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Tosyali Algeria Sets DRI Production Record in 2021, Contracts 2nd DRI Plant MIDREX[®] Plant produces more than 2.28 million tons

Bethioua (Oran), ALGERIA (February 28, 2022) – Tosyali Algeria A.Ş. established a new world record in 2021 for annual direct reduced iron (DRI) production by a single module plant, producing more than 2.28 million tons. The former record was set in 2020 by Tosyali in only its second year of operation.

“Our fundamental priority is operational sustainability and full compliance with environmental, social and governance principles,” Dr. Suhat Korkmaz, CEO of Tosyali Holding, said. “Tosyali Algeria DRI Plant setting a worldwide production record two years in a row is proof of our operational excellence. As a team of nearly 3000 employees, we are very proud of being a part of this success story. This record also places Algeria in a very successful position in the DRI industry across the world.

“In the last quarter of 2021, we started the last phase of our investment in Tosyali Algeria, which includes a new DRI facility with the latest and highest available technology. This new investment will enable a significantly lower carbon footprint, one of the best practices in the world steel industry,” Dr. Suhat said.

“This new investment in Algeria is highly important, not only because of 2.5 million tons of additional capacity but also because of the positive environmental impact. At Tosyali Algeria, we produce steel with a low carbon footprint by using the world's most advanced DRI technology, and we will be even more competitive in terms of environmental impact with this new technology transfer to Algeria.”

Stephen C. Montague, President & CEO of Midrex Technologies, Inc., said, “We congratulate the management and staff of Tosyali Algeria for their continued excellence in plant operation. Setting the DRI production record for a second time is a real testament to the skill and know-how of the Tosyali Group.”

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Contract for Second MIDREX Plant

In July 2021, Tosyali Holding awarded Midrex and its partner Paul Wurth a contract to build a second DRI plant at the Tosyali Algeria steelworks in Bethioua (Oran), Algeria. The new DRI plant will produce 2.5 million tons of cold DRI (CDRI) and hot DRI (HDRI), similar to the original plant, with the capability of all MIDREX Plants to operate with even more hydrogen in the future. HDRI will be fed via a hot transport conveyor to a new electric arc furnace (EAF), allowing for greater EAF productivity and energy savings. During melt shop outages, the plant can continue producing CDRI up to full capacity, which maximizes operational ability.



Tosyali Algeria 2 Contract Signing Ceremony

Pictured (left to right): Todd Ames, Senior Key Account Manager, Midrex Technologies; KC Woody, COO, Midrex Technologies; Dr. Suhat Korkmaz, CEO, Tosyali Holdings; Dr. Thomas Hansmann, Head of Metallurgy, SMS Group; Fuat Tosyali, President, Tosyali Holding; Stephen Montague, President & CEO Midrex Technologies; Guido Bonelli, Head of Ironmaking Sales, Paul Wurth Italia, Fabio Muscolino, Senior Sales Manager, Paul Wurth Italia; and Antonio Durighello, Lead Estimator, Paul Wurth Italia.

“We’re very pleased to be working with Tosyali on a second DRI plant.” Midrex Technologies President and CEO Stephen C. Montague said. “Direct reduction is the best technology to reduce the CO₂ footprint of the steel industry, and this plant is designed to utilize even more hydrogen as it becomes available in the future.”

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Speaking for Paul Wurth, Dr. Thomas Hansmann, Head of Metallurgy at SMS Group, said, “Being part of the new project for the second DRI module of Tosyali Algeria is a privilege for us and the recognition of the job done together over the last years. This additional production capacity will give Tosyali the opportunity to extend their presence in the international steel market with a technology leader in the industry’s decarbonization efforts and at the same time will further contribute to the economic and industrial development of Algeria, one of the leading industrial countries of North Africa.”

MIDREX Plants produce high-quality DRI products (CDRI, HDRI, and HBI) from iron ore using the natural gas-based MIDREX Direct Reduction Process (MIDREX NG™) – the most environmentally friendly technology for ore-based ironmaking. MIDREX NG provides greater raw material flexibility by allowing the use of DRI-grade pellets, blast furnace-grade pellets, and lump ores. Compared to blast furnace ironmaking, a standard MIDREX NG plant can reduce CO₂ emissions by more than 50% and has the flexibility to be converted from 100% natural gas to 100% hydrogen as the reducing agent. MIDREX H2™, which uses 100% hydrogen, is available for greenfield plants.

MIDREX is a registered trademark of Kobe Steel, Ltd.
MIDREX NG is a trademark of Midrex Technologies Inc.



