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PRESS RELEASE

Solid operational performances in H1 2024 and a favourable outlook for manganese ore prices

- **Good operational performance** of the Group's main mining activities in H1 2024 (vs. H1 2023):
  - +33% in manganese ore volumes produced (vs. H1 2023), with a return to normal operating conditions
  - +40% in nickel ore volumes produced in Indonesia; albeit with -20% in volumes sold, reflecting the absence of low-grade saprolite sales' permit
  - +33% in volumes of mineral sands produced
- **Strong decline in nickel selling prices** and **lower manganese ore selling prices** (index rebound not yet fully materialised in Q2)
- **Negative contribution from SLN, with no impact on Eramet's balance sheet** thanks to new financing from the French State
- **Adjusted EBITDA**[1] at **€247m** (including -€109m[2] for SLN), down 27% in H1 2024 (vs. H1 2023) factoring in a strongly negative price effect over the period (-€304m); **positive intrinsic performance (+€216m)**
- **Net income, Group share** negative at -**€41m** (including -€72m for SLN)
- Negative Free Cash-Flow owing to continued growth capex. Slight increase in **net debt** to **€711m** and **adjusted leverage**[3] of **1x**; maturity extended by 1 year
- **Inauguration of the Group's first direct lithium extraction plant** in Argentina
- **Implementation of the new CSR roadmap, "Act for positive mining"**, with further delivery progress, particularly in terms of employee social protection solutions
- **Outlook** set against **a favourable price environment for manganese ore**: to date, market consensus is $8.9/dmtu in H2, (+66% vs. H1), leading to $7.3/dmtu over the year
- **Range adjusted for volume growth targets** over the year:
  - Manganese ore transported in Gabon: between **7.0** and **7.5 Mt**
  - Marketable nickel ore at Weda Bay: between **40** and **42 Mwmt**[4], given that the permit was not granted for low-grade saprolite sales
  - Lithium carbonate produced at Centenario: **around 1 kt-LCE**, with production scheduled to start in November
- **Financial performance in H2 expected to be significantly above that of H1**, owing to favourable seasonality for mining activities and the price scenario. Calculated based on the Group's volume target range and based on the indicative price consensus to date for the year, **adjusted EBITDA** would be positioned, **for illustrative purposes**, between **€1.2bn** and **€1.3bn** in 2024
- **2024 capex plan revised downwards**: between **€550m** and **€600m**[5] financed by the Group

Christel Bories, *Group Chair and CEO:*

« We achieved a good operational performance in the first half of the year, with normal operating conditions in Gabon and strong growth in production in Indonesia.

Our intrinsic progress enabled us to cope with a difficult pricing environment, and to continue to invest in the Group's future growth, with limited impact on net debt.

We approach the second half of the year in a context of favourable seasonality for our activities, combined with a strong increase in manganese ore prices. This makes us particularly confident that our financial performance will improve very strongly between now and the end of the year.

We also just reached a milestone in our development of metals for the energy transition with the commissioning of our first lithium plant in Argentina. Production will start in November and this growth driver will fully contribute to the Group's performances from 2025. »

♦ CSR commitments

Safety

In H1 2024, the Group's safety performance continued to improve. As a result, the TRIR[6] was 0.8 at the Group level (-24% vs. H1 2023), significantly better than the target set in the new CSR roadmap (<1.0).

Say on Climate

During its Shareholders' General Meeting held at the end of May, for the first time, Eramet organised a consultative vote among shareholders on its climate strategy under a *Say on Climate* resolution. More than 99% of shareholders voted in favour of this resolution, after acknowledging – on the one hand – the progress made in implementing the Group's ambition in terms of sustainable development and the energy transition, and – on the other – the 2024-2026 CSR roadmap, "*Act for positive mining*".

Social protection for employees

As the first mining group to establish a transnational employee representation body in 2023 – *Eramet Global Forum* – Eramet signed an initial agreement in June to set up with all its social partners a Group-wide social protection solution for employees over the world: *Eramet Global Care*[7]. Thanks to this agreement, which represents a major milestone in achieving a key objective of the new CSR roadmap, all Group employees worldwide will now benefit from new provisions with respect to maternity leave and working conditions for women. New measures concerning death insurance as well as healthcare and prevention will take effect by 2026 year-end.

Biodiversity

In early July, *Act4nature international* validated the new biodiversity targets in the Group's 2024-2026 CSR roadmap, particularly regarding the Group's commitment not to conduct any deep-sea exploration or mining activities. *Act4nature international* is an initiative led by business networks with scientific partners, environmental NGOs and public bodies. Its objective is to develop the mobilisation of companies in favour of biodiversity through pragmatic commitments supported by their CEOs.

Extra-financial rating

In May, the Sustainalytics agency updated its ESG risk rating for Eramet, with an improved score at 27.6 (vs. 28.4 previously – the lower the score, the better).

♦ Financial rating and financing

In Q2 2024, Moody's and Fitch revised the Group's long-term credit ratings to Ba2 and BB respectively, with a stable outlook.

In May, Eramet completed the successful second issue of sustainability-linked bonds, for an amount of €500m, with the order book more than 3 times subscribed. With a 5.5-year maturity and an annual coupon of 6.5%, these bonds are linked to two sustainability performance targets. These targets will be assessed on 31 December 2026 compared to baseline performances in 2019:

(i) 37% reduction in the annual Scope 1 and Scope 2 greenhouse gas emissions intensity of the Group, and,

(ii) increase to 67% in the share of its suppliers and customers (by emissions) with decarbonation targets that are consistent with the well-below 2° Celsius scenario of the Paris Agreement.

Parallel to this, Eramet repurchased the entire bond issue due in May 2025 (for an amount of €300m, effective 4 July), and extended the term loan maturity by 1 year (€500m in January 2028), as well as that of the RCF (€915m maturing in 2029 and €20m maturing in 2028).

Therefore, the Group is pursuing its strategy of proactively managing its debt profile, and extending the average maturity of its debt to around 4 years (compared with nearly 3 years at December 31, 2023).

♦ Eramet group key figures (in accordance with the IFRS 5 standard)

Millions of euros[1]	H1 2024	H1 2023[2]	Chg. (€m)	Chg.[3] (%)
Adjusted turnover[4]	**1,674**	**1,901**	**(227)**	**-12%**
Turnover	1,452	1,604	(152)	-9%
Adjusted EBITDA[4]	**247**	**339**	**(92)**	**-27%**
EBITDA	102	93	+9	+10%
Current operating income (COI)	(23)	(10)	+13	n.a.
Net income from continuing operations	**(94)**	**52**	**(146)**	**n.a.**
Net income from sold operations	0	14	(14)	n.a.
Net income, Group share	**(41)**	**98**	**(139)**	**n.a.**

Group Free Cash-Flow	**(521)**	**(120)**	**(401)**	**n.a.**
Economic Free Cash-Flow[5]	***(291)***	***(27)***	***(264)***	***n.a.***

Millions of euros[1]	30/06/24[2]	31/12/23[2]	Chg. (€m)	Chg.[3] (%)
Net debt (Net cash)	**711**	**614**	**+97**	**+16%**
Shareholders' equity	2,458	1,994	+464	+23%
Adjusted leverage[4] (Net debt-to-adjusted EBITDA ratio[6])	**1.0x**	**0.8x**	**n.a.**	**+0.2 pts**
Leverage (Net debt-to-EBITDA ratio[6])	2.0x	1.8x	n.a.	+0.2 pts
Gearing (Net debt-to-Shareholders' equity ratio)	29%	31%	n.a.	-2 pts
Gearing within the meaning of bank covenants[7]	**26%**	**13%**	**n.a.**	**+13 pts**
ROCE (COI/capital employed[8] for the previous year)	**4%**	**4%**	**-**	**-**

[1] Data rounded to the nearest million.

