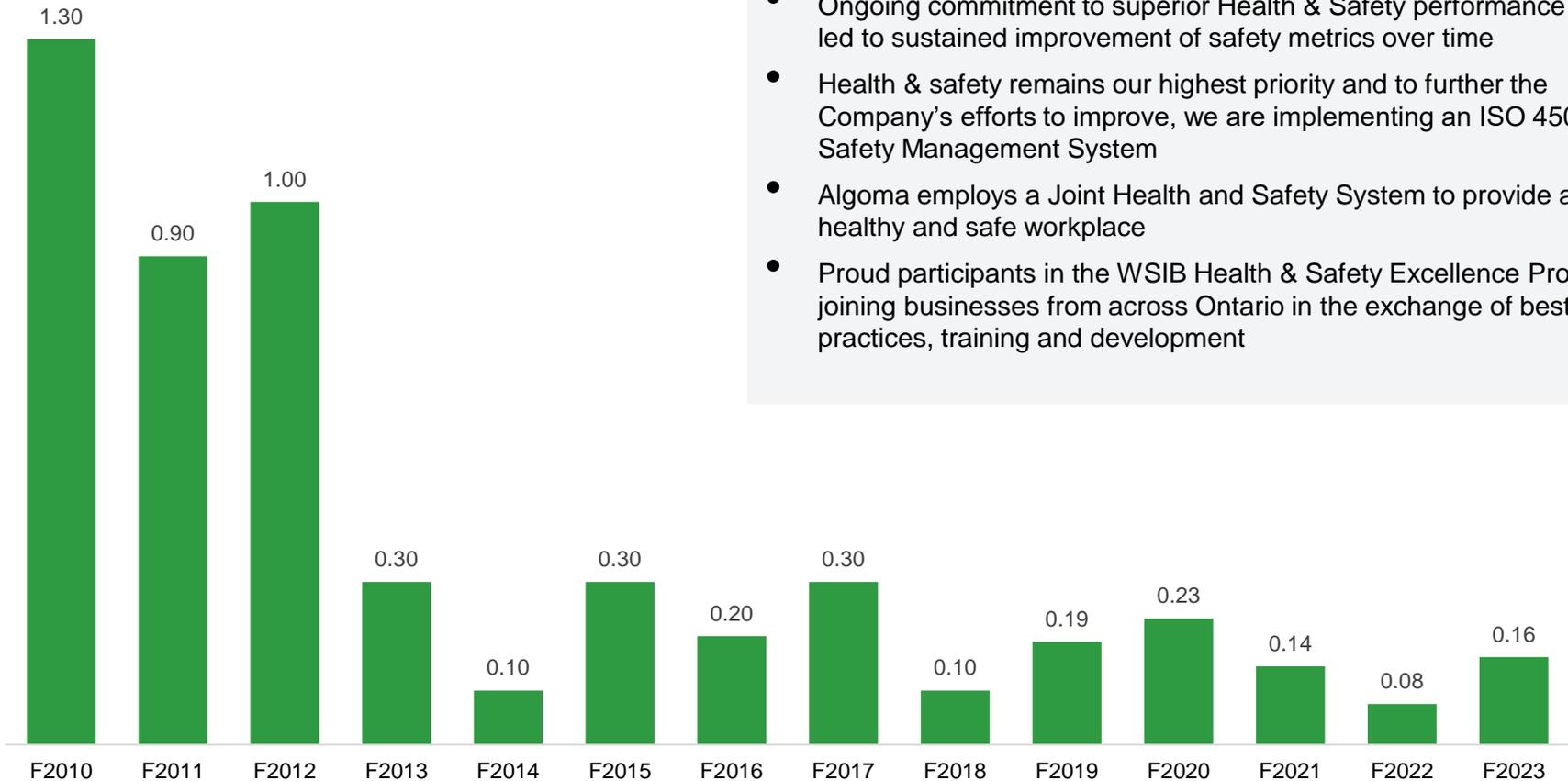
Financial Performance

Market Update

Strategic Update

Questions & Answers

## Continued Focus and Improvement in Lost Time Injury Frequency Rate (LTIFR)<sup>1</sup>



### Health & Safety Performance

- Ongoing commitment to superior Health & Safety performance has led to sustained improvement of safety metrics over time
- Health & safety remains our highest priority and to further the Company's efforts to improve, we are implementing an ISO 45001 Safety Management System
- Algoma employs a Joint Health and Safety System to provide a healthy and safe workplace
- Proud participants in the WSIB Health & Safety Excellence Program, joining businesses from across Ontario in the exchange of best practices, training and development

Safety is Top Priority for Algoma

Source: Company information.

