



## Ferroglobe Reports Solid Third Quarter 2022 Results Despite Weaker Market Conditions

November 15, 2022

LONDON, Nov. 15, 2022 (GLOBE NEWSWIRE) -- Ferroglobe PLC (NASDAQ: GSM) ("Ferroglobe", the "Company", or the "Parent"), a leading producer globally of silicon metal, silicon-based and manganese-based specialty alloys, today announced results for the third quarter 2022.

### FINANCIAL HIGHLIGHTS

- Q3 2022 revenue of \$593.2 million, down 29.5% over the prior quarter
- Q3 2022 Adjusted EBITDA of \$185.3 million, down 38.9% over the prior quarter
- Adjusted EBITDA margin decrease of 5 percentage points to 31% in Q3 2022, down from 36% over the prior quarter
- Net profit of \$98.8 million (diluted earnings per share of \$0.52), compared to net profit of \$185.1 million (diluted earnings per share of \$0.98) in Q2 2022
- Net debt of \$194 million at quarter end, similar at the end of Q2
- Total cash of \$236.8 million at quarter-end, down \$69.7 million from the prior quarter

### BUSINESS HIGHLIGHTS

- Solid third quarter results despite weaker market conditions
- Redeemed all \$60 million of the 9% super senior secured notes due 2025
- Board approval of our new medium to long term strategy
- Planned restart of the Polokwane facility, adding 55,000 tons of silicon metal capacity in South Africa, providing access to strategically located lower-cost asset
- Ramping up industrial production of 99.999% (3N) and 99.9999% (4N) micrometer size silicon metal at our Puertollano facility in Spain

Dr. Marco Levi, Ferroglobe's Chief Executive Officer, commented, "During the third quarter, we have seen a challenging environment driven by demand slowdown and continued volatility in energy prices in Europe. Steel production has been heavily curtailed in Europe, where we have also seen massive closures of aluminum plants.

"Despite a difficult environment during the third quarter, Ferroglobe continues to perform well, generating robust sales and healthy profitability. The various initiatives that we have implemented over the past two years have enabled us to perform well during challenging periods and declining prices. We continue to focus on improving our overall competitiveness in the market and optimizing our cost position. The restart of our Polokwane facility will provide us with a competitive source of silicon metal with a location that will provide the flexibility to move production away from plants impacted by burdened energy costs and expand business in new geographies. As we have mentioned in prior earnings calls, we continue reducing our leverage with the objective of further strengthening our balance sheet. During the third quarter we redeemed \$60 million of our 9% super senior secured notes, reducing our annual interest expense by over \$5 million. We will continue to focus on optimizing our costs to improve the efficiency of our organization," concluded Dr. Levi.

### Third Quarter 2022 Financial Highlights

\$,000 (unaudited)	Quarter Ended	Quarter Ended	Quarter Ended	%	%	Nine Months Ended	Nine Months Ended	%
	September 30, 2022	June 30, 2022	September 30, 2021	CQ/PQ	CYQ/PYQ	September 30, 2022	September 30, 2021	CY/PY
Sales	\$ 593,218	\$ 840,808	\$ 429,210	(29%)	38%	\$ 2,149,291	\$ 1,209,137	78%
Raw materials and energy consumption for production	\$ (285,210)	\$ (369,749)	\$ (295,273)	(23%)	(3%)	\$ (995,514)	\$ (813,377)	22%
Operating profit (loss)	\$ 154,424	\$ 265,298	\$ 11,260	(42%)	1,271%	\$ 630,853	\$ (24,502)	2,675%
Operating margin	26.0%	31.6%	3%			29.4%	(2%)	
Adjusted net income (loss) attributable to the parent	\$ 118,264	\$ 213,170	\$ (64,214)	(45%)	284%	\$ 496,737	\$ (79,424)	725%
Adjusted diluted EPS	\$ 0.64	\$ 1.14	\$ (0.36)			\$ 2.66	\$ (0.45)	
Adjusted EBITDA	\$ 185,293	\$ 303,159	\$ 37,592	(39%)	393%	\$ 729,568	\$ 93,747	678%
Adjusted EBITDA margin	31.2%	36.1%	8.8%			33.9%	7.8%	
Operating cash flow	\$ 54,972	\$ 164,818	\$ (34,677)	(67%)	259%	\$ 285,698	\$ (23,050)	1,339%
Free cash flow <sup>1</sup>	\$ 40,141	\$ 151,109	\$ (42,845)	(73%)	194%	\$ 248,033	\$ (39,440)	729%
Working Capital	\$ 717,283	\$ 687,345	\$ 395,867	4%	81%	\$ 717,283	\$ 395,867	81%