[2] Excluding Aubert & Duval, Sandouville and Erasteel, which in accordance with the IFRS 5 standard, are presented as operations in the process of being sold in 2023.

[3] Data rounded to higher or lower %.

[4] Adjusted turnover, adjusted EBITDA and adjusted leverage are defined in the financial glossary in Appendix 8.

[5] Net of Tsingshan's capital contributions to the Centenario project (€85m in H1 2024 and €93m in H1 2023) and financing granted by the French State to SLN in 2024 and converted into shareholders' equity (€145m in H1 2024, including interest accrued over the period).

[6] Calculated on a 12-month rolling basis at 30 June.

[7] Net debt-to-Shareholders' equity ratio, excluding IFRS 16 impact and French state loan to SLN.

[8] Total shareholders' equity, net debt, site restoration provisions, restructuring and other social risks, less long-term investments, excluding Weda Bay Nickel capital employed.

N.B. 1: all the commented changes in H1 2024 are calculated with respect to H1 2023, unless otherwise specified.
N.B. 2: all the commented figures for H1 2024 and H1 2023 correspond to figures in accordance with the IFRS 5 standard as presented in the Group's consolidated financial statements, unless otherwise specified.

N.B. 3: mentions of Q1, Q2, Q3 and Q4 refer to the four quarters of the financial year.

The Group's adjusted turnover[1] (including the proportional contribution of PT Weda Bay Nickel, "PT WBN") amounted to **€1,674m** in H1 2024, down 12% (-10% at constant scope and exchange rates[8], with a marginal currency effect). This decrease mainly reflects a negative price effect (-16%) in a continued difficult market environment, notably for nickel. The positive volume effect remained limited over the first half (+5%): growth in sales of manganese and mineral sands was largely offset by the decline in nickel product sales, particularly at SLN.

Group **EBITDA** totalled **€102m**.

Adjusted EBITDA[1] (including the proportional contribution of PT WBN) amounted to **€247m**, a decline of -27% vs. H1 2023, mainly reflecting:

- The **negative impact of external factors** of **€310m**, particularly factoring in an unfavourable price effect (-€304m, of which -€173m for nickel and -€110m for manganese) and the negative impact of the absence of low-grade saprolite sales' permit at Weda Bay (-€93m), partly offset by a decrease in input costs (+€58m), premiums on the ore price index in Indonesia (+€24m) and a favourable currency effect (+€15m);
- A **positive intrinsic performance of €216m**, mainly linked, on one hand, to higher sales volumes of high-grade saprolite and limonite at Weda Bay (+€86m), and on the other hand, to manganese ore (+€82m), combined with actions to reduce fixed costs and productivity gains (+€87m, of which +€56m related to higher ore grade at GCO and Weda Bay).

Net income, Group share for H1 2024 was **-€41m**, including the share of income in PT WBN (€98m) as well as losses related to SLN (-€72m).

Capex accounted for **€305m**, including the share of the Lithium project financed by Tsingshan. Investments supported by the Group amounted to **€234m** and include €150m in growth capex, mainly in Gabon (€67m) and Argentina (€71m); current capex totalled **€85m**.

Free Cash-Flow ("FCF") totalled **-€521m** including the dividends received from Weda Bay, limited to €35m, due to the low level of external ore sales over the first half. It amounted to **-€291m**, net of Tsingshan's capital contributions to the Centenario project (€85m) and the French State's financial support to SLN (€145m).

In line with the agreement signed in April, all of **SLN's existing loans** (held by the French State and Eramet) were converted into an instrument akin to equity (undated fixed rate subordinated bonds, "TSDI"). This conversion enables to neutralise the entity's debt to the French State on the Group's consolidated financial statements. The latter stood at **€260m** on 31 December 2023. The same treatment applied to the new financing granted by the French State to SLN during the first half, for an amount of **€140m**, in order to provide the New Caledonian entity with financial support. At June 30, 2024, including accrued interest converted, the French State held around €405 million of "TSDI" issued by SLN, which no longer have any impact on the Group's consolidated debt.

As **a result,** the Group's net debt was **€711m** on 30 June 2024 (vs. €614m on 31 December 2023), following dividends paid to Eramet shareholders (-€43m) and Comilog minority shareholders (-€30m) in respect of the 2023 financial year.

The **adjusted leverage ratio** was **1.0x**. The Group's capital allocation policy continues to focus primarily on deleveraging, to maintain leverage[9] below 1x on average through the cycle, while allocating capex to growth projects and rewarding its shareholders.

As of 30 June 2024, Eramet's **liquidity**, including undrawn credit lines, remains high at **€2.8bn**.

Key figures by activity[1]

Millions of euros[1]		H1 2024	H1 2023	Change (€m)	Change[2] (%)
MANGANESE	Turnover	996	946	+50	+5%
	EBITDA	**225**	**193**	**+32**	**+17%**
Manganese ore activity[3,4]	*Turnover*	*562*	*471*	*+91*	*+19%*
	EBITDA	*186*	*154*	*+32*	*+21%*
Manganese alloys activity[3]	*Turnover*	*434*	*475*	*(41)*	*-9%*
	EBITDA	*39*	*38*	*+1*	*-3%*
NICKEL	Adjusted turnover[5]	535	815	(280)	-34%
	Adjusted EBITDA[5]	**52**	**174**	**(122)**	**-70%**
Weda Bay	*Turnover (38.7%[6])*	*222*	*297*	*(75)*	*-25%*
	Turnover (off-take contract)	*63*	*102*	*(39)*	*-38%*
	EBITDA (38.7%[6])	*145*	*246*	*(101)*	*-41%*
	EBITDA (off-take contract)	*2*	*(2)*	*+4*	*n.a.*
SLN[7]	*Turnover*	*250*	*416*	*(166)*	*-40%*
	EBITDA	*(92)*	*(70)*	*(22)*	*+31%*
Other & projects	*EBITDA*	*(3)*	*0*	*(3)*	*n.a.*
MINERAL SANDS	Turnover	141	136	+5	+4%
	EBITDA	**50**	**49**	**0**	**+1%**
GCO	*Turnover*	*141*	*118*	*+23*	*+19%*
	EBITDA	*50*	*40*	*+10*	*+25%*
Intra-group eliminations[8]	*Turnover*	*0*	*(28)*	*+28*	*n.a.*
ETI	*Turnover*	*0*	*47*	*(47)*	*n.a.*
	EBITDA	*0*	*10*	*(10)*	*n.a.*
LITHIUM	Turnover	0	0	-	-
	EBITDA	**(11)**	**(9)**	**(2)**	**+22%**

[1] Data rounded to the nearest million.

[2] Data rounded to higher or lower %.

[3] See definition in the financial glossary in Appendix 8.

[4] Turnover linked to external sales of manganese ore only, including €35m linked to Setrag transport activity other than Comilog's ore (vs. €24m in H1 2023).

[5] Adjusted turnover, adjusted EBITDA and adjusted leverage are defined in the financial glossary in Appendix 8.

[6] Excluding off-take contract.

[7] SLN and others.

[8] Turnover for the sale of ilmenite produced by GCO to ETI until the date the Norwegian subsidiary was sold.

Manganese

EBITDA for the Manganese activity came out to €225m over the period, up 17% year-on-year.

