Paris, 27 April 2023, 7:30 a.m.

PRESS RELEASE

Eramet: Q1 2023 turnover of €775m

- **Closing of the sale of A&D** at end-April confirming the Group's strategic repositioning
- **Adjusted turnover**[1] (including the proportional contribution of Weda Bay) of **€949m** (-24%), strongly penalised by the expected decrease in our selling prices (-24%) compared to the very high levels of Q1 2022
- **Contrasting operational performance** across activities, given the incidents, now resolved, that impacted Q1:
  - -18% in volumes of manganese ore sold externally in Gabon, following the landslide at end-2022 that halted activity over January
  - +89% in volumes of nickel ore sold externally in Indonesia
- **Significant decline in selling prices compared to Q1 2022** particularly for manganese alloys, of which prices were exceptionally at that time, but also for Class II nickel (NPI and ferronickel)
- **Input costs remain high**, albeit with a trend reversal in freight and reducing agent prices
- Strength of Eramet's financial profile: **first financial ratings obtained** from Fitch (BB+) and Moody’s (Ba2)
- **Liquidity remains at a high level** contributing to secure the Group's financing plan
- **The outlook for 2023** is, as expected, set against the background of a less buoyant macroeconomic context.
- **Adjusted** EBITDA is revised slightly downwards to **around €1.1bn** in 2023, factoring in:
  - **A more significant trend reversal in Class II nickel prices** at the beginning of the year
  - **A target for manganese ore transported volumes** revised downwards to **more than 7 Mt**, given the non-recurring logistical incidents at the beginning of the year
- The Group continues to focus on cost control, productivity actions and cash generation, while preparing its growth projects in the energy transition.

Christel Bories, *Group Chair and CEO:*

« The strategic repositioning in our Mining and Metals activities is now finalised.

Today, our strategy is based on a solid financial structure reflected in the financial rating assigned to Eramet by two leading agencies. These ratings will support the Group in securing and diversifying its financing plan.

As we had anticipated, the first quarter is characterised by a depressed economic context and a significantly less favourable price environment. It has also been impacted by non-recurring incidents that have disrupted the production and transport of manganese ore.

In the short term, we remain particularly focused on controlling our costs, improving our productivity, and effectively implementing our development programmes. »

♦ CSR commitments

In Q1 2023, the safety performance continued to show record results, in line with those achieved in 2022. The TRIR[2] was 1.1 in the new Eramet scope (1.8 at the Group level), significantly below the target in the CSR roadmap for 2023 (TRIR < 4); no serious accident has occurred since April 2021.

At end-March 2023, Eramet Norway was allocated a €12m funding from Enova[3], to support two projects in order to optimise energy consumption and minimise CO_2 emissions at the plants:

- Since 2021, the Group has been testing a motor at its Sauda plant that uses furnace gas to produce electrical and thermal energy, and plans to install six more to generate more than 90 GWh of electrical energy and around 150 GWh of thermal energy per year,
- Eramet also plans to build a test pilot at the same plant to capture the CO_2 emitted by the plant and store it permanently below the seabed (Carbon Capture and Storage, "CCS"). This pilot will be used to develop a large-scale capture plant, expected to be commissioned in 2028.

In early 2023, MCSI updated its extra-financial performance rating for Eramet, with a score of "A", which is stable since 2021.

In 2023, the Group is strengthening its CSR strategy by deploying the independent international standard Initiative for Responsible Mining Assurance (IRMA) at its sites. The ambition is to engage all of its mining sites in this independent verification process by 2027.

♦ Financial rating

Following an in-depth assessment, in April, the Group obtained an initial financial rating from two rating agencies.

Moody's and Fitch have assigned Eramet long-term credit ratings of Ba2 and BB+ respectively, with a stable outlook. These ratings, assigned as part of the Group's new strategic roadmap, reflect the quality of the asset portfolio which is refocused on mining and metallurgical activities. They also validate the capital allocation policy, which prioritises the maintenance of a healthy financial structure, and values the Group's financial flexibility.

♦ Financing

In January 2023, Eramet renewed and extended the term loan for an amount of €480m with a pool of banks. This loan was then further increased to €515m in April. The maturity date of the new loan is January 2027, with a floating rate, amortising from January 2025. The loan was drawn down for €270m mainly to refinance the outstanding amount of the former loan.