Working Capital as % of Sales <sup>2</sup>		30.2%	20.4%	23.1%		25.0%	24.6%		
Cash and Restricted Cash	\$	236,789	\$ 306,511	\$ 95,043	(23%)	149%	\$ 236,789	\$ 95,043	149%
Adjusted Gross Debt <sup>3</sup>	\$	431,207	\$ 500,472	\$ 499,270	(14%)	(14%)	\$ 431,207	\$ 499,270	(14%)
Equity	\$	700,340	\$ 637,710	\$ 281,910	10%	148%	\$ 700,340	\$ 281,910	148%

(1) Free cash flow is calculated as operating cash flow plus investing cash flow

(2) Working capital based on annualized quarterly sales respectively

(3) Adjusted gross debt excludes bank borrowings on factoring program and impact of leasing standard IFRS16 at September 30, 2022, June 30, 2022 & September 30, 2021

### Sales

In the third quarter of 2022, Ferroglobe reported net sales of \$593.2 million, a decrease of 29% compared with the prior quarter and an increase of 38% compared with the third quarter of 2021. The decrease in our third quarter results is primarily attributable to lower volumes across our product portfolio, and lower pricing in our main products. The \$248 million decrease in sales over the prior quarter was primarily driven by silicon metal, which accounted for \$92 million of the decrease, silicon based alloys, which accounted for \$57 million and manganese-based alloys, which accounted for \$95 million.

### Raw materials and energy consumption for production

Raw materials and energy consumption for production was \$285.2 million in the third quarter of 2022 versus \$369.8 million in the prior quarter, a decrease of 23%. As a percentage of sales, raw materials and energy consumption for production was 48% in the third quarter of 2022 versus 44% in the prior quarter. This variance is mainly due to the larger energy benefit in France recognized in the second quarter, the increase in the price of energy and inflationary pressure on raw material prices, particularly coal.

### Net Income (Loss) Attributable to the Parent

In the third quarter of 2022, net profit attributable to the Parent was \$97.6 million, or \$0.52 per diluted share, compared to a net profit attributable to the Parent of \$185.3 million, or \$0.98 per diluted share in the second quarter.

### Adjusted EBITDA

In the third quarter of 2022, Adjusted EBITDA was \$185.3 million, or 31% of sales, a decrease of 5 percentage points compared to adjusted EBITDA of \$303.2 million, or 36% of sales in the second quarter of 2022. The decrease in the third quarter of 2022 Adjusted EBITDA as a percentage of sales is primarily attributable to the decrease in sale volumes and price.

### Total Cash

The total cash balance was \$236.8 million as of September 30, 2022, down \$69.7 million from \$306.5 million as of June 30, 2022.

During the third quarter of 2022, we generated positive operating cash flow of \$54.9 million, had negative cash flow from investing activities of \$14.8 million, and \$108.9 million in negative cash flow from financing activities, primarily driven by the \$60 million of 9% super senior notes redeemed in July 2022.

### Total Working Capital

Total working capital was \$717.3 million at September 30, 2022, increasing from \$687.3 million at June 30, 2022. The \$30.0 million increase in working capital during the quarter was due primarily to a \$108.6 million increase in inventories, partially offset by a \$84.9 million decrease in accounts receivables. On a relative basis, our working capital as a percentage of sales increased during the third quarter to 30.2%, compared to 20.4% during the prior quarter.

Beatriz García-Cos, Ferroglobe's Chief Financial Officer, commented, "During the third quarter we continued to follow through on our stated commitment to deleverage the balance sheet with the redemption of our 9% super senior notes that was completed in July. This reduced our adjusted gross debt by \$60 million. This was in addition to the \$19 million of the senior notes that we purchased in the open market during the second quarter.