In Gabon, manganese ore produced and transported volumes increased by 33% and 12% to 3.5 Mt and 3.2 Mt, compared to H1 2023 which was impacted by non-recurring logistical incidents.

- **EBITDA for the manganese ore activity was up to €186m[10] (+21%), mainly reflecting the increase in volumes sold externally (+21%). Despite the strong increase in the high-grade manganese ore price index over Q2 (c.+50% vs. Q1 2024), due to the prolonged halt in ore exports from an Australian competitor, the index remained almost stable over the half-year (+3%), owing to the low level in Q1. Factoring in the 1-month lag between the price index and the invoiced price, the increase observed in June will positively impact performance for this activity in H2 2024.**
- **EBITDA for the manganese alloys activity was up very slightly to €39m (+3%), with a decline in selling prices for refined alloys which was offset by the decrease in input costs as well as an increase in volumes sold (+4%). The increase in the manganese ore purchase price is not yet reflected in the cost incurred.**

Market trends[11] & prices[12]

In H1 2024, global production of carbon steel, the main end-product for manganese, was stable year-on-year at 971 Mt.

China, which accounts for more than 50% of global steel production, posted a limited decline of 2% thanks to an increase in exports in response to the persistent crisis in the real estate sector. Conversely, India and Türkiye strongly increased their half-year production, respectively achieving growth of 7% and 20%. In Europe, production remained stable with demand still subdued. Production in North America was down 2% in a sluggish construction market.

Manganese ore consumption was stable for the period, at 10.4 Mt. As expected, first-half production significantly declined (-11%) to 9.3 Mt. In the wake of Cyclone Megan in March and the prolonged halt in activity for a leading player, production in Australia fell 54% versus H1 2023. Production in Gabon remained stable, while volumes exported from South Africa increased by 9% over the period, driven by low-grade ore production factoring in a favourable price environment. Marginal producer countries, including Côte d'Ivoire and Ghana, also reported an increase in their production, boosted by rising prices.

In this context, the supply/demand balance for H1 2024 was in considerable deficit and Chinese port ore inventories, which declined during Q2, stood at 5.0 Mt at end-June (vs. 5.8 Mt at end-March), equating to 9 weeks' consumption.

The price index (CRU) for manganese ore (CIF China 44%) averaged $5.4/dmtu over the semester, up 3% from the same period a year earlier thanks to a strong rebound in Q2 (c.+50% vs. Q1).

The price index (CRU) for refined alloys in Europe (MC Ferromanganese) declined by 9% year-on-year, while the price index for standard alloys (Silicomanganese) increased 6%. However, indices were up on H2 2023 (+10% and +27% respectively), supported by supply tensions factoring in the sea transport crisis observed in Q1 2024 in the Red Sea, and last quarter's rise in manganese ore prices.

Activities

In Gabon, the Moanda mine achieved production of 3.5 Mt in **ore**, up 33% on H1 2023, which was penalised by logistical incidents (landslide at end-2022, breach of civil engineering structure in early April 2023). Transported ore volumes increased to a lesser extent (+12%), reaching 3.2 Mt over the period, factoring in the unfavourable seasonality (particularly strong rainfall in Q2) and maintenance works on the railroad line completed during the half year to be able to sustain and increase the transport capacity of the Transgabonese railway, starting in H2.

Ore volumes sold externally totalled 2.9 Mt over the period, increasing by 21%.

The FOB cash cost[13] of manganese ore activity was \$2.3/dmtu, down 15% on H1 2023, mainly reflecting growth in volumes sold.

Sea transport costs per tonne increased by 9% to \$1.0/dmtu vs. H1 2023, due to rising freight tariffs.

Alloys production totalled 324 kt in H1 2024 (+4% vs. H1 2023) in order to benefit from more favourable market conditions. Sales amounted to 322 kt (also +4%) with a similar mix to H1 2023 favouring manganese alloys (54%).

The half-year manganese alloys margin remained stable year-on-year, despite declining refined alloys selling prices. The latter was offset by a decline in input costs, notably metallurgical coke and manganese ore (whose price increase is not yet reflected in the cost of goods sold given an approximate 4-month lag between the purchase and consumption dates), on top of an increase in volumes sold.

Outlook

Global carbon steel production is expected to slightly improve in 2024. India, where Eramet has a strong business footprint, is expected to continue posting significant growth in its production thanks to strong demand from the infrastructures and automotive sectors. Türkiye and the countries of South-East Asia (ASEAN) should also increase their production, while China is expected to post a slightly lower production over the year.

However, global demand for manganese ore could decline slightly over the year, impacted by high manganese alloy inventories. Supply is still expected to decline.

Considering the halt to manganese ore exports from an Australian competitor, the current market consensus expects a strong increase (more than 50%) in the average manganese ore price index (CIF China 44%) compared to 2023 which should total around \$7.3/dmtu for 2024. In early July, the spot price was close to \$9/dmtu.

Global demand for manganese alloys should remain relatively stable while supply could increase again. In Europe, the increased manganese alloys production, driven by the strong decline in electricity prices, should enable the decrease in Ukrainian production to be offset. In India, the additional new capacity is expected to drive a strong increase in production.

As a result, manganese alloys selling prices should increase to reflect rising ore prices, but margins are expected to remain under pressure.

In Gabon, annual **transported ore** volumes are now forecast between 7.0 Mt and 7.5 Mt, factoring in transport levels reached in H1. Manganese ore production will be adjusted to transportation to limit inventories at the mine. The amount of investments expected over the year to sustain growth in ore production and transportation in Gabon was estimated at around €150m.

Manganese **alloys** production is expected to reach around 700 kt over the year and may be adjusted to market conditions.

Nickel

Adjusted EBITDA[1] for the Nickel activities totalled €52m (-70%) for the half-year, including the proportional contribution of PT Weda Bay Nickel ("PT WBN").

Produced nickel ore volumes at Weda Bay amounted to 21.1 Mwmt (for 100%), up 40% from the same period a year earlier.

- **PT WBN's share of EBITDA (excluding the off-take contract) was €145m over the semester, down 41%: this change reflects the strong decline in ore prices as well as the absence of low-grade ore external sales' permit. The decrease in volumes was partly offset by productivity gains,**

- **EBITDA for SLN[14] declined by -€92m, strongly impacted by the unstable societal situation in New Caledonia which did not enable mining operations to take place for most of Q2, resulting in a sharp slowdown in production at the Doniambo plant.**

Market trends[15] & prices

Global stainless-steel production, which is the main end-market for nickel, was up by 8% to 29.9 Mt in H1 2024.

Production in China, which accounts for more than 60% of global production, saw growth of 11% versus H1 2023, driven by record exports in Q2 2024. Production in the rest of the world was up by 2% with a strong increase in Indonesia (+25%).

Global demand for primary nickel increased by 7% from H1 2023, to 1.6 Mt, mainly benefitting from a recovery in demand for stainless-steel (+11%), despite limited growth in demand from the batteries sector (+2%).

Parallel to this, global primary nickel production was up 5% over the period, in line with demand, at 1.6 Mt. This growth was supported by NPI[16] supply in Indonesia (+18%), as well as the ramp-up in new projects, notably HPAL[17] (+18%) also in Indonesia. Conversely, NPI production in China as well as traditional ferronickel production, declined (-13% and -6% respectively).

The half-year balance of the nickel market (class I and II[18]) remained in slight surplus (17 kt), significantly below the supply/demand position in H1 2023 (56 kt). Visible nickel inventories at the LME and SHFE[19] continued increasing, to reach 118 kt-Ni at end-June.