1) Lost Time Injury Frequency is calculated as ((Number of lost time injuries in the reporting period x 200,000) / Total hours worked in the reporting period).

## Q4 FY2023 - Ended March 31st, 2023

- **Shipment volume** was 572K NT in Q4 FY2023, up 25% from 458K NT in Q3 FY2023 and up 4% from 547K NT in Q4 FY2022
- **Steel Revenue:** was \$609 million in Q4 FY2023, up 19% from \$512 million in Q3 FY2023 and down 31% from \$880 million in Q4 FY2022
- **Adjusted EBITDA** was \$48 million in Q4 FY2023, up from \$(36) million in Q3 FY2023 and down from \$334 million in Q4 FY2022
- **Net Income** was \$(20) million in Q4 FY2023, up from \$(70) million in Q3 FY 2023 and down from \$243 million in Q4 FY2022
- **Cash position** was \$247 million at the end of Q4 FY2023 with availability of \$279 million under the Revolving Credit Facility

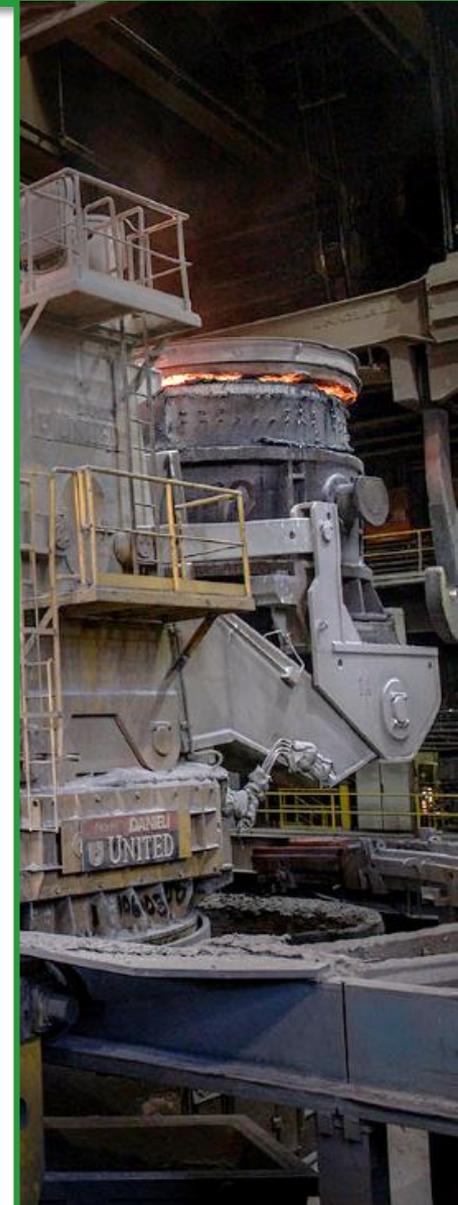
FY 2023

2,003 kNT  
Shipments

\$2,550 million  
Steel Revenue

\$452 million  
Adjusted EBITDA

**Adjusted EBITDA margin fiscal YTD was 16.3%**



# Fourth Quarter Financial Highlights

	Q4 FY2023	Q4 FY 2022		Q3 FY2023	
Shipping volume ('000s tons)	<b>572</b>	547	4%	458	25%
Net Sales Realization per ton (\$/ton)	<b>1,066</b>	1,608	-34%	1,116	-4%
Steel Revenue(\$ million)	<b>609</b>	880	-31%	512	19%
Cost of Steel Products Sold (\$/NT)	<b>934</b>	947	-1%	1,157	-19%
Adjusted EBITDA (\$ million)	<b>48</b>	334	-86%	-36	
Net Income (\$ million)	<b>(20)</b>	243	-108%	-70	-71%

