



Second quarter 2024 results¹

“Specialties transformation continues, a first step towards normalization in stainless”

Luxembourg, August 1, 2024 (07:00 CET) - Aperam S.A. (referred to as “Aperam” or the “Company”) (Amsterdam, Luxembourg, Paris, Brussels: APAM, NYRS: APEMY), announced today results for the three months ended June 30, 2024.

Highlights

- Health and Safety: LTI frequency rate of 2.0x in Q2 2024 compared to 1.5x in Q1 2024
- Shipments of 583 thousand tonnes in Q2 2024 remained broadly stable versus shipments of 585 thousand tonnes in Q1 2024
- Adjusted EBITDA of EUR 86 million in Q2 2024, compared to Adjusted EBITDA of EUR 55 million in Q1 2024
- Net income of EUR 59 million in Q2 2024, compared to net loss of EUR (19) million in Q1 2024
- Basic earnings per share of EUR 0.82 in Q2 2024, compared to EUR (0.26) in Q1 2024
- Free cash flow before dividends amounted to EUR 111 million in Q2 2024, compared to EUR (141) million in Q1 2024
- Net financial debt of EUR 607 million as of June 30, 2024, compared to EUR 674 million as of March 31, 2024

Strategic initiatives

- **Leadership Journey®² Phase 5:** Gains reached EUR 12 million in Q2 2024, the second quarter of the 2024 - 2026 program with target gains of EUR 200 million.

Prospects^{1a}

- Q3 2024 EBITDA is expected at a slightly higher level versus Q2 2024
- We guide for higher Q3 2024 net financial debt

Timoteo Di Maulo, CEO of Aperam, commented:

“After 7 extremely challenging quarters, fading destocking finally brought some market improvement to European stainless. Our Alloys and Distribution businesses continue to perform at high levels on pace to achieve the 2025 improvement target. The combination with the conclusion of Leadership Journey® Phase 4 investments for Europe and the cost reduction measures explains the rebound in results of Europe. We have taken the necessary restructuring actions in a responsible and cooperative partnership with our workforce to adapt to a changing competitive environment. This keeps the Leadership Journey® Phase 5 on track, protects Aperam’s cost leadership position in Europe and secures employment as we leverage the significant investments in our footprint from the past three years.”

^{1a} The outlook for the quarter depends on the future development of metal and product prices. Both are assumed as constant at their current level.

Financial Highlights (on the basis of financial information prepared under IFRS)

(in millions of Euros, unless otherwise stated)	Q2 24	Q1 24	Q2 23	H1 24	H1 23
Sales	1,634	1,657	1,702	3,291	3,578
Operating income / (loss)	19	(3)	54	16	135
Net income / (loss) attributable to equity holders of the parent	59	(19)	43	40	175
Basic earnings per share (EUR)	0.82	(0.26)	0.60	0.56	2.43
Diluted earnings per share (EUR)	0.82	(0.26)	0.59	0.56	2.41
Free cash flow before dividend	111	(141)	1	(30)	86
Net Financial Debt (at the end of the period)	607	674	461	607	461
Adj. EBITDA	86	55	103	141	230
Exceptional items	(8)	—	—	(8)	—
EBITDA	78	55	103	133	230
Adj. EBITDA/tonne (EUR)	148	94	187	121	202
EBITDA/tonne (EUR)	134	94	187	114	202
Shipments (000t)	583	585	550	1,168	1,141

Health & Safety results

Health and Safety performance based on Aperam personnel figures and contractors' lost time injury frequency rate was 2.0x in the second quarter of 2024 compared to 1.5x in the first quarter of 2024.

Financial results analysis for the three-month period ending June 30, 2024

Sales for the second quarter of 2024 decreased by 1.4% at EUR 1,634 million compared to EUR 1,657 million for the first quarter of 2024. Shipments were broadly stable at 583 thousand tonnes in the second quarter of 2024 compared to 585 thousand tonnes in the first quarter of 2024, due to stable market conditions in Europe while the positive seasonality in Brazil was balanced by the delayed hot rolling mill ramp-up.