In H1 2024, the **LME** price average (price of class I nickel) stood at $17,506/t, down sharply from H1 2023 (-28%). However, Q2 was up 11% on Q1, notably driven by announcements to reduce production sourced from Russia and New Caledonia.

The average for the **NPI**[20] price index as sold at Weda Bay was $11,858/t, significantly down versus H1 2023 (-23%) and also down compared to H2 2023 (-10%).

The spot price of **ferronickel** as produced by SLN (also class II nickel) was set at a level above prices for NPI, posting a smaller decline of 8% versus H1 2023 and remaining stable compared to H2 2023.

In Indonesia, the official **domestic price index for high-grade nickel ore** (“HPM Nickel”) averaged $38/wmt[21] in the first half, down 34% versus H1 2023. The HPM Nickel ore price index followed nickel price trends at the LME, with the price formula indexed to the London-based exchange, with a lag of approximately one month. Considering current delays in the issuing of permits by the government, as well as unfavourable weather conditions over the period, there are currently tensions in the country’s domestic ore supply, resulting in premiums on the price floor defined by Indonesia’s government (HPM).

Nickel ore prices (1.8% CIF China), as **exported by SLN**, averaged $70/wmt over the semester, down 24% from the same period last year.

Activities

In **Indonesia**, the Weda Bay mine produced 21.1 Mwmt of nickel ore (+40% vs. H1 2023), including 16.7 Mwmt in saprolite (around 12.3 Mwmt high-grade and 4.4 Mwmt low-grade) and 4.4 Mwmt in limonite. The optimisation, on the one hand of the mining plan with an improved grade of marketable ore, and on the other, of inventory management, enabled significant productivity gains.

Internal ore consumption of PT WBN’s NPI plant amounted to 1.3 Mwmt and external ore sales (at the other plants on the industrial site) totalled 12.1 Mwmt, including 10.7 Mwmt in high-grade saprolite and 1.3 Mwmt in limonite. No sale of low-grade saprolite took place in H1 (8.2 Mwmt in H1 2023), given that permits were not granted for this ore category.

Production at the NPI plant reached 14.0 kt-Ni in H1 2024 (on a 100% basis), down 11%, due to the slowed production of one furnace in Q1 and its maintenance scheduled for Q2 2024. As part of the off-take contract (trading activity), the Group sold 5.8 kt-Ni in H1 2024, down 17%.

PT WBN's contribution to Group FCF was limited to €35m in dividends, in connection with the lowest level of external nickel ore sales over the period.

In New Caledonia, mining production amounted to 1.4 Mwmt in H1 2024, down 51% from the same period a year earlier, factoring in extremely difficult operating conditions. The societal situation and particularly the civil disturbance in May, led to a halt in mine production throughout the territory for safety reasons and following damage to buildings and infrastructure, notably at SLN's Thio and Kouaoua sites.

As a result, SLN's nickel ore exports in the first half were limited to 0.4 Mwmt (-68% vs. H1 2023).

Ferronickel production also declined to 17.4 kt-Ni (-14% vs. H1 2023), with the latter reduced to a minimal level, enabling activity at Doniambo to be sustained, given the difficulties in transporting nickel ore and other inputs to the plant. Volumes sold were also down to 17.4 kt-Ni (-14% vs. H1 2023).

Cash cost[22] of ferronickel production averaged $9.1/lb for the first half (vs. $8.7/lb in H1 2023). The decrease in ferronickel volumes and nickel ore exports in addition to an unfavourable price effect were largely offset by better control of costs as well as declining energy prices.

As a result, SLN generated at a local level a negative Free-Cash Flow of -€139m for the half-year. After converting SLN's existing loans from the French State and Eramet into an instrument akin to equity, in line with the agreement signed in April, the company's net debt was close to €20m on 30 June 2024.

Outlook

Demand for primary nickel is expected to slightly increase in the second half, driven by stainless-steel consumption as well as a recovery in batteries consumption.

Global primary nickel supply should increase more quickly than demand in the second half, due to less tension in Indonesia's nickel ore market as well as continued production growth from new projects (MHP and matte) across the country. Given Indonesia's current mining supply, PT WBN's ore selling prices should continue to benefit from a premium on the HPM index.

The nickel market's surplus is expected to continue in 2024, albeit to a lesser extent than in 2023.

In Indonesia, given that the permit for low-grade saprolite sales was not granted, the external sales target is revised between 40 and 42 Mwmt[4] of nickel ore for the year, of which around two thirds in high-grade saprolite (for NPI plants) and a third in limonite (for HPAL plants), with an average grade slightly below that of 2023. The signature of the AMDAL decree[23] by the Indonesian government in July should enable the permit for the sales of high grade saprolite and limonite to be granted for the next three years, including 2024.

In New Caledonia, SLN continues to face major challenges, which are exacerbated by events ongoing since May, with its financial situation now extremely critical. Activity in most of the mines the company operates was suspended from mid-April and the Doniambo plant is running on minimal technical power, under very difficult circumstances, in order to preserve the integrity of the industrial facilities in line with the procedures in force.

Following an agreement signed in April with Eramet, in July, the French State subscribed new undated fixed rate subordinated bonds ("TSDI"), as issued by SLN for an amount of €80m, with no impact on the Group's net debt. This financial support should enable the New Caledonia entity to continue its business in the months ahead.

Eramet reiterates its decision not to provide any further financing to SLN, while continuing to support its operations.

Mineral Sands

EBITDA for the Mineral Sands activities totalled €50m in H1 2024, up 25% on H1 2023 (at comparable scope, excluding ETI) reflecting the increase in selling volumes, mainly linked to a better grade of the sands being mined, in a context of declining prices.

Market trends & prices[24]

Global demand for zircon showed signs of stabilising in Q2 2024, despite continued lower levels compared to 2023, and driven by replenished inventories among ceramists over the period. The European market remained fragile, against the backdrop of a sluggish construction sector. Zircon production continued to decline slightly, with producers adjusting their volumes to address subdued demand. The market remained in slight surplus, with overall inventories not significantly decreasing.

In H1 2024, zircon prices stood at $1,915/t FOB, down 9% from H1 2023.

In H1 2024, global demand for TIO_2[25] pigments, the main end-market for titanium-based products[26], benefitted from the expected European Union (EU) customs tariffs on pigment imports from China, resulting in strong demand for despite weak fundamentals. As a result, production in China continued to rise, driven by exports to the EU.

In H1 2024, the price for ilmenite as produced by Grande Côte Operations ("GCO") was $300/t FOB, down 8% from H1 2023.

Activities

In Senegal, mineral sands products production at GCO increased by 33%, to 407 kt, versus favourable comparatives given the passage of the GCO dredge through a complex and low-grade zone in H1 2023. This progress reflects both an increase in the average heavy metal grade of the sands being mined over the period, as well as the improved equipment availability over the semester.

Ilmenite volumes produced stood at 254 kt, up 23%, and in line with the trend for mineral sands production. Ilmenite external sales reached 241 kt, including volumes linked to the long-term supply contract signed with ETI[27], which is now considered an external customer. At comparable scope (including ETI sales), ilmenite sales increased by 24% versus H1 2023.

Zircon volumes produced increased by 33% to 32 kt versus H1 2023, with sales volumes up 26% to 29 kt.

Outlook

Demand for zircon could increase slightly in 2024, driven by the impact of restocking in H1. However, the market should remain in surplus due to the arrival of new production capacity in Australia, therefore sustaining the pressure on prices in H2.