**Algoma Q4 FY2023 Quarterly Adjusted EBITDA Margin was 7.1%**

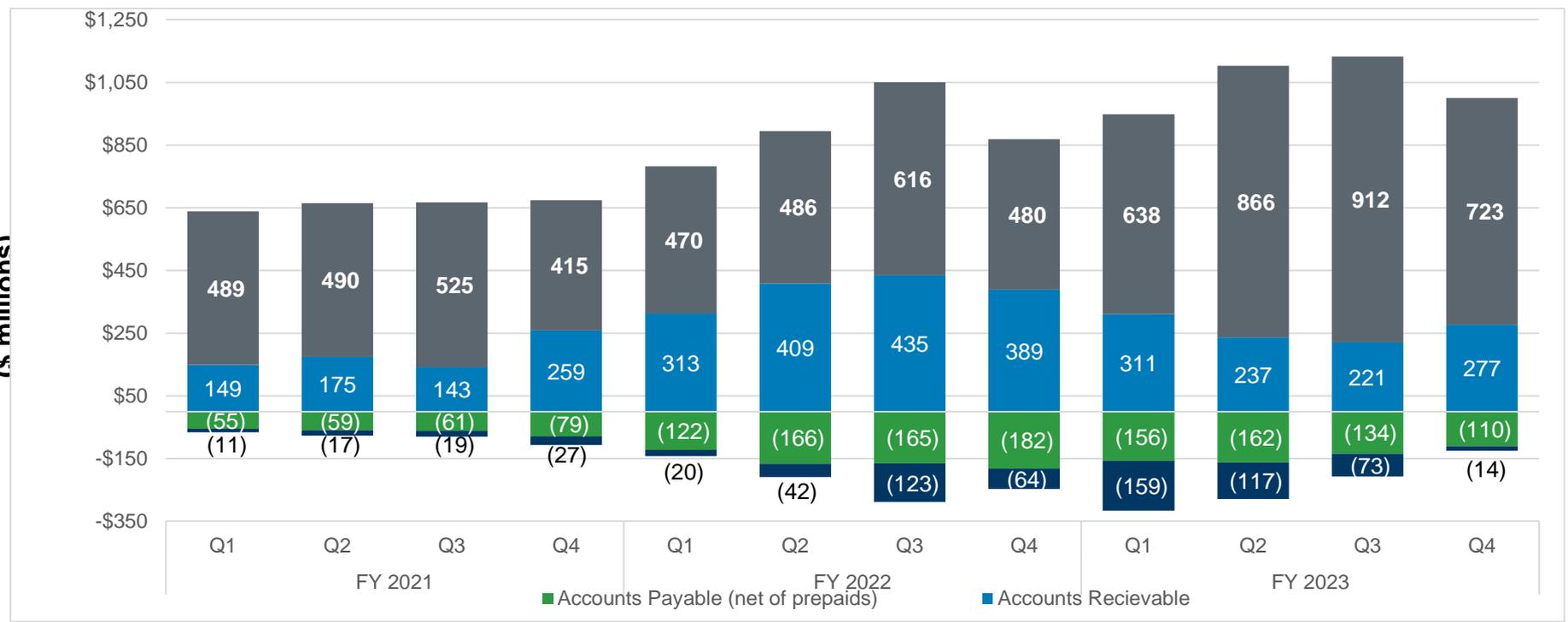
# Full Year Financial Highlights

	FY 2023	FY 2022	% YoY
Shipping volume ('000s tons)	<b>2,003</b>	2,297	<b>-13%</b>
Net Sales Realization per ton (\$/ton)	<b>1,273</b>	1,545	<b>-18%</b>
Steel Revenue(\$ million)	<b>2,550</b>	3,549	<b>-28%</b>
Cost of Steel Products Sold (\$/NT)	<b>1,004</b>	857	<b>17%</b>
Adjusted EBITDA (\$ million)	<b>452</b>	1,503	<b>-70%</b>
Net Income (\$ million)	<b>298</b>	858	<b>-65%</b>

# Overview of Net Working Capital Seasonality



Net Working Capital \$M <sup>(1)</sup>	\$ 573	\$ 589	\$ 588	\$ 568	\$ 641	\$ 687	\$ 762	\$ 623	\$ 633	\$ 825	\$ 926	\$ 875
--	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------



Source Company Notes to the Financial Statements:

(1) Please note that the chart shown includes Inventory, Receivables, Payables Net of Prepaids, and Taxes Payable Net of Taxes Receivable



## Future home of Algoma's new EAF facility<sup>1</sup>:



**BOSP:** Basic Oxygen Steel Production (existing)  
**DSPC:** Direct Strip Production Complex (existing)  
**EAF Meltshop:** Electric Arc Furnace (new consisting of 2 independent -250NT Danieli Electric Arc Furnaces)  
**WTP:** Water Treatment Plant (new)