♦ Eramet group adjusted turnover by activity

(Millions of euros)[1]	Q1 2023[2]	Q1 2022 Restated[2]	*Change (€m)*	*Change[3] (%)*
Manganese BU	**440**	**722**	***-282***	***- 39%***
Manganese ore activity[4,5]	209	308	*-99*	*- 32%*
Manganese alloys activity[4]	231	414	*-183*	*- 44%*
Adjusted[6] Nickel BU	**464**	**434**	***+30***	***+ 7%***
SLN	243	270	*-27*	*- 10%*
Weda Bay (trading activity, off-take contract)	47	83	*-36*	*- 43%*
Share of Weda Bay (38.7% - excluding off-take contract)	174	82	*+92*	*+ 112%*
Mineral Sands BU	**44**	**90**	***-46***	***-51%***
Lithium BU	**0**	**0**	***0***	***n.a.***
Holding and eliminations	**1**	**1**	***0***	***n.a.***
ERAMET GROUP adjusted[6]	**949**	**1,247**	***-298***	***-24%***

[1] Data rounded to the nearest million.

[2] Excluding Aubert & Duval, Sandouville and Erasteel, which in accordance with the IFRS 5 standard – "Non-current assets held for sale and discontinued operations", are presented as operations in the process of being sold in 2023 and 2022.

[3] Data rounded to higher or lower %.

[4] See definition in Appendix 4.

[5] Turnover linked to external sales of manganese ore only, including €13m linked to Setrag transport activity other than Comilog's ore (€21m in Q1 2022).

[6] Adjusted turnover defined in the financial glossary in Appendix 4.

N.B. 1: all the commented figures for Q1 2023 and Q1 2022 correspond to figures in accordance with the IFRS 5 standard as presented in the Group's consolidated financial statements, unless otherwise specified.

N.B. 2: all the commented changes in Q1 2023 are calculated with respect to Q1 2022, unless otherwise specified.

N.B. 3: mentions of Q1, Q2, Q3 and Q4 refer to the four quarters of the financial year; mentions of H1 and H2 refer to the two half-years.

The Group's **adjusted turnover**[1] in Q1 2023 amounted to **€949m**, including the proportional contribution of Weda Bay, down 24% (-27% at constant scope and exchange rates[4] with +3% of currency effect). This mainly reflects a price effect (-24%) in a depressed market environment compared to particularly high level of prices in Q1 2022. Manganese alloys and Class II nickel prices thus corrected downward in 2022 and are now slightly lower compared with Q4 2022.The volume effect was marginally unfavourable (-3%), with the decline in manganese ore and mineral sands volumes partially offset by the strong growth in ore sales volumes at Weda Bay.

During Q1 2023, inflation continued to weigh on the Group's performance. Input costs also remained at high levels, albeit lower than in 2022. For example, spot prices for metallurgical coke declined by around 30%[5] compared to Q1 2022 (+8% vs. Q4 2022). Sea freight prices continued their trend reversal.

To address this situation, Eramet continued its cost control measures, strengthened by productivity actions. The Group also continued to optimise the production of its electro intensive plants to adjust energy consumption to the part protected by long-term supply contracts.

Continuing operations

Manganese

In Q1 2023, in Gabon, ore production volumes decreased by 38% to 1.1 Mt due to the halt in mining activities in January following the landslide on the railway.

Turnover of the Manganese activities decreased to €440m:

- **Sales for manganese ore activity were down 32% to €209m. This change reflects the decrease in ore volumes sold externally (-18%) but also an unfavourable price effect, partly offset by a positive currency (€/$) impact.**
- **Sales for manganese alloys activity were down 44% to €231m, owing to a sharp decline in prices compared to historically high levels of Q1 2022 (ranging from -30% to -50% for European indexes). Volumes sold were also down albeit with a favourable mix.**

Market trends[6] & prices[7]

Global production of carbon steel, the main end-product for manganese, was down by 1% in Q1 2023 to 463 Mt.

The rebound in steel production in China (+5%) was less significant than expected, due to a less buoyant construction sector. This increase was offset by the considerable decline in production in Europe (-13%) linked to the energy crisis, as well as in North America (-5%) in an inflationary context. Production in India increased very slightly.

During the quarter, manganese ore consumption remained stable at 5.0 Mt, whereas global ore supply decreased by 5% to 5.0 Mt, due to the decline in production in Gabon (-9%) and the decrease in production in South Africa (-13%).

As a result, the average CIF China 44% manganese ore price index stood at $5.4/dmtu over the quarter, down 9% from Q1 2022, but up 23% compared to Q4 2022, reflecting the reduced availability of high-grade ores from Gabon.

The price index (CRU) for refined alloys in Europe (MC Ferromanganese) was €1,808/t (-47% vs. Q1 2022, -7% vs. Q4 2022) and that of standard alloys (Silicomanganese) was €1,149/t (-33% and -1%). The decline is even more marked in the United States. As expected, price indices continued to decline as a result of the European and North American steel situation.

Activities

The mine expansion programme as well as operational improvement continue at Comilog, in Gabon. However, the suspension of rail traffic following the landslide that occurred at the end of December led to a halt in operations throughout January.