"While our end-markets were challenging in the third quarter, we were able to successfully manage our cost to report healthy EBITDA, which remained relatively strong, as well as EBITDA margins, which were the third highest in the Company's history. The third quarter results highlight that the cost cutting initiatives that we have implemented over the past couple of years enable us to perform well in both challenging markets as well as healthy ones.

"Ferroglobe's financial condition is strong with \$237 million in total cash, which provides us with much flexibility to manage our business" concluded Mrs. García-Cos.

### Product Category Highlights

#### Silicon Metal

	Quarter Ended September 30, 2022	Quarter Ended June 30, 2022	Change	Quarter Ended September 30, 2021	Change	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021	Change
Shipments in metric tons:	50,545	62,988	(19.8)%	61,713	(18.1)%	169,883	190,311	(10.7)%

Average selling price (\$/MT):	5,220	5,649	(7.6)%	2,467	111.6%	5,489	2,366	132.0%
<b>Silicon Metal Revenue (\$,000)</b>	<b>263,845</b>	<b>355,819</b>	<b>(25.8)%</b>	<b>152,246</b>	<b>73.3%</b>	<b>932,488</b>	<b>450,276</b>	<b>107.1%</b>
<b>Silicon Metal Adj.EBITDA (\$,000)</b>	<b>113,151</b>	<b>175,108</b>	<b>(35.4)%</b>	<b>11,428</b>	<b>890.1%</b>	<b>439,920</b>	<b>39,845</b>	<b>1004.1%</b>
<b>Silicon Metal Adj.EBITDA Mgns</b>	<b>42.9%</b>	<b>49.2%</b>		<b>7.5%</b>		<b>47.2%</b>	<b>8.8%</b>	

Silicon metal revenue in the third quarter was \$263.8 million, a decrease of 25.8% over the prior quarter. The average realized selling price decreased by 7.6%, while total shipments decreased by 19.8%, primarily due to a decline in market demand. Adjusted EBITDA for silicon metal decreased to \$113.2 million during the third quarter, a decrease of 35.4% compared with \$175.1 million for the prior quarter.

#### ***Silicon-Based Alloys***

	<b>Quarter Ended September 30, 2022</b>	<b>Quarter Ended June 30, 2022</b>	<b>Change</b>	<b>Quarter Ended September 30, 2021</b>	<b>Change</b>	<b>Nine Months Ended September 30, 2022</b>	<b>Nine Months Ended September 30, 2021</b>	<b>Change</b>
Shipments in metric tons:	48,977	57,658	(15.1)%	55,863	(12.3)%	164,230	182,688	(10.1)%
Average selling price (\$/MT):	3,655	4,097	(10.8)%	1,992	83.5%	3,819	1,824	109.4%
<b>Silicon-based Alloys Revenue (\$,000)</b>	<b>179,011</b>	<b>236,225</b>	<b>(24.2)%</b>	<b>111,279</b>	<b>60.9%</b>	<b>627,194</b>	<b>333,223</b>	<b>88.2%</b>
<b>Silicon-based Alloys Adj.EBITDA (\$,000)</b>	<b>59,668</b>	<b>97,141</b>	<b>(38.6)%</b>	<b>8,375</b>	<b>612.5%</b>	<b>235,220</b>	<b>29,849</b>	<b>688.0%</b>
<b>Silicon-based Alloys Adj.EBITDA Mgns</b>	<b>33.3%</b>	<b>41.1%</b>		<b>7.5%</b>		<b>37.5%</b>	<b>9.0%</b>	

Silicon-based alloy revenue in the third quarter was \$179.0 million, a decrease of 24.2% over the prior quarter. The average realized selling price decreased by 10.8%, due to a decline in demand for ferrosilicons linked to general industry declines in the steel sector. Total shipments of silicon-based alloys decreased 15.1%, driven by lower demand in our foundry business during the quarter due to the broader commodities slowdown. Adjusted EBITDA for the silicon-based alloys portfolio decreased to \$59.7 million in the third quarter of 2022, a decrease of 38.6% compared with \$97.1 million for the prior quarter.