Adjusted EBITDA reached EUR 86 million during the second quarter (excluding an exceptional loss of EUR (8) million, related to a voluntary redundancy program) compared to EUR 55 million in the first quarter of 2024. Positive inventory valuation, a better product mix and Leadership Journey® related cost improvements more than compensated for a price/cost squeeze.

Depreciation and amortization expense was EUR (59) million for the second quarter of 2024, including an impairment loss of EUR (3) million.

Aperam had an operating income for the second quarter of 2024 of EUR 19 million compared to an operating loss of EUR (3) million for the previous quarter.

Financing costs, net, including the FX and derivatives result for the second quarter of 2024 were EUR (16) million. Cash cost of financing was EUR (15) million during the quarter.

Income tax benefit was EUR 57 million during the second quarter of 2024, thanks to the recognition of net deferred tax assets on tax losses carried forward for EUR 56 million.

The net result recorded by the Company was an income of EUR 59 million for the second quarter of 2024, compared to a loss of EUR (19) million for the first quarter of 2024.

Cash flows from operations for the second quarter of 2024 were EUR 136 million, including a working capital decrease of EUR 92 million. CAPEX for the second quarter was EUR (26) million.

Free cash flow before dividend for the second quarter of 2024 amounted to EUR 111 million, compared to EUR (141) million for the first quarter of 2024.

During the second quarter of 2024, cash returns to shareholders amounted to EUR 37 million (of which EUR 1 million paid to non-controlling interests), consisting fully of dividend.

Operating segment results analysis

Stainless & Electrical Steel ⁽¹⁾

(in millions of Euros, unless otherwise stated)	Q2 24	Q1 24	Q2 23	H1 24	H1 23
Sales	1,058	1,022	1,050	2,080	2,283
Adjusted EBITDA	59	6	52	65	132
Exceptional items	(8)	—	—	(8)	—
EBITDA	51	6	52	57	132
Depreciation & amortization	(28)	(27)	(26)	(55)	(51)
Operating income / (loss)	23	(21)	26	2	81
Steel shipments (000t)	419	415	373	834	772
Average steel selling price (EUR/t)	2,412	2,358	2,713	2,385	2,852

⁽¹⁾ Amounts are shown prior to intra-group eliminations

The Stainless & Electrical Steel segment had sales of EUR 1,058 million for the second quarter of 2024. This represents a 3.5% increase compared to sales of EUR 1,022 million for the first quarter of 2024. Steel shipments during the second quarter were 419 thousand tonnes, an increase of 1.0% compared to shipments of 415 thousand tonnes during the previous quarter. In both Brazil and Europe shipments remained at a comparable level. Average steel selling prices for the Stainless & Electrical Steel segment increased by 2.3% compared to the previous quarter.

The segment generated an adjusted EBITDA of EUR 59 million (excluding an exceptional loss of EUR (8) million, related to a voluntary redundancy program) for the second quarter of 2024 compared to an adjusted EBITDA of EUR 6 million for the first quarter of 2024. Adjusted EBITDA increased due to a positive inventory valuation and a better product mix. Leadership journey[®] related cost improvements also more than compensated for a price / input cost squeeze.

Depreciation and amortization expense was EUR (28) million for the second quarter of 2024.

The Stainless & Electrical Steel division had an operating income of EUR 23 million for the second quarter of 2024 compared to an operating loss of EUR (21) million for the first quarter of 2024.

Services & Solutions ⁽¹⁾

(in millions of Euros, unless otherwise stated)	Q2 24	Q1 24	Q2 23	H1 24	H1 23
Sales	638	616	539	1,254	1,210
EBITDA	16	15	(7)	31	6
Depreciation & amortization	(3)	(4)	(4)	(7)	(7)
Operating income / (loss)	13	11	(11)	24	(1)
Steel shipments (000t)	195	201	150	396	330
Average steel selling price (EUR/t)	3,113	2,936	3,467	3,023	3,542

⁽¹⁾ Amounts are shown prior to intra-group eliminations

The Services & Solutions segment had sales of EUR 638 million for the second quarter of 2024, representing an increase of 3.6% compared to sales of EUR 616 million for the first quarter of 2024. For the second quarter of 2024, steel shipments were 195 thousand tonnes compared to 201 thousand tonnes during the previous quarter. Average steel selling prices for the Services & Solutions' segment were 6.0% higher during the second quarter of 2024 compared to the first quarter of 2024.