As a result, **manganese ore** production was down nearly 38% to 1.1 Mt in Q1 2023. Factoring in a destocking in line and at the port, the volumes of manganese ore transported and sold externally declined to a lesser extent (by -16% and -18% respectively), ending the quarter at 1.4 Mt and 1.2 Mt.

Due to postponements of January deliveries to February and March, (invoiced on the basis of the December 2022 index), Comilog did not benefit from the rise in the CIF China 44% price index in January and February.

The FOB cash cost[8] of manganese ore activity was $2.8/dmtu, up 16% compared to Q1 2022. The latter is linked to the negative impact of the decrease in volumes, partially offset by a favourable exchange rate impact. Cash cost is expected to decrease from Q2.

Sea transport costs per tonne decreased by around 30% to $0.9/dmtu, reflecting the decline in freight prices on average over the quarter.

Manganese alloys production totalled 151 kt in Q1 2023, down 20%, reflecting the optimisation of production based on market conditions and to limit the impact of energy price increases, as well as the planned slowdown in production of a furnace in view of its scheduled refurbishment from April. Sales amounted to 140 kt (-10%) with a much more favourable mix over the period.

The manganese alloys margin declined further in Q1 2023, driven by the continued decrease in selling prices (in Europe and even more significantly in the United States) and input costs which remained at a high level.

Outlook

Global carbon steel production is expected to continue declining in 2023, in a context that remains inflationary with high energy costs. With the strong increase in interest rates, demand from the construction sector is slowing in several regions. However, India is expected to return to growth.

As a result, demand for ore could decline over the year. Although supply is slightly decreasing, the market consensus expects a 10% drop in the average manganese ore price index in 2022 compared with 2023. The latest is currently repositioned around $5/dmtu.

Demand for alloys is expected to decrease in 2023, particularly in Europe and for refined alloys, factoring in the fragility of demand in the automotive sector. As a result, supply should continue adjusting.

In 2023, alloys invoiced selling prices could stabilise on average to the level of end-2022/early 2023 and therefore remain significantly below the average prices for 2022, notably with a very strong decline in North America.

Volumes transported are revised downwards to more than 7.0 Mt given the non-recurring logistical incidents at the beginning of the year which have now been resolved. The ore production target will be adjusted according to the level of volumes transported in 2023.

The multi-year furnace rehabilitation programme at the manganese alloys plants started in April with a first shutdown.

Nickel

In Q1 2023, in Indonesia, the Weda Bay mine continued its ramp-up with an increase of nearly 70% in volumes sold.

Adjusted turnover[1] for the Nickel activities totalled €464m, including the proportional contribution of Weda Bay:

- **At SLN[9], sales decreased by 10% to €243m, reflecting an unfavourable price effect and despite a significant increase in production and sales volumes.**
- **The trading activity of nickel ferroalloys at PT Weda Bay (off-take contract on plant production) contributed up to €47m (-43%), due to a decline in volumes and prices.**
- **The share of turnover at Weda Bay (excluding the off-take contract) contributed up to €174m (+112%), notably thanks to growth in ore volumes.**

Market trends[10] & prices

Global stainless steel production, which is the main end-market for nickel, was down by 4% to 13.2 Mt in Q1 2023. Production in China, which posted a strong decline (-11%) compared to Q4 2022, was up 3% from the low levels in Q1 2022 (Winter Olympic Games, health situation linked to Covid-19). This increase was more than offset by a 13% decrease in production for the rest of the world, with a notable decline in Indonesia (-19%) and a decline in Europe due to the energy crisis and inflation.

Global demand for primary nickel remained stable in Q1 2023, thanks to growth in the batteries market which offset the slight decline in demand for stainless steel.

In parallel, global primary nickel production grew by 6%. It was supported by the ramp-up in new projects, notably HPAL[11], as well as the NPI[12] supply in Indonesia (+14% vs. Q1 2022, however decreasing by 7% vs. Q4 2022). NPI production in China as well as traditional production of ferronickel were down (-17% and -6% respectively).

The temporary slowdown in the electric vehicle market in China also led to a drop in demand for nickel sulphate and a decline in the conversion of NPI to matte.

The nickel supply/demand balance (class I and II[13]) was therefore slightly in surplus over the quarter. Nickel inventories at the LME and SHFE[14] declined, to 45 kt at end-March, but non LME and SHFE inventories increased.

In Q1 2023, the LME price average (price of class I nickel), was close to $26,100/t, stable versus Q1 2022.

Parallel to this, the NPI[15] price (class II nickel) declined by 18%, close to $17,000/t on average over the period, owing to a decline in demand and a surge in volumes from Indonesia in the Chinese market. Prices continued their decline and are set around $14,000/t currently.