#### ***Manganese-Based Alloys***

	<b>Quarter Ended September 30, 2022</b>	<b>Quarter Ended June 30, 2022</b>	<b>Change</b>	<b>Quarter Ended September 30, 2021</b>	<b>Change</b>	<b>Nine Months Ended September 30, 2022</b>	<b>Nine Months Ended September 30, 2021</b>	<b>Change</b>
Shipments in metric tons:	61,583	97,007	(36.5)%	76,454	(19.5)%	233,672	217,386	7.5%
Average selling price (\$/MT):	1,584	1,986	(20.2)%	1,574	0.6%	1,860	1,390	33.8%
<b>Manganese-based Alloys Revenue (\$,000)</b>	<b>97,547</b>	<b>192,656</b>	<b>(49.4)%</b>	<b>120,339</b>	<b>(18.9)%</b>	<b>434,630</b>	<b>302,167</b>	<b>43.8%</b>
<b>Manganese-based Alloys Adj.EBITDA (\$,000)</b>	<b>14,681</b>	<b>32,871</b>	<b>(55.3)%</b>	<b>22,494</b>	<b>(34.7)%</b>	<b>67,923</b>	<b>48,330</b>	<b>40.5%</b>
<b>Manganese-based Alloys Adj.EBITDA Mgns</b>	<b>15.1%</b>	<b>17.1%</b>		<b>18.7%</b>		<b>15.6%</b>	<b>16.0%</b>	

Manganese-based alloy revenue in the third quarter was \$97.5 million, a decrease of 49.4% over the prior quarter. The average realized selling price decreased by 20.2% and total shipments decreased 36.5%. Shipments declined, as a result of lower demand following an extraordinarily high second quarter, production self-constraint in Spain due to high energy prices, and higher pressure from Asian suppliers. Adjusted EBITDA for the manganese-based alloys portfolio decreased to \$14.7 million in the third quarter of 2022, a decrease of 55.3% compared with \$32.9 million for the prior quarter.

#### **Russia – Ukraine War**

The ongoing war between Russia and Ukraine has disrupted supply chains and caused instability in the global economy, while the United States, United Kingdom and European Union, among other countries, announced sanctions against Russia. The ongoing conflict could result in the imposition of further economic sanctions against Russia. Sanctions imposed on coal and assimilated products such as anthracite and metallurgical coke have obliged Ferroglobe to redirect its sourcing of such products to other origins at a moment of strong market demand, leading to a temporary increase in raw materials prices. The uncertain supply and logistical conditions in Russia have also led Ferroglobe to diversify its sourcing of carbon electrodes.

New sourcing was put in place during the course of the quarter allowing Ferroglobe to ensure supply continuity to its operations worldwide while maintaining compliance with applicable sanctions.

### **Subsequent event**

#### ***Restart of Polokwane facility***

In October 2022, the company announced the intention to restart its 55,000-ton silicon metal facility in Polokwane, South Africa. The decision to restart the Polokwane facility was made as part of Ferroglobe's strategic plan to increase its capacity of silicon metal to address strong market demand. The Polokwane plant will enable the Company to add capacity that is lower cost and strategically located, optimizing its asset footprint, and providing flexibility in addressing the volatile energy markets in Europe.

The Polokwane facility provides a lower-cost source of silicon metal that is driven by competitive energy rates, an efficient asset base and a strategic location that can serve customers in Europe, the United States, the Middle East and Asia. Ferroglobe expects to begin production of the three-furnace operation by the end of November 2022, with initial production of approximately 1,150 metric tons per month, gradually ramping up to approximately 3,750 metric tons per month by the end of the second quarter of 2023.

### **Conference Call**

Ferroglobe invites all interested persons to participate on its conference call at 8:30 AM, U.S. Eastern Standard Time on November 16, 2022. Please dial-in at least five minutes prior to the call to register. The call may also be accessed via an audio webcast.

To join via phone:

Conference call participants should pre-register using this link:

<https://register.vevent.com/register/BI5ce939a3c6fa4ea1b91f9b12ba70c281>

Once registered, you will receive the dial-in numbers and a personal PIN, which are required to access the conference call.