## Project Statistics<sup>2</sup>:

- Concrete poured : est.15,000m<sup>3</sup>
- EAF Building Foundations est. 100% complete
- EAF Equipment Piling - 95% complete
- EAF Equipment Foundations - Underway
- Fume Treatment Plant excavation and piling complete
- Fume Treatment Plant foundations – 50%complete
- Primary steel for EAF building est. 15,000NT (4,500NT Installed)

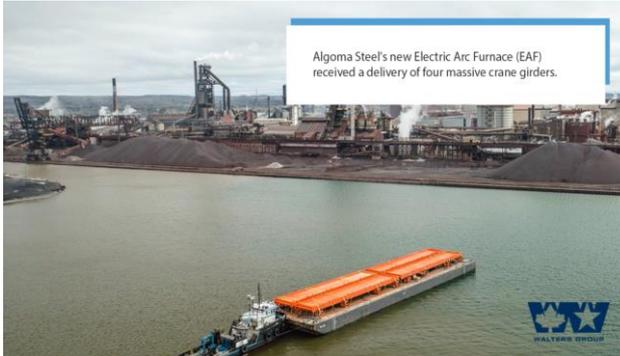
## By the numbers:

- Spending as of Mar 31, 2022 - **\$267M**
- Remaining SIF Funding Available **\$134M**
- Revised Budget Expected to Increase by **\$125-\$175 Million**



## Equipment Manufacturing on Track for Delivery

- Manufacturing and factory acceptance testing has been completed for key elements of Danieli EAF equipment including:
  - 6 Electric overhead cranes supporting scrapyard and steel making
  - Danieli Q-One Module transformer testing
  - Fume Treatment Plant components
  - Furnace assemblies with water-cooled ducts
  - 4 Bulk vessels scheduled to ship Danieli equipment from global workshops to Algoma



Algoma Steel's new Electric Arc Furnace (EAF) received a delivery of four massive crane girders.

## EAF Meltshop Building on Track

- Building foundations completed
- 4,500 NT of steel erected, by Walters as building progresses on time
- 100NT crane girders received
- First utility building structure erected



## Critical Power Systems on track:

- 2 GE LM6000 turbines with control systems installed and tested
- 2-200 MVA transformers installed, tested and ready for connection
- New 115KV cable being installed to connect LSP power to EAF transformers
- All long lead time items for electrical components delivered and on site
- Received conditional approval from Independent Electricity System Operator