The spot price of ferronickel as produced by SLN (also class II nickel) was set at a level very significantly below the LME and approached prices for NPI, posting a decline of 25% in Q1 2023 compared to Q1 2022 (-7% vs. Q4 2022).

1.8% CIF China nickel ore prices were at a sustained level over the quarter, at $103/wmt[16] on average in line with Q4 2022, but down from Q1 2022 (-13%). The market remained tight in Q1 2023, factoring in a limited supply. The price of nickel ore has subsequently corrected in April and is now set around $80/wmt, in line with market fundamentals.

In Indonesia, the official domestic price index for high-grade nickel ore ("HPM Nickel") increased to approximately $62/wmt[17] on average (+29%), the price formula being indexed to LME, with a lag of about 1 month.

Activities

In Indonesia, nickel ore sales amounted to 7.9 Mwmt in Q1 2023 (for 100%). This very strong increase (of nearly 70%) includes the sale of high-grade and low-grade ore (4.1 Mwmt and 3.8 Mwmt respectively).

External ore sales (on the industrial site, at the plants other than the Joint Venture plant), amounted to 7.3 Mwmt, with internal consumption for nickel ferroalloys production at 0.6 Mwmt.

Production at the plant reached 7.8 kt-Ni in Q1 2023 (on a 100% basis), a decline of 22%, due to difficulties in electricity supply at the industrial park in Q1 2023. As part of the off-take contract, the Group sold 3.1 kt-Ni in Q1 2023, down 28%.

In New Caledonia, mining production amounted to 1.5 Mwmt, up 28% compared to Q1 2022, reflecting improved weather conditions, despite technical and societal difficulties that constrained operations at several sites.

Low-grade nickel ore exports increased 4% to nearly 0.7 Mwmt. Ferronickel production was up 7% to 10.6 kt-Ni. Volumes sold were also up 11% to 10.2 kt-Ni in Q1 2023.

Cash cost[18] of ferronickel production amounted to $8.3/lb on average in Q1 2023 (vs. $7.9/lb in Q1 2022), reflecting a very strong increase in energy costs, mainly coal, as well as an increase in costs related to the commissioning of the Temporary Offshore Power Plant[19]. These effects were partly offset by a favourable currency impact.

SLN continues to implement its plan to reduce costs and preserve cash, notably through the reduction of its investments and fixed costs, in order to address its difficulties, which have recently worsened due to the strong decline in selling prices for ore and ferronickel.

Outlook

In 2023, mainly in H2, demand for primary nickel is expected to continue growing thanks to the development of the batteries sector and the recovery of the stainless steel industry, notably in China.

In parallel, primary nickel production could also increase, notably in Indonesia with the continued growth of NPI and new projects for batteries in electric vehicles[20].

At Weda Bay, the marketable ore target is thus maintained at more than 30 Mwmt of ore in 2023, of which more than 15 Mwmt in low-grade ore. The mine should therefore continue its ramp-up, having obtained the authorisations needed to sell high-grade and low-grade ore.

The nickel ferroalloys production target was revised downwards to approximately 35 kt-Ni over the year, due to the reduction in the power load supply at the plant in Q1, which has been resolved in early Q2.

Assuming operating authorisations and normal functioning of operations, **SLN**'s nickel ore exports as well as ferronickel production for the Doniambo plant targets are confirmed at respectively around 3.5 Mwmt and above 45 kt-Ni in 2023.

Mineral Sands

The Mineral Sands activities reported turnover down 51% to €44m in Q1 2023, reflecting a decline in the volumes produced and sold.

Market trends & prices[21]

In an unfavourable macroeconomic context for the ceramics sector, global demand for zircon declined very slightly. Zircon production was down over the quarter due to operating difficulties experienced by leading market players. In this context, the supply/demand balance remained at break-even over the quarter.

Zircon market prices were up 7% to $2,100/t FOB in Q1 2023, stable compared to Q4 2022.

Global demand for titanium-based products[22] also declined over the quarter. This change is attributable to a decline in the production of pigments, owing to a construction sector that remains fragile.

Thus, the average market price for CP titanium dioxide slag, as produced by Eramet in the ETI plant in Norway, remained at very high levels at $930/t, up 9% in Q1 2023 (+6% vs. Q4 2022).

Activities

In Senegal, mineral sands production was affected by a major equipment breakdown in January as well as lower average heavy mineral content in the area mined, as expected. As a result, production volumes declined by 43% to 112 kt.

Zircon volumes produced and sold decreased by 40% to 9 kt over the quarter.

In Norway, the scheduled ten-yearly maintenance shutdown of the plant started in mid-February. As a result, titanium slag production amounted to 19 kt in Q1 2023, down 63%. These works started in mid-February and will be completed during Q2. Prior to the shutdown, the furnace capacity was reduced to limit the impact of rising energy prices. Sales volumes decreased by 68% to 13 kt.