Demand for ilmenite is expected to be resilient over the year, factoring in the low inventories of TiO_2 pigment producers in early 2024. In China, demand should increase, despite strong uncertainty regarding pigment production trends following the announcement of provisional anti-dumping measures by the EU, which are partly offset by the surge in titanium metal production. The ilmenite market, however, is expected to break even, factoring in the additional capacities in China, leading to lower average price levels over the year.

In Senegal, mineral sands production in 2024 is still expected to increase to more than 800 kt-HMC.

Lithium

On 3 July, Eramet inaugurated its first direct lithium extraction plant in Centenario, Argentina, becoming the first-ever European company to develop the capacity produce battery-grade lithium carbonate at industrial scale.

Market trends & prices[28]

Lithium carbonate prices (battery-grade, CIF Asia) were down 73% in this first half compared to H1 2023, averaging $13,908/t-LCE (-48% vs. H2 2023). This decline is owing to the substantial inventories on the market as well as slower than expected sales for electric vehicles in Europe and the United States. Conversely, supply continued to increase with the launch of expansions to existing projects and the start of new projects; the market was therefore in surplus.

Activities

Production at Centenario is scheduled to start in November 2024 with a ramp-up expected to be achieved by mid-2025. At full capacity, the first Centenario plant will produce 24,000 t/year (100% basis) of battery-grade lithium carbonate ("LCE"), equivalent to the requirements for 600,000 electric vehicles/year.

The total amount of investment for the first Centenario plant is forecast to be around $870m, with $515m financed by Tsingshan. At full capacity, the cash cost (estimated between $4,500 and $5,000/t-LCE) should be positioned in the first quartile of the industry cash cost curve, with annual EBITDA estimated between $210m and $315m, based on a long-term price scenario between $15,000 and $20,000/t-LCE.

In November 2023, Eramet's Board of Directors provisionally approved the investment decision on a second lithium production plant at Centenario, representing an additional 30,000 t-LCE per year (100% basis). This approval remains subject to obtaining construction permits as well as to implementing the new investment fiscal regime for large-scale projects[29] in Argentina, as this regime could enhance the economics and financing conditions of Centenario's second plant.

The amount of growth capex financed by Eramet totalled €71m in H1 2024, including €61m for the first plant.

Outlook

Growth in demand for lithium should be around 25% in 2024, with more favourable seasonality in H2. However, it remains softer than expected due to substantial inventories in the battery supply chain as well as a slowdown in electric vehicle adoption from car manufacturers in North America and Europe.

In parallel, lithium supply is expected to grow more than demand, driven by expansions and new mines set to start production this year.

The market consensus (battery-grade CIF Asia lithium carbonate) currently averages around $14,400/t-LCE in 2024.

With production scheduled to start in November 2024, production volumes of lithium carbonate (battery-grade) are expected around 1 kt-LCE (100% basis) in H2 2024.

Growth capex aimed at developing the Lithium project in Argentina and financed by Eramet is revised downwards to around €150m over the year, including around €130m for the first plant and €20m for the second plant, factoring in a postponement to the start of construction of the second plant until 2025, with corresponding capex postponed.

Strategic projects for the energy transition

Nickel (class I) and cobalt refining in Indonesia

After conducting an in-depth assessment, in June, Eramet and BASF decided against investing in their joint project to develop and build a nickel-cobalt-refining plant at Weda Bay, Indonesia. As part of its strategic roadmap, Eramet is still continuing to investigate opportunities to participate in the nickel electric vehicle battery value chain in Indonesia.

Battery recycling

In partnership with Suez, the Group is continuing the feasibility studies (economic and technical) for the battery recycling project in France. Eramet continues to assess the merits and timing of when to proceed with a battery recycling project, given the considerable changes in Europe's Electric Vehicle battery value chain observed over recent months.

Growth opportunities for lithium in Chile

Following the end-2023 acquisition of mining concessions covering a cluster of lithium salars in the Atacama region, the Group is working to develop future partnerships with State companies owning lithium exploration and mining rights. During the first half, Eramet also signed two farm-in agreements to conduct exploration activities in Chile.

♦ Outlook

Economic conditions remain subdued at the start of the second half.

In China, Q2 growth of 4.7%, which was below forecasts, shows that the 5% growth target for 2024 will be harder to achieve than expected. While industrial production and exports continue to surprise on the upside, the level of household consumption highlights soft domestic demand and the Group's markets remain affected by the serious real estate crisis. Moreover, no significant measures to support the economy have been announced by the government to date.

In H2 2024, sea freight prices should stabilise slightly above H1 to higher levels than in 2023, pending developments in the situation in the Red Sea. The price of reductants should increase in H2 2024 compared to H1, albeit lower than in 2023.

The **range for volume growth targets over the year**, which recognises the more favourable seasonality in H2, **is revised downwards** versus previously communicated guidance at:

- Between **7.0** and **7.5 Mt** of manganese ore transported in Gabon (vs. between 7.0 and 7.7 Mt),
- Between **40** and **42 Mwmt**[4] of marketable nickel ore at Weda Bay, of which two thirds are high-grade saprolite and a third is limonite (vs. between 40 and 50 Mwmt, including 10 Mwmt of low-grade saprolite),
- **Around 1 kt-LCE** of lithium carbonate produced at Centenario (vs. between 5 and 7 kt-LCE).

The **average price consensus**[30] and **exchange rate**[31] for **2024** is **currently**:

- **$7.3/dmtu** for manganese ore (CIF China 44%) in a favourable price environment in H2 and an average estimated by a panel of consensus analysts at $8.9/dmtu (+65% vs. H1),
- **$17,100/t** for LME nickel,
- **$14,400/t-LCE** for lithium carbonate (battery-grade, CIF Asia),
- The €/$ exchange rate expected at **1.08**.

Invoiced selling prices for manganese alloys should average above 2023 levels over the year, in order to reflect the ore price increase while margins are expected to remain under pressure.

The price of ferronickel is expected to remain slightly above the SMM NPI 8-12% index. Domestic prices for nickel ore sold in Indonesia are indexed to the LME and change accordingly; they should continue to benefit from premiums on the HPM index in H2.

Sensitivities of adjusted EBITDA to the price of metals and to the exchange rate are presented in Appendix 5. As a reminder, a $1/dmtu high-grade manganese ore price variation on average over the year corresponds to a €255m impact on the Group's adjusted EBITDA.

Calculated based on the Group's volume targets range and based on the indicative consensus prices for the year detailed above, **adjusted EBITDA** would be, **for illustrative purposes**, between **€1.2bn** and **€1.3bn** in 2024, reflecting a **significantly higher financial performance in H2 vs. H1.**

The amount **of investments** financed by the Group[5] in 2024 is revised downwards **between €550m** and **€600m** (vs. €700m and €750m as previously communicated), of which:

- **Current capex**: around €200m (vs. close to €250m), notably factoring in a decline in SLN's capex,
- **Growth capex**: between €350m and €400m (vs. close to €500m), notably aimed at sustaining growth in production and transport for ore in Gabon (around €150m), as well as to develop the Lithium project in Argentina (around €150m, a decrease of €100m, factoring in the postponed construction start of the second plant to 2025).

Calendar

26.07.2024: Remote presentation of 2024 half-year results

A live and exclusive Internet webcast of the 2024 half-year results presentation will take place on Friday 26 July 2024 at 9:30 a.m. (Paris time), on our website: www.eramet.com. Presentation material will be available at the time of the webcast.