North American HRC price improving / Plate pricing remains strong

## Historical Hot Rolled Coil (HRC) and As Rolled Plate Prices (ARP) (US\$/ton)

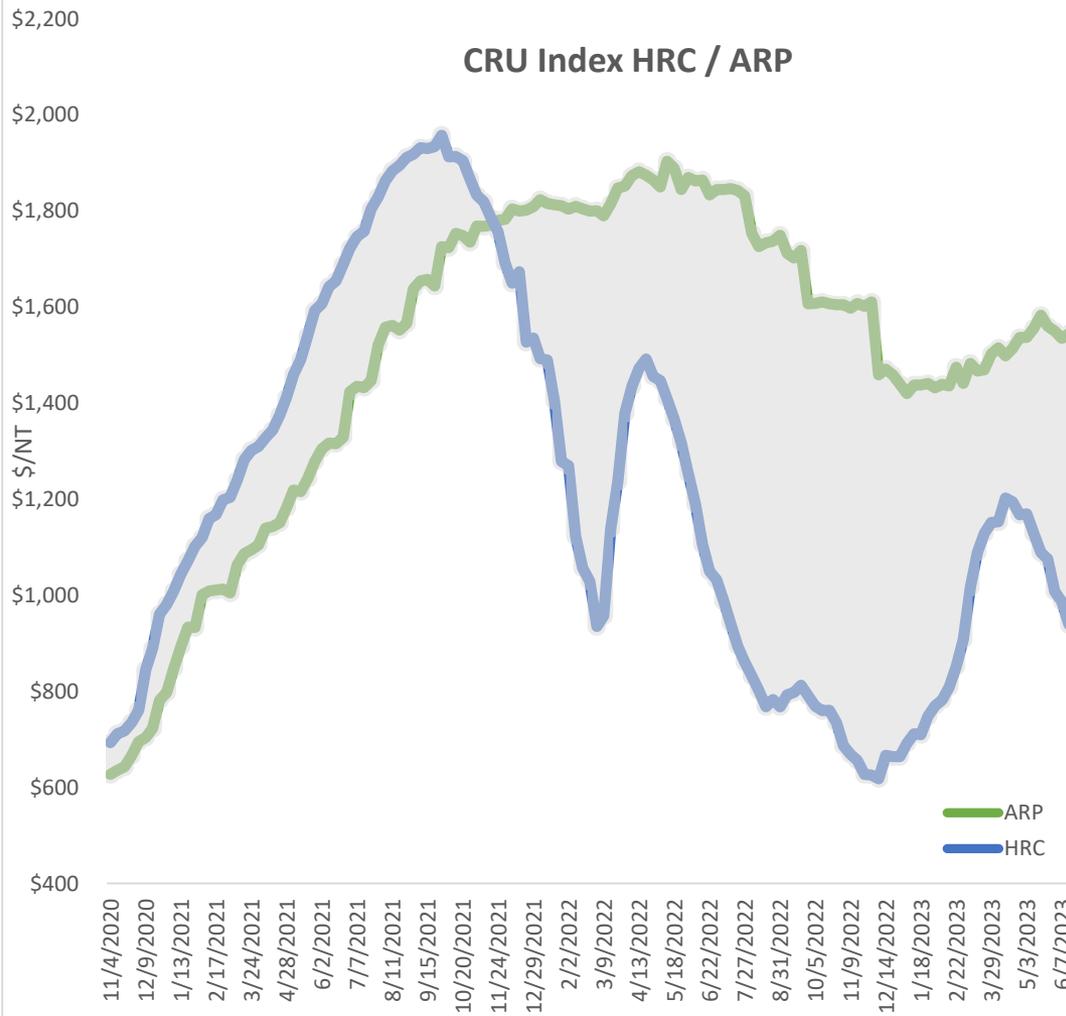
### Key Market Drivers

- HRC steel prices have increased \$247/NT since Jan 2023, peaking at \$1,203 in April. ARP spread over HRC continues to be elevated.
- Scrap market prices have fallen in most global markets over the last month, driven by weak steel demand and improved scrap steel supply. Prices continue to forecast declines in late 2023.
- In June, Carbon flat rolled sheet on hand inventory totals were only 3% higher than post Covid low levels in Q320-21

### Macro Economic Drivers

- North American unemployment rose to 3.7% in May, further unemployment could continue to increase as global recession concerns persist.
- US Federal Reserve pauses interest rate hikes in June, but further has signaled two more increases in 2023 to fight inflation.