Outlook

Demand for zircon is expected to be moderate in 2023, factoring in uncertainties (inflation, construction market, notably in China). The market could be in slight surplus, which would result in the normalisation of prices in 2023 on the back of a record year.

Demand for titanium-based products is expected to remain constrained, leading to 2023 average price levels likely to be slightly lower than those reported in 2022.

In Senegal, mineral sands production in 2023 is confirmed at a level equivalent to that of 2022, with heavy mineral grade improvement expected to return in Q4.

In Norway, production is expected to remain limited due to the major ten-yearly maintenance shutdown underway. These works, during this shutdown, are also aimed at increasing the plant's capacity by 7% per year from 2024.

Lithium

Lithium carbonate prices reached very high levels at nearly $68,000/t LCE[23,24] in Q1 2023 (+20%). They have since adjusted and now range between $25,000/t and $30,000/t LCE.

In Argentina, the construction of the Centenario lithium plant (Phase 1), launched in 2022, is continuing. Despite delays in the deliveries of some equipment and materials from China due to the Covid situation at end-2022, the gradual commissioning of the plant remains scheduled in Q1 2024 with production to start in Q2 2024. Full ramp-up in production, to 24 kt LCE battery grade (100% basis) is still expected by mid-2025.

In April 2023, Eramet received confirmation of the eligibility of the Phase I of the project to the regime promoting capex in Argentina[25] with a focus on exports, enabling to benefit from a partial exemption from the exchange control currently in place. Eramine Sudamérica S.A., Eramet's Argentinian subsidiary, becomes therefore the second mining company to achieve integration into this regime.

In collaboration with Tsingshan, its partner in Phase 1, Eramet is continuing the **feasibility study into a Phase 2 expansion project** in order to eventually reach an **annual total production capacity of around 75 kt LCE via two development stages**. An investment decision on the next stage should be taken by the end of the year.

Furthermore, the exploration and study of opportunities for lithium brines extraction projects remain a priority for the Group, particularly in the “Lithium Triangle” in Latin America.

Discontinued Operations

In accordance with the IFRS 5 standard – “Non-current assets held for sale and discontinued operations”, the Aubert & Duval and Erasteel entities are presented in the Group’s consolidated financial statements as operations in the process of being sold for the 2022 and 2023 financial years:

- Following the fulfilment of all conditions precedent, Eramet will finalise on 28 April the sale of **Aubert & Duval** to the consortium formed by Airbus, Safran and Tikehau Capital.

  After taking into account price adjustments on the closing, the net proceeds from the sale enable the neutralisation of the subsidiary cash consumption over the first four months of 2023.

- Regarding the divestment of **Erasteel**, following the announcement in February 2023 that Eramet had been granted an exclusive put option from the Syntagma Capital fund, the consultation procedure with employee representative bodies is nearing completion. The closing is expected by the end of H1 2023.

  The subsidiary's turnover[26] totalled €71m in Q1 2023, an increase of 11% compared to Q1 2022. Recycling activity (batteries and catalysts) also posted an increase to €7m. In an unfavourable macroeconomic context in its main markets, Erasteel expects to grow volumes in powder metallurgy in 2023 thanks to the evolution of its distribution strategy and the development of new applications. Volumes of conventional high-speed steels are expected to decline over the year.

♦ Outlook

The climate of geopolitical and macroeconomic uncertainties and the inflationary context continue to weigh on all of the Group's markets, with a trend reversal in demand and prices in Q1 2023, in line with the end of 2022. The latter is to a greater or lesser extent, depending on markets and regions: stainless steel production is expected to rebound in H2, while that of carbon steel could continue to decline.

Uncertainties also remain regarding freight, with its rates rebounding after reaching very low levels during Q1, while remaining below the average of 2022. This rebound is expected to continue with the increase in demand in H2. The price of reducing agents and energy costs, down in Q1 2023 compared to 2022, remain however at a historically high level which continues to weigh on the performance of metallurgical activities and their markets. However, the Group's smelters benefit from long-term supply contracts that cover approximately 80% of their electricity needs.

Volume targets over the year are confirmed, except for manganese ore:

- **More than 30 Mwmt** of marketable nickel ore at Weda Bay, of which approximately 15 Mwmt of low-grade ore,
- **More than 7.0 Mt** of manganese ore transported in Gabon, given the non-recurring logistical incidents at the beginning of the year.

Invoiced selling prices for manganese alloys should remain significantly below 2022 on average for the year, particularly in North America, while the consensus for average manganese ore prices is slightly up at **$5.4/dmtu**.