The segment generated an EBITDA of EUR 16 million for the second quarter of 2024 compared to an EBITDA of EUR 15 million for the first quarter of 2024. EBITDA remained comparable as net positive valuation gains compensated for lower prices.

Depreciation and amortization expense was EUR (3) million for the second quarter of 2024.

The Services & Solutions segment had an operating income of EUR 13 million for the second quarter of 2024 compared to an operating income of EUR 11 million for the first quarter of 2024.

Alloys & Specialties ⁽¹⁾

(in millions of Euros, unless otherwise stated)	Q2 24	Q1 24	Q2 23	H1 24	H1 23
Sales	238	282	259	520	470
EBITDA	21	24	17	45	28
Depreciation, amortization & impairment	(5)	(3)	(2)	(8)	(5)
Operating income	16	21	15	37	23
Steel shipments (000t)	9	11	9	20	18
Average steel selling price (EUR/t)	23,820	25,483	26,654	24,573	24,760

⁽¹⁾ Amounts are shown prior to intra-group eliminations

The Alloys & Specialties segment had sales of EUR 238 million for the second quarter of 2024, representing a decrease of 15.6% compared to EUR 282 million for the first quarter of 2024. Steel shipments decreased by 11.3% during the second quarter of 2024 at 9 thousand tonnes.

The Alloys & Specialties segment achieved EBITDA of EUR 21 million for the second quarter of 2024 compared to EUR 24 million for the first quarter of 2024. EBITDA decreased despite a less negative inventory valuation loss due to the lack of a one-time project business related mix, which also accounted for lower average selling prices

Depreciation and amortization expense for the second quarter of 2024 was EUR (2) million. The Company also recorded an impairment loss of EUR (3) million during the second quarter.

The Alloys & Specialties segment had an operating income of EUR 16 million for the second quarter of 2024 compared to an operating income of EUR 21 million for the first quarter of 2024.

Recycling & Renewables ⁽¹⁾

(in millions of Euros, unless otherwise stated)	Q2 24	Q1 24	Q2 23	H1 24	H1 23
Sales	556	483	529	1,039	1,091
EBITDA	20	18	29	38	74
Depreciation & amortization	(22)	(24)	(16)	(46)	(31)
Operating income / (loss)	(2)	(6)	13	(8)	43
Shipments (000t)	397	343	351	740	726
Average selling price (EUR/t)	1,401	1,408	1,507	1,404	1,503

⁽¹⁾ Amounts are shown prior to intra-group eliminations

The Recycling & Renewables segment had sales of EUR 556 million for the second quarter of 2024, representing an increase of 15.1% compared to EUR 483 million sales for the first quarter of 2024. Shipments increased by 15.7% during the second quarter of 2024 to 397 thousand tonnes. Average selling prices for the Recycling & Renewables' segment were 0.5% lower during the second quarter of 2024.

EBITDA increased during the quarter to EUR 20 million compared to EBITDA of EUR 18 million in the first quarter of 2024 as higher volumes outweighed lower prices.

Depreciation and amortization expense for the second quarter of 2024 was EUR (22) million.

The Recycling & Renewables segment had an operating loss of EUR (2) million for the second quarter of 2024 compared to an operating loss of EUR (6) million for the first quarter of 2024.