CRU Index HRC / ARP



# Committed to our Path Forward, Creating a Track Record of Success

## Strategic Direction

<p><b>Operational &amp; Capital Improvements</b></p> <p>Algoma has developed and executed numerous operational and capital projects that add long term value to the business</p>	<p><b><u>DSPC Automation Upgrade</u></b></p> <p>Improves grade range and product offering</p> <p>Jun 2020</p>	<p><b><u>Ladle Met Furnace #2</u></b></p> <p>debottlenecks operations and increases capacity</p> <p>Feb 2021</p>	<p><b><u>Project Aurora</u></b></p> <p>\$50M annualized efficiency improvement across the steel works</p> <p>2021-2022</p>	<p><b><u>EAF Approval</u></b></p> <p>Received board approval to begin construction of Electric Arc Furnace</p> <p>Nov 2021</p>	<p><b><u>PMM Phase 1</u></b></p> <p>Enhancing quality and expanding grade range on Canada's only discrete plate mill</p> <p>2022</p>	<p><b><u>LSP Power Plant</u></b></p> <p>Installation of new turbines to support power generation for EAF project</p> <p>June 2023</p>	<p><b><u>EAF Project</u></b></p> <p>Construction progresses on transformative electric arc furnace</p> <p>2021-2024E</p>	<p><b><u>PMM Phase 2</u></b></p> <p>Enhancing productivity and expanding capacity ahead of schedule on Canada's only discrete plate mill</p> <p><b>2023-2024</b></p>
<p><b>Financial Discipline</b></p> <p>Algoma is has focused on streamlining its balance sheet, finding effective sources of capital to fund its strategic initiatives and providing long term value to stakeholders</p>	<p><b><u>\$420M Federal Financing announcement for EAF Project</u></b></p> <p>Jul 2021</p>	<p><b><u>Return to Public Markets</u></b></p> <p>including Equity injection of \$306M USD</p> <p>Oct 2021</p>	<p><b><u>Debt pay down</u></b></p> <p>Algoma extinguished all of its \$358M USD Sr. Secured debt</p> <p>Nov 2021</p>	<p><b><u>Regular Dividend</u></b></p> <p>Algoma commenced quarterly dividend of \$.05 / share</p> <p>Mar 2022</p>	<p><b><u>Substantial Issuer Bid</u></b></p> <p>Algoma buys back approx. 1/3 of outstanding shares</p> <p>Aug 2022</p>	<p><b><u>Normal Course Issuer Bid</u></b></p> <p>Algoma renewed its NCIB for share repurchases</p> <p>2023/24</p>	<p><b><u>ABL Renewal</u></b></p> <p>Amend and extend Algoma's now upsized US\$300M asset-based loan</p> <p>May 2023</p>	<p><b><u>Low Leverage Profile</u></b></p> <p>Algoma maintains a robust balance sheet with liquidity to support market fluctuations and its capital initiatives</p> <p><b>Ongoing</b></p>
<p><b>Strategic Partnerships</b></p> <p>Algoma continues to develop partnerships focused on de-risking the organization and creating long term value for stakeholders</p>	<p><b><u>United States Steel</u></b></p> <p>New iron ore contract de-risking supply of largest input</p> <p>May 2020</p>	<p><b><u>Triple M Metals</u></b></p> <p>JV with Triple M Metals for supply of scrap and metallic units to meet needs</p> <p>Nov 2021</p>	<p><b><u>PUC Transmission</u></b></p> <p>local 230KV power line to support Algoma's EAF transformation.</p> <p>2022-2025E</p>	<p><b><u>Suncoke</u></b></p> <p>5 Year contract to facilitate the migration to EAF operations</p> <p>2022-2026E</p>	<p><b><u>Walters</u></b></p> <p>Selected to fabricate and construct EAF Meltshop Building and other EAF equipment</p> <p>2023-2025E</p>	<p><b><u>EllisDon</u></b></p> <p>Construction mgmt support contract for EAF construction</p> <p>2023-2025E</p>	<p><b><u>DSV</u></b></p> <p>Global logistics support for delivery of EAF equipment</p> <p>2023-2025E</p>	<p><b><u>EAF Contractors</u></b></p> <p>Remaining contract awards partnering with select contractors for equipment and infrastructure installation</p> <p><b>2024</b></p>
<p><b>ESG Focus</b></p> <p>Algoma is committed to initiatives geared at driving performance, reducing risk and developing a culture of organizational excellence that improve our ESG performance</p>	<p><b><u>Secured Algoma's Legacy Environmental Action Plan</u></b></p> <p>Nov 2018</p>	<p><b><u>Focus on Safety</u></b></p> <p>Including zero lost time incidents for the past 2 Fiscal Quarters</p> <p>Apr – Sep 2021</p>	<p><b><u>Newly Constituted Board</u></b></p> <p>diversity of experience, thought and perspective</p> <p>Oct 2021</p>	<p><b><u>Performance Management</u></b></p> <p>Implemented a robust performance management system</p> <p>May 2019</p>	<p><b><u>Enterprise Risk Management</u></b></p> <p>Develop a culture of risk management</p> <p>Nov 2019</p>	<p><b><u>ESG Position Paper</u></b></p> <p>Published Algoma's approach to ESG</p> <p>April 2023</p>	<p><b><u>ESG Sustainability Report</u></b></p> <p>Algoma to publish its inaugural ESG Sustainability report</p> <p>2023</p>	<p><b><u>Emission Reduction</u></b></p> <p>EAF project expects to reduce emissions 70% and improve GHG performance</p> <p><b>2024E</b></p>
	Ongoing	Recently Announced	Upcoming					

**We are positioning Algoma for a new era in steel, well-capitalized to make critical investments that enhance long term performance and create value for our shareholders**