The price of ferronickel should be set at a level slightly above the SMM NPI 8-12% index but well below the consensus for the LME nickel price. The trend reversal in Class II nickel prices at the beginning of the year has been more marked than anticipated. Domestic prices for nickel ore sold in Indonesia are indexed to the LME of which consensus is $23,300/t for 2023[27], and change accordingly.

The €/$ exchange rate remains expected at **1.09**[28] for the year.

Based on the above-mentioned volumes targets and price forecasts, the Group's guidance on **adjusted EBITDA**[1] is **revised slightly downwards to around €1.1bn in 2023**, including the proportional contribution of Weda Bay.

Capex is confirmed in line with previously communicated guidance. The Group is thus expected to invest nearly €600m in capex in 2023, excluding the operations in the process of being sold and excluding the share of the Lithium project financed by Tsingshan.

Calendar

23.05.2023: Shareholders' General Meeting

26.07.2023: Publication of 2023 half-year results

26.10.2023: Publication of 2023 Group third-quarter turnover

ABOUT ERAMET

Eramet transforms the Earth's mineral resources to provide sustainable and responsible solutions to the growth of the industry and to the challenges of the energy transition.

Its employees are committed to this through their civic and contributory approach in all the countries where the mining and metallurgical group is present.

Manganese, nickel, mineral sands, lithium, and cobalt: Eramet recovers and develops metals that are essential to the construction of a more sustainable world.

As a privileged partner of its industrial clients, the Group contributes to making robust and resistant infrastructures and constructions, more efficient means of mobility, safer health tools and more efficient telecommunications devices.

Fully committed to the era of metals, Eramet's ambition is to become a reference for the responsible transformation of the Earth's mineral resources for living well together.

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Appendix 1: Quarterly turnover (IFRS 5)

€ million[1]	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Manganese BU	440	630	873	926	722
Manganese ore activity[2]	*209*	*315*	*465*	*439*	*308*
Manganese alloys activity[2]	*231*	*316*	*407*	*487*	*414*
Nickel BU	290	331	300	409	352
Adjusted Nickel BU[3]	*464*	*469*	*364*	*522*	*434*
Mineral Sands BU	44	142	99	134	90
Lithium BU	0	0	0	0	0
Holding, elim. and others	1	4	0	1	1
Eramet group published IFRS 5 financial statements[4]	**775**	**1,107**	**1,272**	**1,470**	**1,165**
Eramet group adjusted IFRS 5[4]	***949***	***1,246***	***1,335***	***1,584***	***1,247***

[1] Data rounded to nearest million.

[2] See Financial glossary in Appendix 4.

[3] Adjusted turnover defined in the financial glossary in Appendix.

[4] Excluding Aubert & Duval, Sandouville and Erasteel, which in accordance with the IFRS 5 standard – "Non-current assets held for sale and discontinued operations", are presented as operations in the process of being sold in 2023 and 2022.

Appendix 1b: Reconciliation of quarterly turnover

€ million[1]	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
Eramet group published IFRS 5 financial statements[2]	**775**	**1,107**	**1,272**	**1,470**	**1,165**
Aubert & Duval	164	153	122	137	141
Erasteel	71	72	63	74	64
Sandouville	0	0	0	0	11
Eramet group before IFRS 5	**1,011**	**1,332**	**1,456**	**1,682**	**1,381**

[1] Data rounded to nearest million.

[2] Excluding Aubert & Duval, Sandouville and Erasteel, which in accordance with the IFRS 5 standard – "Non-current assets held for sale and discontinued operations", are presented as operations in the process of being sold in 2023 and 2022.

Appendix 2: Productions and shipments

In thousands of tonnes	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
MANGANESE					
Manganese ore and sinter production	1,097	1,854	2,061	1,862	1,762
Manganese ore and sinter transportation	1,359	1,734	2,048	1,765	1,620
External manganese ore sales	1,158	1,753	1,840	1,535	1,409
Manganese alloys production	151	132	164	193	188
Manganese alloy sales	140	166	190	186	156
NICKEL					
Nickel ore production *(in thousands of wet tonnes)*					
SLN	1,482	1,490	1,460	1,290	1,154
Weda Bay Nickel (100%) **–** marketable production (high-grade)	3,958	3,539	3,485	3,552	4,563
Ferronickel production – SLN	10.6	11.0	9.5	10.5	9.9
Low-grade nickel ferroalloys production – Weda Bay Nickel (kt of Ni content – 100%)	7.8	8.1	8.9	9.6	10.0
Nickel ore sales *(in thousands of wet tonnes)*					
SLN	657	982	576	830	632
Weda Bay Nickel (100%)	7,318	7,581	2,931	3,576	3,875
Ferronickel sales – SLN	10.2	10.7	10.6	10.8	9.2
Low grade nickel ferroalloy sales - Weda Bay Nickel/Off-take Eramet (kt of Ni content)	3.1	3.2	4.1	4.2	4.3
MINERAL SANDS					
Mineral Sands production	112	186	170	188	198
Zircon production	9	13	14	15	15
Titanium dioxide slag production	19	40	48	48	52
Zircon sales	9	14	14	16	15
Titanium dioxide slag sales	13	44	39	52	40