Recent developments during the quarter

- On May 27, 2024, Aperam announced a change in its senior leadership. Bernard Hallemans, Aperam CTSO and CEO of Aperam Recycling, has decided to take a one year sabbatical leave from his position effective August 1, 2024. Under Bernard's leadership, Aperam has taken important steps on its Sustainability roadmap and has started to realize the tremendous potential of the Recycling & Renewables segment. In light of this departure, Aperam is pleased to announce the appointment of Jan Hofmann, currently COO Aperam Services and Solutions. Jan Hofmann will lead our Sustainability organization and take over the role as CEO Aperam Recycling bringing to the position his extensive industry experience and a sharp strategic focus.
- On May 29, 2024, Aperam announced the cancellation of shares. 4,852,118 shares have been canceled in line with its financial policy. This cancellation takes into account shares already purchased under the 2.5 million share buyback program announced on February 11, 2022 under the authorization given by the annual general meeting of shareholders held on May 7, 2019 (and under renewal of such authorization at the May 4, 2022 annual general meeting of shareholders) and shares purchased under the 3.5 million additional share buyback program announced on May 6, 2022 under the authorization given by the annual general meeting of shareholders held on May 4, 2022. As a result of this cancellation, Aperam will have 73,184,570 shares in issue (compared to 78,036,688 before the cancellation).
- On June 10 and June 12, 2024, Aperam announced shareholding notifications by Bank of America for respectively crossing upwards and downwards the 5% voting rights threshold with reference to Transparency Law.
- On July 1, 2024, in preparation of the quarterly results release scheduled for August 1, 2024, Aperam reminded market participants of the standing guidance, earnings drivers and events that should be considered.
- On July 2, 2024, IperionX Limited and Aperam Recycling, through its American entity ELG Utica Alloys, signed an agreement for an innovative titanium processing and product manufacturing program. This partnership will demonstrate IperionX's fully circular and sustainable titanium supply chain solution, turning titanium scrap into high-performance titanium products for advanced industries.

Investor conference call / webcast

Pre-recorded management comments are available as from publication of this earnings release on our website at www.aperam.com, section Investors > Reports & Presentations > Quarterly results > Q2-2024 ([Link to Q2 2024 management podcast](#)).

Aperam management will host a conference call / webcast for members of the investment community to discuss the financial performance of the quarter under report at the following time:

Date	New York	London	Luxembourg
Thursday, 1 August 2024	07:00	12:00	13:00

Link to the webcast: https://channel.royalcast.com/landingpage/aperam/20240801_1/

The dial-in numbers for the call are: **France** : +33 (0) 1 7037 7166 **USA**: +1 786 697 3501
UK: +44 (0) 33 0551 0200 **Belgium**: +32 (0) 2 789 8603
Germany: +49 (0) 30 3001 90612 **Netherlands** +31 (0) 20 708 5073

The conference password is: Aperam.

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About Aperam

Aperam is a global player in stainless, electrical and specialty steel, with customers in over 40 countries. Since January 2022, the business is organized in four primary reportable segments: Stainless & Electrical Steel, Services & Solutions, Alloys & Specialties and Recycling & Renewables.

Aperam has a flat Stainless and Electrical steel capacity of 2.5 million tonnes in Brazil and Europe and is a leader in high value specialty products. In addition to its industrial network, spread over six production facilities in Brazil, Belgium and France, Aperam has a highly integrated distribution, processing and services network and a unique capability to produce low carbon footprint stainless and special steels from biomass, stainless steel scrap and high performance alloys scrap. With 5 of its main 6 facilities certified ResponsibleSteel™, Bioenergia and its unique capability to produce charcoal made from its own FSC®-certified forestry and, with ELG, a global leader in collecting, trading, processing and recycling of stainless steel scrap and high performance alloys, Aperam's places sustainability at the heart of its business, helping customers worldwide to excel in the circular economy.

In 2023, Aperam had sales of EUR 6,592 million and shipments of 2.20 million tonnes.

For further information, please refer to our website at www.aperam.com.