24.10.2024: Publication of 2024 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.

www.eramet.com

INVESTOR CONTACT

Director of Investor Relations

Sandrine Nourry-Dabi

T. +33 1 45 38 37 02

sandrine.nourrydabi@eramet.com

PRESS CONTACT

Media Relations Manager

Fanny Mounier

T. +33 7 65 26 46 83

fanny.mounier@eramet.com

Appendix 1: Quarterly turnover (IFRS 5)

€ million[1]	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Manganese	**548**	**448**	**504**	**528**	**505**	**440**
Manganese ore activity[2]	*308*	*254*	*288*	*330*	*262*	*209*
Manganese alloys activity[2]	*241*	*193*	*216*	*198*	*244*	*231*
Nickel	160	153	215	261	228	290
Adjusted Nickel[3,4]	**276**	**259**	**356**	**396**	**356**	**459**
Mineral Sands	**89**	**52**	**84**	**55**	**93**	**44**
GCO	*89*	*52*	*72*	*48*	*79*	*40*
Intra-group eliminations[5]	*0*	*0*	*1*	*(11)*	*(16)*	*(12)*
ETI	*0*	*0*	*11*	*18*	*31*	*16*
Lithium	**0**	**0**	**0**	**0**	**0**	**0**
Holding, elim. and others	0	2	(1)	0	3	1
Eramet group published financial statements	797	655	803	845	828	775
Eramet group adjusted[3,4]	**913**	**761**	**943**	**980**	**956**	**944**

[1] Data rounded to the nearest million.

[2] See definition in the financial glossary in Appendix 8.

[3] Adjusted turnover defined in the financial glossary in Appendix 8.

[4] Adjusted turnover restated for Q1 2023, following update of indicator definition.

[5] Turnover for the sale of ilmenite produced by GCO at ETI.

Appendix 2: Productions and shipments

In thousands of tonnes	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	H1 2024	H1 2023
Manganese ore and sinter production	1,595	1,926	2,620	2,149	1,543	1,097	3,521	2,640
Manganese ore and sinter transportation	1,559	1,638	1,737	2,038	1,489	1,359	3,197	2,848
External manganese ore sales	1,445	1,466	1,646	1,830	1,245	1,158	2,911	2,403
Manganese alloys production	170	154	153	171	160	151	324	311
Manganese alloys sales	173	149	175	154	170	140	322	310
Nickel ore production *(in thousands of wet tonnes)*								
SLN	389	1,014	1,422	1,461	1,405	1,482	1,403	2,887
Weda Bay Nickel (100%) **–** marketable production (high-grade)	5,913	6,342	4,898	4,247	3,802	3,958	12,255	7,760
Ferronickel production – SLN	8.3	9.1	11.7	12.8	9.7	10.6	17.4	20.3
Low-grade nickel ferroalloys production – Weda Bay Nickel (kt of Ni content – 100%)	6.6	7.4	8.7	9.0	7.9	7.8	14.0	15.7
Nickel ore sales *(in thousands of wet tonnes)*								
SLN	196	247	668	675	734	657	443	1,391
Weda Bay Nickel (100%)	5,982	6,079	9,761	8,323	7,753	7,318	12,061	15,071
o/w Saprolite	*5,236*	*5,479*	*8,734*	*8,323*	*7,753*	*7,318*	*10,715*	*15,071*
Limonite	*746*	*600*	*1,027*	-	-	-	*1,346*	-
Ferronickel sales – SLN	8.7	8.7	10.9	13.2	10.1	10.2	17.4	20.3
Low-grade nickel ferroalloy sales – Weda Bay Nickel/Off-take Eramet (kt of Ni content)	2.9	2.8	3.8	3.5	3.9	3.1	5.8	7.0
Mineral Sands production	215	192	161	161	194	112	407	306
Ilmenite production	138	116	113	102	129	77	254	206
Zircon production	18	14	11	13	15	9	32	24
Ilmenite sales (external)	166	75	132	58	88	20	241	108
Zircon sales	16	13	17	8	14	9	29	23

Appendix 3: Price and index

	H1 2024	H1 2023	H2 2023	Chg. H1 2024 – H1 2023[9]	Chg. H1 2024 – H2 2023[9]
MANGANESE					
Mn CIF China 44% ($/dmtu)[1]	5.38	5.22	4.39	*+3%*	*+23%*
Ferromanganese MC – Europe (€/t)[1]	1,523	1,682	1,389	*-9%*	*+10%*
Silicomanganese – Europe (€/t)[1]	1,171	1,100	920	*+6%*	*+27%*
NICKEL					
Ni LME ($/lb)[2]	7.94	10.99	8.51	*-28%*	*-7%*
Ni LME ($/t)[2]	*17,506*	*24,236*	*18,766*	*-28%*	*-7%*
SMM NPI Index ($/t)[3]	11,858	15,368	13,218	*-23%*	*-10%*
Ni ore CIF China 1.8% ($/wmt)[4]	70.5	92.2	86.7	*-24%*	*-19%*
HPM[5] Nickel prices 1.8%/35% ($/wmt)	38	57	44	*-34%*	*-14%*
MINERAL SANDS					
Zircon ($/t)[6]	1,915	2,100	1,975	*-9%*	*-3%*
Chloride ilmenite ($/t)[7]	300	325	308	*-8%*	*-2%*
Lithium					
Lithium carbonate, battery-grade, CIF Asia **($/t LCE)[8]**	13,908	52,192	26,596	*-73%*	*-48%*

[1] Half-yearly average of market prices (based on monthly Index CRU prices), Eramet calculation 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 and Eramet analysis.
[8] Lithium carbonate price index: Fastmarkets – battery-grade spot price CIF Asia.
[9] Data rounded to higher or lower %..

Appendix 4: Performance indicators of continuing operations (IFRS 5)

€ million[1]		H1 2024	H1 2023	FY 2023	Change (€m)	Change[2] (%)
MANGANESE	Turnover	996	946	1,978	+50	+5%
	EBITDA	**225**	**193**	**499**	**+32**	**+17%**
	COI[3]	137	138	361	(1)	-1%
	FCF	**3**	**(20)**	**(39)**	**+23**	**n.a.**
Activity Mn ore[4]	Turnover	562	471	1,089	+91	+19%
	EBITDA	186	154	443	+32	+21%
	FCF	(29)	(93)	(32)	+64	-69%
Activity Mn alloys[4]	Turnover	434	475	889	(41)	-9%
	EBITDA	39	38	55	+1	+3%
	FCF	32	73	(7)	(41)	-56%
NICKEL	Adjusted turnover[5]	535	815	1,567	(280)	-34%
	Turnover	313	518	994	(205)	-40%
	Adjusted EBITDA[5]	**52**	**174**	**305**	**(122)**	**-70%**
	EBITDA	(93)	(72)	(120)	(21)	+29%
	COI[3]	(106)	(92)	(146)	(14)	+15%
	FCF	**(156)**	**86**	**220**	**(242)**	**n.a.**
MINERAL SANDS	Turnover	141	136	275	+5	+4%
	EBITDA	**50**	**49**	**105**	**+1**	**+2%**
	COI[3]	33	26	62	+7	+27%
	FCF	**4**	**14**	**16**	**(10)**	**-71%**
LITHIUM	Turnover	0	0	0	-	-
	EBITDA	**(11)**	**(9)**	**(17)**	**(2)**	**+22%**
	COI[3]	(11)	(9)	(17)	(2)	+22%
	FCF	**(187)**	**(149)**	**(481)**	**(38)**	**+26%**
Holding, elim. and others	Turnover	2	4	4	(2)	-50%
	EBITDA	**(69)**	**(68)**	**(121)**	**(1)**	**n.a.**
	COI[3]	(76)	(73)	(133)	(3)	n.a.
	FCF	**(187)**	**(52)**	**42**	**(135)**	**n.a.**
GROUP TOTAL (IFRS 5)	Adjusted turnover[5]	1,674	1,901	3,824	(227)	-12%
	Turnover	1,452	1,604	3,251	(152)	-9%
	Adjusted EBITDA[5]	**247**	**339**	**772**	**(92)**	**-27%**
	EBITDA	102	93	347	+9	+10%
	COI[3]	(23)	(10)	127	(13)	n.a.
	FCF	**(521)**	**(120)**	**(243)**	**(401)**	**n.a.**

[1] Data rounded to the nearest million.
[2] Data rounded to higher or lower %.
[3] Current operating income (COI).
[4] See definition in the financial glossary in Appendix 8.
[5] Adjusted turnover, adjusted EBITDA and adjusted leverage are defined in the financial glossary in Appendix 8.