Tosyali Algeria Integrated DRI-EAF Steel Mill in Bethioua (Oran), Algeria

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About Tosyali Holding

Tosyali Holding has created economic and social value for 70 years with nearly 30 facilities and approximately 15,000 employees on three continents. Tosyali is Turkey's global steel producer with an annual iron and steel production of nearly 6 million tons. According to data from the World Steel Producers Association, it ranked 82nd among the world steel producers in 2020. Standing out with its product variety in the iron and steel industry, Tosyali meets the needs of many industries, from automotive to white appliances, from energy to construction.

Tosyali Holding, which has significant investments abroad, has started investment in Angola and Senegal, following operations in Montenegro and Algeria. One of the largest industrial facilities in Algeria, "Tosyali Algerie," draws attention as being Turkey's largest industrial investment abroad. Reinforcing its global business capability with foreign partnerships, Tosyali has also been carrying out successful business partnerships with Japanese Toyo Kohan and US Harsco in Turkey for many years.

Tosyali Holding, which has made a significant investment in sustainability, technology, and innovation, aims to be one of the leading companies in green steel production and to reduce its carbon footprint by developing and using the leading technologies, such as the world's largest DRI (direct reduced iron) facility in Algeria and Quantum Furnace, which will be used for the first time in Turkey in its production facility in Sariseki. Having international knowledge in the management and operation of industrial zones, Tosyali has port investment in Erzin, in addition to ongoing port operations in Iskenderun and Algeria. Tosyali Holding also continues its activities in the industrial zone management both in Turkey and in Africa.

For more information, you can visit www.tosyaliholding.com.tr.

About Tosyali Algeria

Tosyali Algeria, Algeria's biggest private investment and largest exporter, aside than hydro-carbon sectors, was built in the industrial city of Bethioua, in Oran, the country's second largest city. Tosyali Algeria also stands out as Turkey's largest industrial investment abroad.

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Established in 2007, Tosyali Algeria has become one of the leading integrated complexes not only in Africa but also in Europe in terms of high technology usage and the world's most efficient production in terms of energy.

Tosyali Algeria started to produce steel products by the second half of 2013. This production has made a significant contribution to decrease import to the country by meeting its construction needs. Today, Tosyali Algeria has become the continent's largest integrated facility that provides direct employment for nearly 3000 people, producing DRI, pellet, billet/bloom, coil/hank, reinforced bars, wire rod and spiral pipes for the construction sector, the transport of hydrocarbons, automobile industry and shipbuilding.

Moreover, Tosyali Algeria has been listed among the facilities that produce green and environmentally friendly steel in the world, thanks to its DRI-EAF technology. Tosyali Algeria, which has the world's largest direct reduced iron (DRI) production facility with an annual capacity of 2.5 million tons and the world's largest electric arc furnace (EAF) working with DRI. The Tosyali Algeria DRI plant broke the world record two years in a row by reaching a production figure of 2.23 million tons in 2020 and 2.28 million tons in 2021.

Tosyali Algeria, whose fourth stage investment is ongoing, will turn into an industrial facility with a flat and long product capacity of 8.5 million tons, of which 7.5 million tons will be from an integrated mining facility, when all stages are completed. In addition, Tosyali operates the largest port in the country, integrated with this facility, where even 200 thousand DWT vessels can dock. With this integrated business model, Tosyali Algeria presents a best practice not only for Algeria but also for other countries in Africa.

Midrex Technologies, Inc.

Midrex is the world leader for direct reduction ironmaking technology and aftermarket solutions for the steel industry. As the technology provider of the MIDREX Process for 50-plus years, Midrex designs, builds and services direct reduced iron (DRI) plants. The MIDREX Process fits the need of steelmakers seeking a dependable and clean source of iron. Each year, MIDREX Plants produce more than 60% of the world's DRI in its three forms: cold DRI (CDRI), hot DRI (HDRI), and hot briquetted iron (HBI). The MIDREX Process is unsurpassed in the industry in terms of production and process flexibility. The company's headquarters

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and research and technology development center are located in Charlotte, NC, USA. Midrex Technologies also has offices in the United Kingdom, China, India, and the UAE.

For more information, please visit www.midrex.com.

About SMS Group/About Paul Wurth

SMS Group is renowned worldwide for its future-oriented technologies and outstanding service for the metals industry. SMS is the right partner for challenging projects, and supports its customers throughout the lifecycle of their plants, enabling profitable and resource-efficient value creation chains. Paving the way for a carbon-neutral and sustainable metals industry is the company's stated goal.

Headquartered in Luxembourg since its creation in 1870, Paul Wurth can look back on 150 years of excellence, during which the firm has developed into an international engineering company and an established technology provider for the global ironmaking industry. As a company of SMS group, Paul Wurth is a leading market player for the design and construction of complete blast furnace and coke oven plants. Direct reduction plants, environmental protection solutions and recycling technologies complete Paul Wurth's product portfolio.

For more information, please visit www.paulwurth.com.

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