Appendix 3: Price and index

	Q1 2023	Q4 2022	Q1 2022	Chg. Q1 2023 – Q1 2022[8]	Chg. Q1 2023 – Q4 2022[8]
MANGANESE					
Mn CIF China 44% ($/dmtu)[1]	5.44	4.40	5.96	*-9%*	*+23%*
Ferromanganese MC - Europe (€/t)[1]	1,808	1,950	3,433	*-47%*	*-7%*
Silicomanganese - Europe (€/t)[1]	1,149	1,163	1,709	*-33%*	*-1%*
NICKEL					
Ni LME ($/t)[2]	26,079	25,349	26,122	*0%*	*+3%*
Ni LME ($/lb)[2]	*11.83*	*11.50*	*11.8*	*0%*	*+3%*
SMM NPI Index ($/t)[3]	16,986	16,945	20,658	*-18%*	*0%*
Ni ore CIF China 1.8% ($/wmt)[4]	103.0	105.3	118.3	*-13%*	*-2%*
HPM[5] Nickel prices 1.8%/35% ($/wmt)	62	51	48	*+29%*	*+23%*
MINERAL SANDS					
Zircon ($/t)[6]	2,100	2,100	1,970	*+7%*	*+0%*
CP grade titanium dioxide ($/t)[7]	930	880	850	*+9%*	*+6%*

[1] Quarterly average for market prices, Eramet calculations and analysis.
[2] LME (London Metal Exchange) prices.
[3] SMM NPI 8-12%.
[4] CNFEOL (China FerroAlloy Online), "Other mining countries".
[5] Official index for domestic nickel ore prices in Indonesia.
[6] Market and Eramet analysis (premium zircon).
[7] Market analysis, Eramet analysis.
[8] Eramet calculation rounded to the nearest decimal place.

Appendix 4: Financial glossary

Consolidated performance indicators

The consolidated performance indicators used for the financial reporting of the Group's results and economic performance and presented in this document are restated data from the Group's reporting and are monitored by the Executive Committee.

Turnover at constant scope and exchange rates

Turnover at constant scope and exchange rates corresponds to turnover adjusted for the impact of the changes in scope and the fluctuations in the exchange rate from one financial year to the next. The scope effect is calculated as follows: for the companies acquired during the financial year, by eliminating the turnover for the current period and for the companies acquired during the previous period by integrating, in the previous period, the full-year turnover; for the companies sold, by eliminating the turnover during the period considered and during the previous comparable period. The exchange rate effect is calculated by applying the exchange rates of the previous financial year to the turnover for the year under review.

Adjusted turnover

Adjusted turnover is presented to provide a better understanding of the underlying operating performance of the Group's activities. Adjusted turnover corresponds to turnover including Eramet's share of the turnover of significant joint ventures accounted for using the equity method in the Group's financial statements, excluding specific agreements concerning the off-take of all or part of the business activity.

As of 31 March 2023, turnover was adjusted to include the contribution of PT Weda Bay Nickel, a company in which Eramet owns a 38.7% indirect interest. Eramet owns a 43% interest in Strand Minerals Pte Ltd, the holding which owns 90% of PT Weda Bay Nickel and is booked in the Group's consolidated financial statements under the equity method.

Given that an off-take agreement for nickel ferroalloy (NPI) production is in place with Tsingshan, with Eramet holding 43% and Tsingshan 57%, the 38.7% adjustment to turnover is made to PT Weda Bay Nickel turnover excluding this business activity.

EBITDA ("Earnings before interest, taxes, depreciation and amortisation")

Earnings before financial revenue and other operating expenses and income, income tax, contingencies and loss provision, and amortisation and impairment of property, plant and equipment and tangible and intangible assets.

Adjusted EBITDA

Adjusted EBITDA is presented to provide a better understanding of the underlying operating performance of the Group's activities. Adjusted EBITDA corresponds to EBITDA including Eramet's share of the EBITDA of significant joint ventures accounted for using the equity method in the Group's financial statements.

As of December 31 2022, EBITDA was adjusted to include the proportional EBITDA of PT Weda Bay Nickel, a company in which Eramet owns a 38.7% indirect interest. Eramet owns a 43% interest in Strand Minerals Pte Ltd, the holding which owns 90% of PT Weda Bay Nickel and is booked in the Group's consolidated financial statements under the equity method.