Appendix 5: Sensitivities of Group adjusted EBITDA

Sensitivities	Change	Impact on adjusted EBITDA
Manganese ore prices (CIF China 44%)	+$1/dmtu	c.€255m[1]
Manganese alloys prices	+$100/t	c.€65m[1]
Ferronickel prices - SLN	+$1/lb	c.€70m[1]
Nickel ore prices (CIF China 1.8%) - SLN	+$10/wmt	c.€10m[1]
Nickel LME	+$1/lb	c.€100m[1]
Nickel ore prices (HPM Nickel) – Weda Bay	+$10/wmt	c.€145m[1]
Lithium prices (lithium carbonate, battery-grade, CIF Asia)	+$1,000/t-LCE	c.€1m[1]
Exchange rate	-$/€0.1	c.€235m
Oil price per barrel (Brent)	+$10/bbl	c.-€15m[1]

[1] For an exchange rate of $/€1.08.

Appendix 6: Performance indicators

Operational performance by division

(in millions of euros)	Mining activities Manganese	Nickel	Sand Minerals	Lithium	Holding and other eliminations, and others	Total of continuing operations	Erasteel and Aubert & Duval	Sandouville	Eliminations	Total continuing and discontinued activities
Half-year 2024										
Turnover	996	313	141	-	2	**1,452**	-	-	-	**1,452**
EBITDA	225	(93)	50	(11)	(70)	**102**	-	-	-	**102**
Current operating income	137	(106)	33	(11)	(76)	**(23)**	-	-	-	**(23)**
Net cash flow generated by operating activities	136	(144)	31	(44)	(173)	**(194)**	-	-	-	**(194)**
Industrial investments (intangible assets and property, plant & equipment)	126	9	15	134	5	**289**	-	-	-	**289**
Free Cash Flow	3	(156)	4	(187)	(187)	(521)	-		-	(521)
Half-year 2023										
Turnover	946	518	136	-	4	**1,604**	346	-		**1,950**
EBITDA	193	(72)	49	(9)	(68)	**93**	(8)	-	7	**92**
Current operating income	138	(92)	26	(9)	(73)	**(10)**	(13)	-	7	**(16)**
Net cash flow generated by operating activities	127	(29)	64	(5)	(109)	**48**	(71)	-	2	**(21)**
Industrial investments (intangible assets and property, plant & equipment)	151	8	50	74	8	**291**	24	-	-	**315**
Free Cash Flow	(20)	86	14	(149)	(52)	**(120)**	41		(143)	**(222)**
Financial year 2023										
Turnover	1,978	994	275	-	4	**3,251**	346	-	-	**3,597**
EBITDA	499	(120)	105	(17)	(121)	**347**	(9)	-	7	**346**
Current operating income	361	(146)	62	(17)	(133)	**127**	(13)	-	7	**121**
Net cash flow generated by operating activities	328	(19)	81	62	(211)	**241**	(71)	-	2	**172**
Industrial investments (intangible assets and property, plant & equipment)	378	20	65	226	16	**706**	26	-	-	**732**
Free Cash Flow	(39)	220	16	(481)	42	**(243)**	41	-	(143)	**(345)**

Turnover and investments by region

(in millions of euros)	France	Europe	North America	China	Other Asia	Oceania	Africa	South America	Total
Sales (destination of sales)									
Half year 2024	19	388	70	345	408	17	51	154	**1,452**
Half year 2023	30	338	225	442	464	43	34	28	**1,604**
Financial year 2023	43	663	403	1,011	944	71	75	41	**3,251**
Industrial investments (intangible assets and property, plant & equipment)									
Half year 2024	19	14	2	-	1	9	110	134	**289**
Half year 2023	14	43	21	-	1	7	131	74	**291**
Financial year 2023	35	69	29	-	-	19	327	227	**706**
Non-current assets (excluding deferred tax assets)									
Financial year 2024	307	315	71	-	387	105	1,824	651	**3,659**
Financial year 2023	297	310	70	-	315	76	1,804	367	**3,240**

Consolidated performance indicators – Income statement

(in millions of euros)	Half year 2024	Half year 2023	Financial year 2023
Turnover	**1,452**	**1,604**	**3,251**
EBITDA	**102**	**93**	**347**
Amortisation and depreciation of non-current assets	(120)	(114)	(240)
Provisions for liabilities and charges	(5)	11	20
Current operating income	**(23)**	**(10)**	**127**
(Impairment of assets)/reversals	(9)	(7)	(218)
Other operating income and expenses	(13)	(27)	(102)
Operating income	**(45)**	**(44)**	**(193)**
Financial income (loss)	(86)	(63)	(2)
Share of income from associates	98	174	295
Income taxes	(61)	(15)	(88)
Net income from continuing operations	**(94)**	**52**	**12**
Net income from discontinued operations	-	14	6
Net income for the period	**(94)**	**66**	**18**
- Attributable to non-controlling interests	(53)	(32)	(91)
- Attributable to Group share	**(41)**	**98**	**109**
Basic earnings per share (in euros)	(1.44)	3.44	3.80

Consolidated performance indicators – Net financial debt flow table

(in millions of euros)	Half year 2024	Half year 2023	Financial year 2023
Operating activities			
EBITDA	102	93	347
Cash impact of items below EBITDA	(150)	(71)	(179)
Cash flow from operations	**(48)**	**22**	**168**
Change in WCR	(146)	26	73
Net cash flow generated by operating operations (A)	**(194)**	**48**	**241**
Investing activities			
Industrial investments	(289)	(291)	(706)
Other investment cash flows	(38)	123	222
Net cash flows from investing activities of continuing operations (B)	**(327)**	**(168)**	**(484)**
Net cash flows from financing activities of continuing operations (1)	**418**	**(94)**	**124**
Impact of fluctuations in exchange rates and others	8	(16)	(8)
Acquisition of IFRS 16 rights of use	(1)	(6)	(10)
Change in the net financial debt of continuing operations before taking into account flows with discontinued operations	**(97)**	**(236)**	**(137)**
Net cash flow from continuing operations carried out with discontinued operations	-	(133)	(133)
Change in net financial debt of continuing operations	**(97)**	**(369)**	**(270)**
Change in net financial debt of discontinued operations before taking into account flows with continuing operations	**-**	**(101)**	**(102)**
Net cash flow from discontinued operations carried out with continuing operations	-	133	133
Change in net financial debt of discontinued operations	**-**	**31**	**31**
(Increase)/Decrease in net financial debt	**(97)**	**(337)**	**(239)**
Opening (net financial debt) of continuing operations	**(614)**	**(344)**	**(344)**
Closing (net financial debt) of continuing operations	**(711)**	**(712)**	**(614)**
Opening (net financial debt) of discontiued operations	**-**	**(31)**	**(31)**
Closing (Net financial debt) of discontinued operations	**-**	**-**	**-**
Free Cash Flow (A) + (B)	***(521)***	**(120)**	**(243)**