Forward-looking statements

This document may contain forward-looking information and statements about Aperam and its subsidiaries. These statements include financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, products and services, and statements regarding future performance. Forward-looking statements may be identified by the words "believe," "expect," "anticipate," "target" or similar expressions. Although Aperam's management believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of Aperam's securities are cautioned that forward-looking information and statements are subject to numerous risks and uncertainties, many of which are difficult to predict and generally beyond the control of Aperam, that could cause actual results and developments to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in Aperam's filings with the Luxembourg Stock Market Authority for the Financial Markets (Commission de Surveillance du Secteur Financier). Aperam undertakes no obligation to publicly update its forward-looking statements or information, whether as a result of new information, future events, or otherwise.

APERAM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in million of EURO)	June 30, 2024	March 31, 2024	June 30, 2023
ASSETS			
Cash & cash equivalents (C)	279	207	429
Inventories, trade receivables and trade payables	1,571	1,690	1,888
Prepaid expenses and other current assets	163	148	160
Total Current Assets & Working Capital	2,013	2,045	2,477
Goodwill and intangible assets	436	449	456
Property, plant and equipment (incl. Biological assets)	2,058	2,114	1,984
Investments in associates, joint ventures and other	7	8	3
Deferred tax assets	263	217	90
Other non-current assets	131	134	119
Total Assets (net of Trade Payables)	4,908	4,967	5,129
LIABILITIES AND SHAREHOLDERS' EQUITY			
Short-term debt and current portion of long-term debt (B)	325	318	260
Accrued expenses and other current liabilities	479	370	445
Total Current Liabilities (excluding Trade Payables)	804	688	705
Long-term debt, net of current portion (A)	561	563	630
Deferred employee benefits	152	153	136
Deferred tax liabilities	85	104	133
Other long-term liabilities	63	69	62
Total Liabilities (excluding Trade Payables)	1,665	1,577	1,666
Equity attributable to the equity holders of the parent	3,235	3,382	3,456
Non-controlling interest	8	8	7
Total Equity	3,243	3,390	3,463
Total Liabilities and Shareholders' Equity (excluding Trade Payables)	4,908	4,967	5,129
Net Financial Debt (D = A+B-C)	607	674	461

APERAM CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

(in million of EURO)	Three Months Ended			Six Months Ended	
	June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Sales	1,634	1,657	1,702	3,291	3,578
Adjusted EBITDA (E = C-D)	86	55	103	141	230
<i>Adjusted EBITDA margin (%)</i>	5.3%	3.3%	6.1%	4.3%	6.4%
Exceptional items (D)	(8)	—	—	(8)	—
EBITDA (C = A-B)	78	55	103	133	230
<i>EBITDA margin (%)</i>	4.8%	3.3%	6.1%	4.0%	6.4%
Depreciation, amortization and impairment (B)	(59)	(58)	(49)	(117)	(95)
Operating income / (loss) (A)	19	(3)	54	16	135
<i>Operating margin (%)</i>	1.2%	(0.2)%	3.2%	0.5%	3.8%
Loss from associates, joint ventures and other investments	(1)	—	(1)	(1)	(1)
Financing income / (costs), (net)	(16)	(16)	—	(32)	86
Income / (loss) before taxes and non-controlling interests	2	(19)	53	(17)	220
Income tax benefit / (expense)	57	1	(9)	58	(44)
<i>Effective tax rate %</i>	n/a	3.8%	18.3%	n/a	20.0%
Net income / (loss) including non-controlling interests	59	(18)	44	41	176
Non-controlling interests	—	(1)	(1)	(1)	(1)
Net income / (loss) attributable to equity holders of the parent	59	(19)	43	40	175
Basic earnings per share (EUR)	0.82	(0.26)	0.60	0.56	2.43
Diluted earnings per share (EUR)	0.82	(0.26)	0.58	0.56	2.41
Weighted average common shares outstanding (in thousands)	72,254	72,249	72,205	72,252	72,195
Diluted weighted average common shares outstanding (in thousands)	72,792	72,628	72,776	72,790	72,776