A reconciliation with Group EBITDA is provided in Note 4 to the Group's consolidated financial statements.

Adjusted leverage

Adjusted leverage is defined as net debt (on a consolidated basis) to adjusted EBITDA (as defined above), as PT Weda Bay did not have any external debt at the end of the 2021 and 2022 financial years.

However, in the future, should other significant joint ventures restated for adjusted EBITDA have external debt, net debt will be adjusted to include Eramet's share in the external debt of the joint ventures ("adjusted net debt").

Adjusted leverage would then be defined as adjusted net debt to adjusted EBITDA, in compliance with a fair and economic approach to Eramet's debt.

Manganese ore activity

Manganese ore activity corresponds to Comilog's mining activities (excluding the activity of the Moanda Metallurgical Complex, "CMM", which produces manganese alloys) and Setrag's transport activities.

Manganese alloys activity

Manganese alloys activity corresponds to the plants that transform manganese ore into manganese alloys. It includes the three Norwegian plants comprising Eramet Norway ("ENO", i.e., Porsgrunn, Sauda, and Kvinesdal), Eramet Marietta ("EMI") in the United States, Comilog Dunkerque ("CDK") in France and the Moanda Metallurgical Complex ("CMM") in Gabon.

Manganese ore FOB cash cost

The FOB ("Free On Board") cash cost of manganese ore is defined as all production and overhead costs (R&D including exploration geology, administrative expenses, sales expenses, overland transport expenses), which cover all stages of ore extraction through to shipping to the port of shipment and loading, and which impact the EBITDA in the company's financial statements, over tonnage sold for a given period. This cash cost does not include sea transport or marketing costs. Conversely, it includes the mining taxes and royalties from which the Gabonese state benefits.

Ferronickel cash cost (SLN)

SLN's cash cost is defined as all production and overhead costs (R&D including exploration geology, administrative expenses, logistical and commercial expenses), net of by-products credits (including exports and nickel ore) and local services, which cover all the stages of industrial development of the finished product until delivery to the end customer and which impact the EBITDA in the company's financial statements, over tonnage sold.

Appendix 5: Footnotes

[1] Definitions of adjusted turnover and adjusted EBITDA, new Alternative Group Performance Indicators, are presented in the financial glossary, in Appendix 4
[2] TRIR (total recordable injury rate) = number of lost time and recordable injury accidents for 1 million hours worked (employees and sub-contractors)
[3] Norwegian ministerial entity contributing to the reduction of greenhouse gas emissions
[4] See financial glossary in Appendix 4
[5] Source: Resources-net CAMR, Nut coke spot price, Europe
[6] Unless otherwise indicated, market data corresponds to Eramet estimates based on World Steel Association production data
[7] Unless otherwise indicated, price data corresponds to the average for market prices, Eramet calculations and analysis; manganese ore price index: CRU CIF China 44% spot price; manganese alloys price indices: CRU Western Europe spot price
[8] See financial glossary in Appendix 4
[9] SLN, ENI and others
[10] Unless otherwise indicated, market data corresponds to Eramet estimates
[11] High Pressure Acid Leach
[12] Nickel Pig Iron
[13] Class I: produced with a nickel content above or equal to 99%; Class II: produced with a nickel content below 99%
[14] LME: London Metal Exchange; SHFE: Shanghai Futures Exchange
[15] SMM NPI 8-12% index
[16] Source: CNFEOL (China FerroAlloy Online)
[17] For nickel ore with 1.8% nickel content and 35% moisture content. Indonesian prices are set according to domestic market conditions, but with a monthly price floor based on the LME, in compliance with a government regulation published in April 2020.
[18] See Financial glossary in Appendix 4
[19] Commissioning at full capacity in early January 2023, replacing the old plant, whose phase-out became effective in Q1 2023
[20] HPAL, intermediate products and mattes
[21] Unless otherwise indicated, price data corresponds to the average for market prices, Eramet calculations and analysis; Source Zircon premium (FOB prices): Market and Eramet analysis; Source CP slag (FOB prices): Market and Eramet analysis
[22] Titanium dioxide slag, ilmenite, leucoxene and rutile
[23] LCE: Lithium Carbonate equivalent, battery grade
[24] Source: Fastmarkets – Battery-grade Lithium Carbonate price CIF Asia
[25] Pursuant to decrees 234/2021 and 836/2021 - source: Ministerio de Desarrollo Productivo, Secretaría de Minería - Mining in Argentina
[26] Unless otherwise indicated, the figures mentioned are restated in accordance with the IFRS 5 standard – "Non-current assets held for sale and discontinued operations"
[27] Consensus of main market analysts
[28] Bloomberg forecast consensus as of 31/01/2023 for the year 2023