To join via webcast:

A simultaneous audio webcast, and replay will be accessible here:

<https://edge.media-server.com/mmc/p/bq7jdch6>

### **About Ferroglobe**

Ferroglobe is one of the world's leading suppliers of silicon metal, silicon- and manganese-based specialty alloys, and other ferroalloys serving a customer base across the globe in dynamic and fast-growing end markets, such as solar, automotive, consumer products, construction and energy. The Company is based in London. For more information, visit <http://investor.ferroglobe.com>.

### **Forward-Looking Statements**

This release contains "forward-looking statements" within the meaning of U.S. securities laws. Forward-looking statements are not historical facts but are based on certain assumptions of management and describe the Company's future plans, strategies and expectations. Forward-looking statements often use forward-looking terminology, including words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "guidance", "intends", "likely", "may", "plan", "potential", "predicts", "seek", "target", "will" and words of similar meaning or the negative thereof.

Forward-looking statements contained in this press release are based on information currently available to the Company and assumptions that management believe to be reasonable, but are inherently uncertain. As a result, Ferroglobe's actual results, performance or achievements may differ materially from those expressed or implied by these forward-looking statements, which are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond the Company's control.

Forward-looking financial information and other metrics presented herein represent the Company's goals and are not intended as guidance or projections for the periods referenced herein or any future periods.

All information in this press release is as of the date of its release. Ferroglobe does not undertake any obligation to update publicly any of the forward-looking statements contained herein to reflect new information, events or circumstances arising after the date of this press release. You should not place undue reliance on any forward-looking statements, which are made only as of the date of this press release.

### **Non-IFRS Measures**

This document may contain summarized, non-audited or non-GAAP financial information. The information contained herein should therefore be considered as a whole and in conjunction with all the public information regarding the Company available, including any other documents released by the Company that may contain more detailed information. Adjusted EBITDA, adjusted EBITDA as a percentage of sales, working capital as a percentage of sales, adjusted EBITDA margin, adjusted net profit, adjusted profit per share, working capital, adjusted gross debt and net debt, are non-IFRS financial metrics that management uses in its decision making. Ferroglobe has included these financial metrics to provide supplemental measures of its performance. The Company believes these metrics are important and useful to investors because they eliminate items that have less bearing on the Company's current and future operating performance and highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures.

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Executive Director – Communications & Public Affairs

**Ferroglobe PLC and Subsidiaries**  
**Unaudited Condensed Consolidated Income Statement**  
(in thousands of U.S. dollars, except per share amounts)

	Quarter Ended September 30, 2022	Quarter Ended June 30, 2022	Quarter Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
Sales	\$ 593,218	\$ 840,808	\$ 429,210	\$ 2,149,291	\$ 1,209,137
Raw materials and energy consumption for production	(285,210)	(369,749)	(295,273)	(995,514)	(813,377)
Other operating income	19,711	26,223	31,447	68,942	70,466
Staff costs	(75,689)	(80,704)	(50,386)	(238,379)	(208,849)
Other operating expense	(77,954)	(130,992)	(79,785)	(292,122)	(209,793)
Depreciation and amortization charges, operating allowances and write-downs	(19,719)	(20,185)	(23,971)	(61,012)	(72,779)
Impairment losses	—	—	(363)	—	(363)
Other gain (loss)	67	(103)	381	(353)	1,056
<b>Operating profit (loss)</b>	<b>154,424</b>	<b>265,298</b>	<b>11,260</b>	<b>630,853</b>	<b>(24,502)</b>
Net finance expense	(16,630)	(12,829)	(103,379)	(41,914)	(130,420)
Exchange differences	(1,770)	(7,882)	(6,180)	(14,045)	(12,257)
<b>Profit (loss) before tax</b>	<b>136,024</b>	<b>244,587</b>	<b>(98,299)</b>	<b>574,894</b>	<b>(167,179)</b>
Income tax benefit (loss)	(37,184)	(59,529)	680	(140,207)	1,774
<b>Profit (loss) for the period</b>	<b>98,840</b>	<b>185,058</b>	<b>(97,619)</b>	<b>434,687</b>	<b>(165,405)</b>
Profit (loss) attributable to non-controlling interest	(1,212)	265	1,023	(570)	3,338
Profit (loss) attributable to the parent	<u>\$ 97,628</u>	<u>\$ 185,323</u>	<u>\$ (96,596)</u>	<u>\$ 434,117</u>	<u>\$ (162,067)</u>
EBITDA	\$ 174,143	\$ 285,483	\$ 35,231	\$ 691,865	\$ 48,277
Adjusted EBITDA	\$ 185,293	\$ 303,159	\$ 37,592	\$ 729,568	\$ 93,747
<b>Weighted average shares outstanding</b>					
Basic	187,424	187,441	179,849	187,454	172,852
Diluted	188,850	188,538	179,849	188,804	172,852
<b>Profit (loss) per ordinary share</b>					
Basic	\$ 0.52	\$ 0.99	\$ (0.54)	\$ 2.32	\$ (0.94)
Diluted	\$ 0.52	\$ 0.98	\$ (0.54)	\$ 2.30	\$ (0.94)