(1) including M€ 406 of the impact of the undated fixed rate subordinated bonds("TSDI") of SLN

Consolidated performance indicators – Balance sheet

(in millions of euros)	30 June 2024	31 December 2023
Non-current assets	**3,655**	**3,231**
Inventories	616	619
Customers	270	221
Suppliers	(320)	(445)
Simplified Working Capital Requirements (WCR)	**566**	**395**
Other items of WCR	(73)	(41)
Total Working Capital Requirements (WCR)	**493**	**354**
Derivatives	**2**	**15**
TOTAL	**4,150**	**3,600**

(in millions of euros)	30 June 2024	31 December 2023
Shareholders' equity – Group share	1,593	1,600
Non-controlling interests	865	394
Shareholders' equity	**2,458**	**1,994**
Cash and cash equivalents and other current financial assets	(1,593)	(1,613)
Loans	2,304	2,227
Net financial debt	**711**	**614**
Net financial debt/shareholders' equity (gearing)	*29%*	*31%*
Employee-related liabilities and provisions	**798**	**810**
Net deferred tax	**183**	**182**
TOTAL	**4,150**	**3,600**

Appendix 7: 2024-2026 new CSR roadmap targets

CARE FOR PEOPLE	**2035 target:** **All subsidiaries recognised for their D&I approaches**	**Take care of Health and Safety of people on our sites**	TRIR < 1.0
			100%(*) of our employees benefit from a common social protection floor
			90% of sites have a Well Being programme
		Provide an inclusive environment where everyone and can grow	30% of women managers
			1,000 “early career contracts” opportunities
			90% of employees with a formal development discussion
		Beyond Eramet activities, accelerate the local and sustainable development for communities and host regions	6,000 jobs voluntarily supported (excluding core business)
			500 young people, 50% of whom come from local communities and 50% girls, supported for qualifying training in secondary or higher education
TRUSTED PARTNER FOR NATURE	**2035 target:** **Acting towards a Net Positive Biodiversity impact**	**Control and optimise water consumption to preserve a quality water resource available to all**	Recycling in water-stressed areas for current or future projects: 60% for GCO and 80% for Lithium project
			100% of sites have a Water management plan including reduction targets for all sites
		Integrate biodiversity preservation within all our activities and develop plans towards an overall net positive contribution to biodiversity	Rehabilitation ratio ≥ 1
			100% of our mining sites have a Biodiversity Action Plan in line with IFC Performance Standards
		Mitigate the risks of pollution / Reduce our environmental impact	100% of sites have a diffuse dust source map and a reduction action plan for major sources
			100% of sites, identified as sensitive, have ambient air quality monitoring at neighbouring communities and share data
			100% of sites have a full water discharge monitoring and share data
TRANSFORM OUR VALUE CHAIN	**2035 target:** **-40% in our absolute CO2 emissions for scopes 1 & 2 vs. 2019**	**Reduce the CO_2 footprint of our value chain**	Reduce emissions per tonne produced on scopes 1 & 2 to 0.221 tCO2/t
			Metallurgy (>80% of scopes 1 & 2): Develop and validate path to Near Zero Alloys
			Mine: Reduce by 10% the carbon footprint of our mining activities
			Bring 67% (in terms of scope 3 emissions) of our suppliers and customers to commit to reduce their CO2 footprint in line with the Paris Agreement
		Optimise mineral resources and contribute to a circular economy	Optimal management and recovery of plant material resources
			Monitor and continuously improve mineral resources valorisation ratio
			Develop a robust technical and economic model to industrially recycle EV batteries in Europe
		Develop responsible value chain with suppliers and customers that respect our Human Rights and CSR requirements	90% of our suppliers rated at-risk assessed on their CSR practices by EcoVadis
			100% of our customers assessed yearly on their compliance with our CSR or ethical commitments
			100% of sales and purchasing teams trained on ethics every year
	Audit every mining site - including our Joint ventures - with IRMA standards		100 % of mining sites have entered into the formal certification audit

(*) After one year within the company

Appendix 8: 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, restated for the off-take of all or part of the business activity.

As of 30 June 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. An off-take agreement for nickel ferroalloys production (NPI) is in place with Tsingshan, with Eramet holding a 43% interest, and Tsingshan 57%.

A reconciliation with Group turnover is provided in Note 3 to the Group's consolidated financial statements.

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 30 June 2024, 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 3 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 during the 2022 and 2023 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.

SLN's cash cost

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.

Ex-Works cash cost for lithium carbonate

The Ex-Works cash cost for lithium carbonate produced by Eramine is defined as all the production and structure costs covering the entire extraction and refining stages required to make the finished or final product upon leaving the plant, and which have an impact on EBITDA in the company's financial statements, over tonnage sold for a given period. This cash cost does not include land and sea transport costs, mining taxes and royalties paid to the Argentine State, or marketing costs.

Appendix 9: Footnotes

[1] The definition of adjusted turnover and adjusted EBITDA presented in the financial glossary, in Appendix 8
[2] Local company financial statements
[3] The definition of adjusted leverage, an Alternative Performance Indicator, is presented in the financial glossary, in Appendix 8
[4] Administrative approvals by the Indonesian government ongoing
[5] Excluding Tsingshan's capital contributions to the Centenario project
[6] TRIR (total recordable injury rate) = number of lost time and recordable injury accidents for 1 million hours worked (employees and subcontractors)
[7] See press release of 5 June, 2024 (PR – Eramet Global Care - June 2024)
[8] See financial glossary in Appendix 8
[9] Net debt to adjusted EBITDA
[10] Includes €21m linked to Setrag transport activity other than Comilog's ore (-€2m in au H1 2023)
[11] Unless otherwise indicated, market data corresponds to Eramet estimates based on World Steel Association production data
[12] 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
[13] See financial glossary in Appendix 8. Cash cost calculated excluding sea transport and marketing costs
[14] SLN and others
[15] Unless otherwise indicated, market data corresponds to Eramet estimates
[16] Nickel Pig Iron ("NPI")
[17] High Pressure Acid Leach
[18] Class I: produced with a nickel content above or equal to 99%; Class II: produced with a nickel content below 99%
[19] LME: London Metal Exchange; SHFE: Shanghai Futures Exchange
[20] SMM NPI 8-12% index
[21] 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
[22] See Financial glossary in Appendix 8
[23] AMDAL: « Analisis Mengenai Dampak Lingkungan » (Environmental Impact Analysis)
[24] 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 Chloride ilmenite (FOB prices): Market and Eramet analysis
[25] c.90% of titanium-based end-products
[26] Titanium dioxide slag, ilmenite, leucoxene and rutile
[27] Contract signed as part of the sale of the Norwegian subsidiary to INEOS at end-September 2023
[28] Unless otherwise indicated, price data corresponds to the average for market prices, Eramet calculations and analysis; Lithium carbonate price index: Fastmarkets – battery-grade spot price CIF Asia
[29] Regimen de Incentivo Para Grandes Inversiones, "RIGI" (Incentivising fiscal regime for large-scale investment projects)
[30] Eramet analysis based on a panel of the main sell-side and market analysts
[31] Bloomberg forecast consensus as of 15/07/2024 for the year 2024