

3 May 2023

Q1 2023 Results

Disclaimer

Forward Looking Statements

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Solid Results Despite Market Headwind Enhanced Trade Defense



Europe: Destocking continued, inventory valuation charge and strike related disruptions in France. Seasonal trough quarter in South America. Strong business in R&R and Alloys



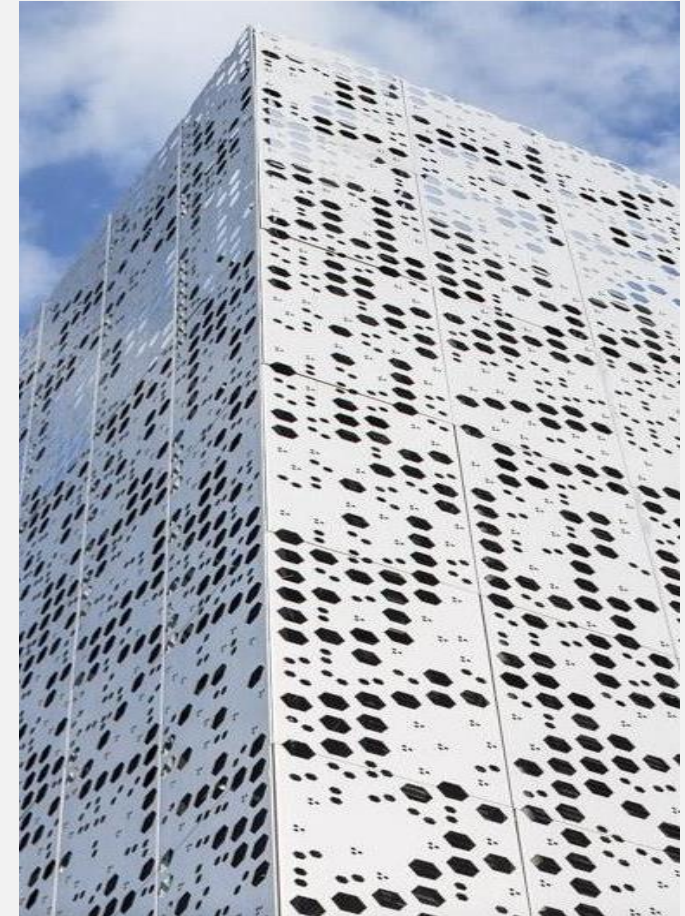
- Import market share dropped to 17% in Europe
- New anti-circumvention duty on Turkish hot rolled material (17.3%) in Europe



Leadership Journey® realized EUR12m gains in Q1 2023 (Σ EUR134m since Q1-21)

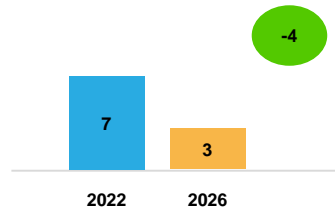


2022 Aperam ESG Report has been published with good progress on several key KPIs



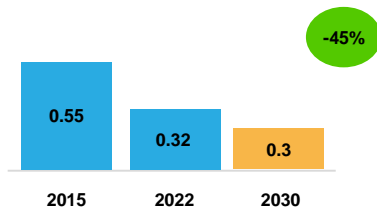
Good progress in 2022 on Key ESG Targets Despite Adverse Effect from Low Production Volumes During H2-22

HEALTH & SAFETY (TRIR*)



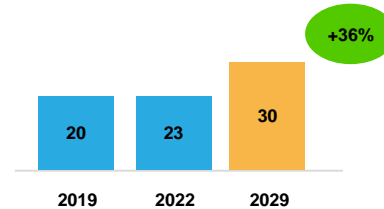
H&S remains our TOP priority. New indicator implemented.

CO2 INTENSITY (t/t crude steel)**



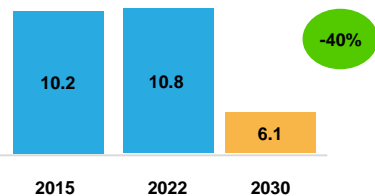
We aim to become carbon neutral by 2050 & validate our CO₂ roadmap with the SBTi

GENDER DIVERSITY (in % of TOP1000)



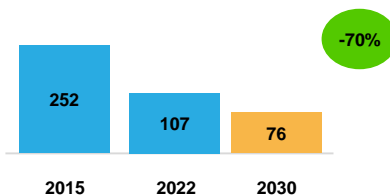
We aim to increase the share of women in our TOP1000 by 10pp

WATER INTAKE (m³/t)



Water is moving up on our priority list. New procedures set up centrally, and site-specific actions plans.

DUST EMISSIONS (g/t crude steel)



Almost 90% of Aperam's total dust emissions originate from our unit in Brazil (fully integrated mill). New Multi-Year Plan started in 2016.