**Ferroglobe PLC and Subsidiaries**  
**Unaudited Condensed Consolidated Statement of Financial Position**  
(in thousands of U.S. dollars)

	September 30, 2022	June 30, 2022	December 31, 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	\$ 29,702	\$ 29,702	\$ 29,702
Other intangible assets	97,467	94,866	100,642
Property, plant and equipment	511,256	528,198	554,914
Other non-current financial assets	3,904	3,920	4,091
Deferred tax assets	158	124	7,010
Non-current receivables from related parties	1,462	1,558	1,699
Other non-current assets	17,072	17,818	18,734
Non-current restricted cash and cash equivalents	1,950	2,077	2,272
<b>Total non-current assets</b>	<b>662,971</b>	<b>678,263</b>	<b>719,064</b>

<b>Current assets</b>			
Inventories	511,557	403,004	289,797
Trade and other receivables	413,722	498,619	381,073
Current receivables from related parties	2,445	2,605	2,841
Current income tax assets	1,155	2,314	7,660
Other current financial assets	2	203	104
Other current assets	35,581	15,518	8,408
Current restricted cash and cash equivalents	—	—	—
Cash and cash equivalents	234,839	304,434	114,391
<b>Total current assets</b>	<b>1,199,301</b>	<b>1,226,697</b>	<b>804,274</b>
<b>Total assets</b>	<b>\$ 1,862,272</b>	<b>\$ 1,904,960</b>	<b>\$ 1,523,338</b>

	<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>\$ 700,340</b>	<b>\$ 637,710</b>	<b>\$ 320,031</b>
<b>Non-current liabilities</b>			
Deferred income	23,130	48,961	895
Provisions	53,487	55,771	60,958
Bank borrowings	2,534	2,922	3,670
Lease liabilities	9,181	9,514	9,968
Debt instruments	330,990	385,911	404,938
Other financial liabilities <sup>(1)</sup>	34,695	37,020	4,549
Other Obligations <sup>(2)</sup>	43,009	43,232	38,082
Other non-current liabilities <sup>(2)</sup>	—	—	1,476
Deferred tax liabilities	34,461	41,228	25,145
<b>Total non-current liabilities</b>	<b>531,487</b>	<b>624,559</b>	<b>549,681</b>
<b>Current liabilities</b>			
Provisions	121,826	95,300	137,625
Bank borrowings	68,446	96,412	95,297
Lease liabilities	7,800	7,342	8,390
Debt instruments	5,146	15,075	35,359
Other financial liabilities <sup>(1)</sup>	56,078	57,653	62,464
Payables to related parties	848	9,605	9,545
Trade and other payables	207,996	214,278	206,000
Current income tax liabilities	70,564	43,193	1,775
Other Obligations <sup>(2)</sup>	7,171	16,469	22,843
Other current liabilities <sup>(2)</sup>	84,570	87,364	74,328
<b>Total current liabilities</b>	<b>630,445</b>	<b>642,691</b>	<b>653,626</b>
<b>Total equity and liabilities</b>	<b>\$ 1,862,272</b>	<b>\$ 1,904,960</b>	<b>\$ 1,523,338</b>

(1) On January 25, 2022, the Ministry opened a hearing to decide on reimbursement of the loan. The company presented its allegations on February 15, 2022. Based on those allegations, the reimbursement procedure has been suspended and a new final report is expected to be made by the Ministry by the end of 2022 ending the administrative procedure and establishing the definitive amount of the partial reimbursement to be made. However, for accounting purposes the entire loan was considered short-term

(2) In 2021 we disaggregated "Other liabilities" into an additional line to the balance sheet "Other obligations" to separately present certain contractual obligations whose nature and function differs from other items presented in the "Other liabilities line", so as to allow a better understanding of the Company's financial position.