# Annex: Revenue and Cost of Sales

		Three months ended March 31,			Years ended March 31,	
		2023	2022		2023	2022
<i>tons</i>						
<b>Steel Shipments</b>	↑ 4.5%	<b>571,647</b>	547,217	↓ 12.8%	<b>2,002,715</b>	2,297,159
<i>millions of dollars</i>						
<b>Revenue</b>	↓ 28.1%	<b>C\$ 677.4</b>	C\$ 941.8	↓ 27.0%	<b>C\$ 2,778.5</b>	C\$ 3,806.0
Less:						
Freight included in revenue		(54.1)	(48.0)		(182.4)	(172.9)
Non-steel revenue		(14.1)	(13.9)		(46.0)	(84.3)
<b>Steel revenue</b>	↓ 30.8%	<b>\$ 609.2</b>	\$ 879.9	↓ 28.1%	<b>C\$ 2,550.1</b>	C\$ 3,548.8
<b>Cost of steel revenue</b>	↑ 3.9%	<b>C\$ 562.5</b>	C\$ 541.3	↑ 5.1%	<b>C\$ 2,160.2</b>	C\$ 2,054.6
Amortization included in cost of steel revenue		(25.6)	(22.7)		(95.0)	(86.7)
Carbon tax included in cost of steel revenue		(2.9)	(0.4)		(7.2)	0.6
Past service costs - pension benefits		-	-		(44.5)	-
Past service costs - post-employment benefits		-	-		(3.4)	-
<b>Cost of steel products sold</b>	↑ 3.0%	<b>C\$ 534.0</b>	C\$ 518.2	↑ 2.1%	<b>C\$ 2,010.1</b>	C\$ 1,968.5
<i>dollars per ton</i>						
<b>Revenue per ton of steel sold</b>	↓ 31.1%	<b>C\$ 1,185</b>	C\$ 1,721	↓ 16.3%	<b>C\$ 1,387</b>	C\$ 1,657
<b>Cost of steel revenue per ton of steel sold</b>	0.5%	<b>C\$ 984</b>	C\$ 989	↑ 20.6%	<b>C\$ 1,079</b>	C\$ 894
Average net sales realization on steel sales (i)	↓ 33.7%	C\$ 1,066	C\$ 1,608	↓ 17.6%	C\$ 1,273	C\$ 1,545
Cost per ton of steel products sold	↓ 1.4%	C\$ 934	C\$ 947	↑ 17.0%	C\$ 1,004	C\$ 857

(i) Represents Steel revenue (being Revenue less (a) Freight included in revenue and (b) Non-steel revenue) divided by the number of tons of Steel Shipments during the applicable period.

# Annex: Adjusted EBITDA Reconciliation

<i>millions of dollars</i>	Three months ended March 31,		Years ended March 31,	
	2023	2022	2023	2022
Net (loss) income	C\$ (20.4)	C\$ 242.9	C\$ 298.5	C\$ 857.7
Amortization of property, plant and equipment and amortization of intangible assets	25.6	22.7	95.3	87.0
Finance costs	4.9	4.3	17.9	48.6
Interest on pension and other post-employment benefit obligations	4.8	2.9	17.2	11.6
Income taxes	5.4	78.0	77.6	298.9
Foreign exchange loss (gain)	0.1	6.3	(41.1)	4.4
Finance income	(2.9)	(0.4)	(13.3)	(0.5)
Inventory write-downs ( <i>amortization on property, plant and equipment in inventory</i> )	(3.8)	0.1	1.1	0.1
Carbon tax	2.9	0.4	7.2	(0.6)
Increase (decrease) in fair value of warrant liability	19.4	13.2	(47.7)	6.4
Increase (decrease) in fair value of earnout liability	3.5	(44.5)	(5.9)	(78.1)
Increase (decrease) in fair value of share-based payment compensation liability	6.9	2.9	(12.7)	-
Transaction costs	-	5.0	-	26.5
Listing expense	-	-	-	235.6
Share-based compensation	1.5	0.7	4.9	5.7
Past service costs - pension benefits	-	-	49.5	-
Past service costs - post-employment benefits	-	-	3.8	-
<b>Adjusted EBITDA (i)</b>	<b>C\$ 47.9</b>	<b>C\$ 334.4</b>	<b>C\$ 452.3</b>	<b>C\$ 1,503.2</b>
<b>Net (Loss) Income Margin</b>	<b>(3.0%)</b>	25.8%	<b>10.7%</b>	22.5%
<b>Net (Loss) Income / ton</b>	<b>C\$ (35.7)</b>	C\$ 443.8	<b>C\$ 149.0</b>	C\$ 373.4
<b>Adjusted EBITDA Margin (ii)</b>	<b>7.1%</b>	35.5%	<b>16.3%</b>	39.5%
<b>Adjusted EBITDA / ton</b>	<b>C\$ 83.8</b>	C\$ 611.1	<b>C\$ 225.9</b>	C\$ 654.4

(i) See "Non-IFRS Measures" for information regarding the limitations of using Adjusted EBITDA.