APERAM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

(in million of EURO)	Three Months Ended			Six Months Ended	
	June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Operating income / (loss)	19	(3)	54	16	135
Depreciation, amortization & impairment	59	58	49	117	95
Change in working capital	92	(81)	3	11	(20)
Income tax paid	(5)	(7)	(14)	(12)	(29)
Interest paid, (net)	(6)	(5)	—	(11)	(4)
Exceptional items	8	—	—	8	—
Other operating activities (net)	(31)	(23)	(29)	(54)	24
Net cash provided by (used in) operating activities (A)	136	(61)	63	75	201
Purchase of PPE and intangible assets (CAPEX)	(26)	(77)	(58)	(103)	(102)
Purchase of biological assets and other investing activities (net)	1	(3)	(4)	(2)	(13)
Net cash used in investing activities (B)	(25)	(80)	(62)	(105)	(115)
(Payments to) / Proceeds from payable to banks and long term debt	8	(54)	25	(46)	(35)
Dividends paid	(37)	(36)	(36)	(73)	(72)
Other financing activities (net)	(4)	(4)	(5)	(8)	(8)
Net cash used in financing activities	(33)	(94)	(16)	(127)	(115)
Effect of exchange rate changes on cash	(6)	(1)	2	(7)	1
Change in cash and cash equivalent	72	(236)	(13)	(164)	(28)
Free cash flow before dividend(C = A+B)	111	(141)	1	(30)	86

Appendix 1a – Health & Safety statistics

Health & Safety Statistics	Three Months Ended		
	June 30, 2024	March 31, 2024	December 31, 2023
Frequency Rate	2.0	1.5	2.1

Lost time injury frequency rate equals lost time injuries per 1,000,000 worked hours, based on own personnel and contractors.

Appendix 1b - Key operational and financial information

Quarter Ending June 30, 2024	Stainless & Electrical Steel	Services & Solutions	Alloys & Specialties	Recycling & Renewables	Others & Eliminations	Total
Operational information						
Shipment (000t)	419	195	9	397	(437)	583
Average selling price (EUR/t)	2,412	3,113	23,820	1,401		2,803
Financial information (EURm)						
Sales	1,058	638	238	556	(856)	1,634
Adjusted EBITDA	59	16	21	20	(30)	86
Exceptional items	(8)	—	—	—	—	(8)
EBITDA	51	16	21	20	(30)	78
Depreciation, amortization & impairment	(28)	(3)	(5)	(22)	(1)	(59)
Operating income / (loss)	23	13	16	(2)	(31)	19

Quarter Ending March 31, 2024	Stainless & Electrical Steel	Services & Solutions	Alloys & Specialties	Recycling & Renewables	Others & Eliminations	Total
Operational information						
Shipment (000t)	415	201	11	343	(385)	585
Average selling price (EUR/t)	2,358	2,936	25,483	1,408		2,832
Financial information (EURm)						
Sales	1,022	616	282	483	(746)	1,657
EBITDA	6	15	24	18	(8)	55
Depreciation & amortization	(27)	(4)	(3)	(24)	—	(58)
Operating income / (loss)	(21)	11	21	(6)	(8)	(3)

Appendix 2 – Adjusted Net Income and Adjusted Basic Earnings per Share

(in million of EURO)	Three Months Ended			Six Months Ended	
	June 30, 2024	March 31, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Net income / (loss)	59	(19)	43	40	175
Exceptional items	8	—	—	8	—
Recognition of deferred tax assets on tax losses carried forward	(56)	(4)	—	(60)	—
Deferred tax effect on exceptional items	(2)	—	—	(2)	—
Adjusted Net income / (loss)	9	(23)	43	(14)	175
Basic earnings per share (EUR)	0.82	(0.26)	0.60	0.56	2.43
Adjusted Basic earnings per share (EUR)	0.13	(0.32)	0.60	(0.19)	2.43

Appendix 3 – Terms and definitions

Unless indicated otherwise, or the context otherwise requires, references in this earnings release report to the following terms have the meanings set out next to them below:

Adjusted EBITDA: operating income before depreciation and amortization expenses, impairment losses and exceptional items.

Adjusted EBITDA/tonne: calculated as Adjusted EBITDA divided by total shipments.