**Ferroglobe PLC and Subsidiaries**  
**Unaudited Condensed Consolidated Statement of Cash Flows**

	Quarter Ended September 30, 2022	Quarter Ended June 30, 2022	Quarter Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
<b>Cash flows from operating activities:</b>					
<b>Profit (loss) for the period</b>	<b>\$ 98,840</b>	<b>\$ 185,058</b>	<b>\$ (97,619)</b>	<b>\$ 434,687</b>	<b>\$ (165,405)</b>
<b>Adjustments to reconcile net (loss) profit to net cash used by operating activities:</b>					
Income tax (benefit) expense	37,184	59,529	(680)	140,207	(1,774)

Depreciation and amortization charges,					
operating allowances and write-downs	19,719	20,185	23,971	61,012	72,779
Net finance expense	16,630	12,829	103,379	41,914	130,420
Exchange differences	1,770	7,882	6,180	14,045	12,257
Impairment losses	—	—	363	—	363
Net loss (gain) due to changes in the value of asset	(124)	(10)	(424)	(140)	(688)
Gain on disposal of non-current assets	142	—	—	444	(351)
Share-based compensation	1,118	970	1,269	3,895	2,163
Other adjustments	(85)	112	43	48	(17)
<b>Changes in operating assets and liabilities</b>					
(Increase) decrease in inventories	(129,210)	(59,568)	(51,835)	(262,389)	(49,159)
(Increase) decrease in trade receivables	60,654	(25,963)	(27,683)	(87,076)	(78,000)
Increase (decrease) in trade payables	1,656	(10,959)	9,138	30,770	51,474
Other	(40,841)	5,654	(1,138)	(47,650)	3,764
Income taxes paid	(12,481)	(30,901)	359	(44,069)	(876)
<b>Net cash provided (used) by operating activities</b>	<b>54,972</b>	<b>164,818</b>	<b>(34,677)</b>	<b>285,698</b>	<b>(23,050)</b>
<b>Cash flows from investing activities:</b>					
Interest and finance income received	1,055	140	21	1,263	184
<b>Payments due to investments:</b>					
Other intangible assets <sup>(1)</sup>	(229)	—	—	(229)	—
Property, plant and equipment	(15,657)	(13,855)	(8,189)	(38,705)	(17,117)
Other	—	6	—	6	—
<b>Disposals:</b>					
Other non-current assets	—	—	—	—	543
<b>Net cash (used) provided by investing activities</b>	<b>(14,831)</b>	<b>(13,709)</b>	<b>(8,168)</b>	<b>(37,665)</b>	<b>(16,390)</b>
<b>Cash flows from financing activities:</b>					
Payment for debt and equity issuance costs	(693)	(100)	(26,064)	(793)	(43,755)
Proceeds from equity issuance	—	—	40,000	—	40,000
Proceeds from debt issuance	—	—	20,000	(4,943)	60,000
<b>Increase/(decrease) in bank borrowings:</b>					
Borrowings	193,502	301,360	159,861	739,026	437,496
Payments	(218,593)	(292,253)	(158,118)	(748,473)	(460,565)
Amounts paid due to leases	(2,412)	(2,277)	(2,602)	(7,207)	(8,615)
Other amounts received/(paid) due to financing activities	(60,655)	(19,119)	—	(41,476)	—
Interest paid	(20,078)	(2,376)	(1,125)	(57,253)	(21,473)
<b>Net cash (used) provided by financing activities</b>	<b>(108,929)</b>	<b>(14,765)</b>	<b>31,952</b>	<b>(121,119)</b>	<b>3,088</b>
<b>Total net cash flows for the period</b>	<b>(68,788)</b>	<b>136,344</b>	<b>(10,893)</b>	<b>126,914</b>	<b>(36,352)</b>
Beginning balance of cash and cash equivalents	306,511	176,022	106,089	116,663	131,557
Exchange differences on cash and cash equivalents in foreign currencies	(934)	(5,855)	(153)	(6,788)	(162)
<b>Ending balance of cash and cash equivalents</b>	<b>\$ 236,789</b>	<b>\$ 306,511</b>	<b>\$ 95,043</b>	<b>\$ 236,789</b>	<b>\$ 95,043</b>
Cash from continuing operations	234,839	304,434	89,047	234,839	89,047
Current/Non-current restricted cash and cash equivalents	1,950	2,077	5,996	1,950	5,996
<b>Cash and restricted cash in the statement of financial position</b>	<b>\$ 236,789</b>	<b>\$ 306,511</b>	<b>\$ 95,043</b>	<b>\$ 236,789</b>	<b>\$ 95,043</b>