(ii) Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of revenue.

# Annex: Selected Quarterly Information

(millions of dollars, except where otherwise noted)

As at and for the three months ended<sup>1</sup>

	2023				2022				2021
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4
<b>Financial results</b>									
Total revenue	C\$ 677.4	C\$ 567.8	C\$ 599.2	C\$ 934.1	C\$ 941.8	C\$ 1,064.9	C\$ 1,010.2	C\$ 789.1	C\$ 638.5
Steel products	609.2	512.0	551.5	877.4	879.9	1,009.5	936.5	722.9	585.6
Non-steel products	14.1	12.1	8.2	11.6	13.9	14.2	31.8	24.4	5.6
Freight	54.1	43.7	39.5	45.1	48.0	41.2	41.9	41.8	47.3
Cost of sales	630.7	611.8	569.4	576.8	603.2	599.9	578.7	510.2	476.0
Administrative and selling expenses	25.0	21.7	24.2	28.4	28.0	18.9	29.4	26.7	32.5
Income (loss) from operations	21.7	(65.7)	5.6	328.9	310.6	446.1	402.1	252.2	130.0
Net income (loss)	(20.4)	(69.8)	87.2	301.4	242.9	123.0	288.2	203.7	100.1
Adjusted EBITDA	C\$ 47.9	C\$ (35.9)	C\$ 82.7	C\$ 357.7	C\$ 334.4	C\$ 457.3	C\$ 430.6	C\$ 280.8	C\$ 166.9
<b>Per common share (diluted)<sup>3</sup></b>									
Net income (loss)	C\$ (0.2)	C\$ (0.6)	C\$ 0.36	C\$ 1.49	C\$ 1.45	C\$ 0.92	C\$ 4.02	C\$ 2.83	C\$ 1.40
<b>Financial position</b>									
Total assets	C\$ 2,455.6	C\$ 2,549.0	C\$ 2,716.0	C\$ 3,070.5	C\$ 2,693.6	C\$ 2,520.7	C\$ 2,185.7	C\$ 1,697.2	C\$ 1,553.9
Total non-current liabilities	650	663.4	693.3	618.0	573.5	640.1	1,038.8	1,002.5	1,031.5
<b>Operating results</b>									
Average NSR per nt <sup>2</sup>	C\$ 1,066	C\$ 1,116	C\$ 1,266	C\$ 1,632	C\$ 1,608	C\$ 1,827	C\$ 1,594	C\$ 1,185	C\$ 942
Adjusted EBITDA per nt <sup>2</sup>	83.8	(78.3)	189.9	665.4	611.1	827.6	733.1	460.3	268.4
Shipping volume (in thousands of nt)									
Sheet	505	421	411	485	486	481	514	541	543
Plate	66	37	23	52	61	72	73	69	79
Slab	1	1	1	-	-	-	-	-	-

1 - Period end date refers to the following: "Q4" - March 31, "Q3" - December 31, "Q2" - September 30 and "Q1" - June 30.

2 - The definition and reconciliation of these non-IFRS measures are included in the "Non-IFRS Financial Measures" section of this MD&A.

3 - Pursuant to the Merger Agreement with Legato as described in the "Merger Transaction" section of this MD&A, on October 19, 2021, the Company effected a reverse stock split retroactively, such that each outstanding common share became such number of common shares, each valued at \$10.00 per share, as determined by the conversion factor of 71.76775% (as defined in the Merger Agreement), with such common shares subsequently distributed to the equity holders of the Company's former ultimate parent company.

Further, on February 9, 2022, the Company issued 35,883,692 common shares in connection with the earnout rights granted to non-management shareholders that existed prior to the Merger.

On March 3, 2022, the Company commenced a normal course issuer bid for which the Company purchased and cancelled 3,364,262 common shares as at March 31, 2023.

On June 21, 2022, the Company commenced a substantial issuer bid in Canada and a Tender Offer (the "Offer") in the United States. On July 27, 2022, the Offer was completed and 41,025,641 common shares were purchased for cancellation.



# ALGOMA

— STEEL INC. —

NASDAQ:ASTL  
TSX: ASTL