Adjusted Net Income: refers to reported net income / (loss) less exceptional items, recognition of deferred tax assets on tax losses carried forward and deferred tax effect on exceptional items.

Adjusted Basic Earnings per Share: refers to Adjusted Net Income divided by Weighted average common shares outstanding.

Average selling prices: calculated as sales divided by shipments.

Average steel selling prices: calculated as steel sales divided by steel shipments.

Cash and cash equivalents: represents cash and cash equivalents, restricted cash and short-term investments.

CAPEX: relates to capital expenditures and is defined as purchase of property, plant and equipment and intangible assets.

EBITDA: operating income before depreciation and amortization expenses and impairment losses.

EBITDA/tonne: calculated as EBITDA divided by total shipments.

Exceptional items: consists of (i) inventory write-downs equal to or exceeding 10% of total related inventories values before write-down at the considered quarter end (ii) restructuring (charges)/gains equal to or exceeding EUR 10 million for the considered quarter, (iii) capital (loss)/gain on asset disposals equal to or exceeding EUR 10 million for the considered quarter or (iv) other non-recurring items equal to or exceeding EUR 10 million for the considered quarter.

Financing costs, (net): Net interest expense, other net financing costs and foreign exchange and derivative results.

Free cash flow before dividend: net cash provided by operating activities less net cash used in investing activities.

Gross financial debt: long-term debt plus short-term debt.

Liquidity: Cash and cash equivalent and undrawn credit lines.

LTI frequency rate: Lost time injury frequency rate equals lost time injuries per 1,000,000 worked hours, based on own personnel and contractors.

Net financial debt: long-term debt, plus short-term debt less cash and cash equivalents.

Net financial debt/EBITDA or Gearing: Refers to Net financial debt divided by last twelve months EBITDA calculation.

Shipments: information at segment and group level eliminates inter-segment shipments (which are primarily between (i) Recycling & Renewables and Stainless & Electrical Steel (ii) Stainless & Electrical Steel and Services & Solutions) and intra-segment shipments, respectively.

Working capital: trade accounts receivable plus inventories less trade accounts payable.

¹ The financial information in this press release and Appendix 1 has been prepared in accordance with the measurement and recognition criteria of International Financial Reporting Standards (“IFRS”) as adopted in the European Union. While the interim financial information included in this announcement has been prepared in accordance with IFRS applicable to interim periods, this announcement does not contain sufficient information to constitute an interim financial report as defined in International Accounting Standard 34, “Interim Financial Reporting”. Unless otherwise noted the numbers and information in the press release have not been audited. The financial information and certain other information presented in a number of tables in this press release have been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this press release reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

² The Leadership Journey® is an initiative launched on December 16, 2010, and subsequently accelerated and increased, to target management gains and profit enhancement. The fourth phase of the Leadership Journey® targeted EUR 150 million gains for the period 2021 - 2023 via a combination of cost, growth and mix improvement measures. Some additional investments, as announced in 2021 as part of the Strategy 2025 program, have been accelerated to achieve earnings growth already in 2022 contributing to the Leadership Journey Phase 4. We concluded Phase 4 of the Leadership Journey® above target with EUR 186 million gains. We announced targeted gains of EUR 200 million for Phase 5 to be realized over the period 2024 - 2026. Gains will come from a combination of variable and fixed cost savings, as well as purchasing and mix improvements. Phase 5 includes a structural cost reduction plan of EUR 50 million. To the extent that this plan would affect employment we will consult with our social partners on the social impact.

³ This press release also includes Alternative Performance Measures (“APM” hereafter). The Company believes that these APMs are relevant to enhance the understanding of its financial position and provides additional information to investors and management with respect to the Company’s financial performance, capital structure and credit assessment. These non-GAAP financial measures should be read in conjunction with and not as an alternative for, Aperam’s financial information prepared in accordance with IFRS. Such non-GAAP measures may not be comparable to similarly titled measures applied by other companies. The APM’s used are defined under Appendix 3 “Terms & definitions”.