**Adjusted EBITDA (\$,000):**

	Quarter Ended September 30, 2022	Quarter Ended June 30, 2022	Quarter Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
<b>Profit (loss) attributable to the parent</b>	<b>\$ 97,628</b>	<b>\$ 185,323</b>	<b>\$ (96,596)</b>	<b>\$ 434,117</b>	<b>\$ (162,067)</b>
Profit (loss) attributable to non-controlling interest	1,212	(265)	(1,023)	570	(3,338)
Income tax (benefit) expense	37,184	59,529	(680)	140,207	(1,774)
Net finance expense	16,630	12,829	103,379	41,914	130,420
Exchange differences	1,770	7,882	6,180	14,045	12,257
Depreciation and amortization charges, operating allowances and write-downs	19,719	20,185	23,971	61,012	72,779
<b>EBITDA</b>	<b>174,143</b>	<b>285,483</b>	<b>35,231</b>	<b>691,865</b>	<b>48,277</b>
Impairment	—	—	363	—	363
Restructuring and termination costs	—	3,406	1,313	9,315	44,422
New strategy implementation	7,354	14,270	—	24,592	—
Pension Plan buyout	—	—	685	—	685
Subactivity	3,796	—	—	3,796	—
<b>Adjusted EBITDA</b>	<b>\$ 185,293</b>	<b>\$ 303,159</b>	<b>\$ 37,592</b>	<b>\$ 729,568</b>	<b>\$ 93,747</b>

**Adjusted profit attributable to Ferroglobe (\$,000):**

	Quarter Ended September 30, 2022	Quarter Ended June 30, 2022	Quarter Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
<b>Profit (loss) attributable to the parent</b>	<b>\$ 97,628</b>	<b>\$ 185,323</b>	<b>\$ (96,596)</b>	<b>\$ 434,117</b>	<b>\$ (162,067)</b>
Tax rate adjustment	11,584	13,498	30,776	32,012	51,723
Impairment	—	—	247	—	247
Restructuring and termination costs	—	2,765	893	7,562	30,207
New strategy implementation	5,970	11,584	—	19,964	—
Pension Plan buyout	—	—	466	—	466
Subactivity	3,082	—	—	3,082	—
<b>Adjusted profit (loss) attributable to the parent</b>	<b>\$ 118,264</b>	<b>\$ 213,170</b>	<b>\$ (64,214)</b>	<b>\$ 496,737</b>	<b>\$ (79,424)</b>

**Adjusted diluted profit per share:**

	Quarter Ended September 30, 2022	Quarter Ended June 30, 2022	Quarter Ended September 30, 2021	Nine Months Ended September 30, 2022	Nine Months Ended September 30, 2021
<b>Diluted profit (loss) per ordinary share</b>	<b>\$ 0.52</b>	<b>\$ 0.98</b>	<b>\$ (0.54)</b>	<b>\$ 2.30</b>	<b>\$ (0.94)</b>
Tax rate adjustment	0.06	0.08	0.18	0.18	0.31
Restructuring and termination costs	0.01	0.02	0.00	0.04	0.18
New strategy implementation	0.03	0.06	—	0.12	—
Subactivity	0.02	—	—	0.02	—
<b>Adjusted diluted profit (loss) per ordinary share</b>	<b>\$ 0.64</b>	<b>\$ 1.14</b>	<b>\$ (0.36)</b>	<b>\$ 2.66</b>	<b>\$ (0.45)</b>