- We make good progress towards the set goals that are also reflected in management compensation²
- 81% of 2022 revenues are EU Taxonomy aligned
- **Gender diversity** improved in line with target by ~1pp pa
- Good progress in **Decarbonization, Dust** emissions (esp. in Brazil) and **Water** intake (-5% YoY in absolute terms). Low H2 production volumes impact intensities on a per tonne basis
- **Biodiversity**: 1/3 of BioEnergia land is natural habitat. Clearly above the 20% legal requirement. Bio-diversity plans & monitoring rolled out at all main plants

*Total Recordable Incident Rate

** Scope 1+2

*** 2030 Company Targets

= reflected in management long term incentive plan ²ESG data now includes ELG

Heavy Destocking Dominates Q1 Demand Imports Run at a Low Level

CONSTRUCTION



- › Declining property prices, high product inventory and cost inflation weigh on demand
- › Similar trends in Brazil

CONSUMER GOODS



- › Reduced consumer spending and elevated inventory in Europe
- › Low consumer demand in Brazil but white goods demand is good

AUTOMOTIVE & TRANSPORT



- › Demand recovery during Q1. Backlog supports demand
- › Brazil: softer auto demand but good transport demand

FOOD, HEALTH & CATERING



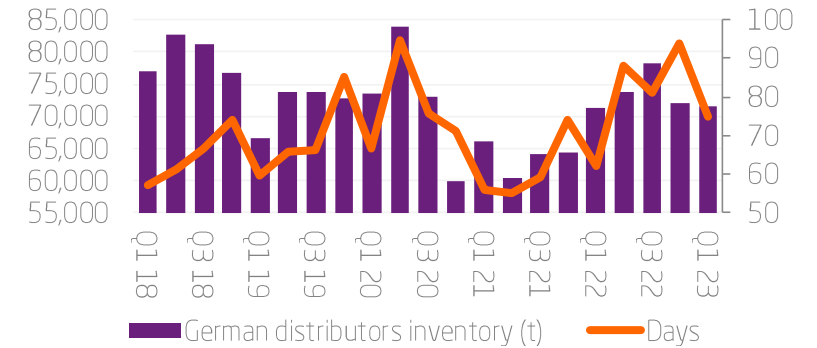
- › Low restaurant activity weighs on food, beverage & catering demand

Industry, Energy, Chemical

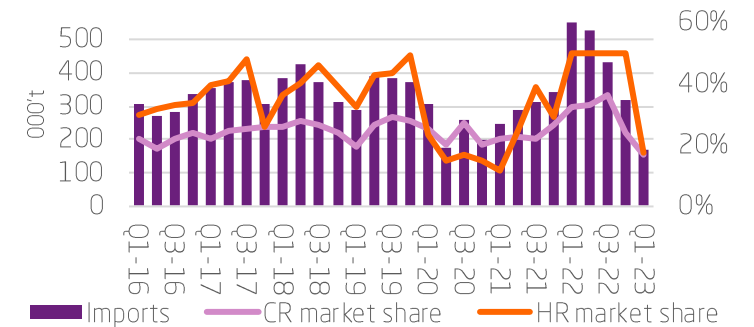


- › Energy sector and O&G demand is recovering
- › Brazil capital goods demand is softening from a high base

NORMALIZING DISTRIBUTOR INVENTORY



IMPORTS ARE AT A LOW LEVEL



Resilient EBITDA Turn into Strong Cash Flow

EURm	Q1 23	Q4 22	qoq	Q1 22	yoy
Sales	1,876	1,616	16%	2,265	-17%
Adj. EBITDA	127	129	-2%	363	-65%
EBITDA	127	129	-2%	310	-59%
Basic EPS (EUR)	1.83	0.00	NA	2.41	-24%
Shipments (000t)	591	493	20%	673	-12%
Adj EBITDA/t (EUR) ²	215	421	-49%	788	-73%
Adj EBITDA margin ²	5.8%	11.4%	-5.6pp	20.4%	-14.6pp
Operating cash flow	138	209	-34%	-57	-342%
CAPEX	-52	-143	-64%	-46	13%
Free cash flow*	85	69	23%	-103	-183%
Share buyback	0	-8	NA	-74	N/A
Dividends paid	-36	-36	0%	-39	-8%
Net financial debt	419	468	-10%	666	-37%

Q1-23 KEY COMMENTS

- **Shipments:** Seasonal improvement qoq but strong de-stocking in Europe throughout the quarter
- **Adj EBITDA:** higher volumes and a less negative inventory valuation were compensated by lower prices
- **Exceptional items :** None
- **Fin. Result :** Contains EUR98m FX & derivative valuation gains
- **Tax:** 21% tax rate in line with guidance
- **EPS:** Reflects the derivative gain (+EUR1.06/shr)
- **Cash Flow:** Strong cash conversion of 109% despite slight seasonal NWC build yields solid FCF of EUR85m
- **Net Fin. Debt:** 10% NFD reduction leaves a solid & efficient balance sheet at 0.5x NFD/LTM adj. EBITDA

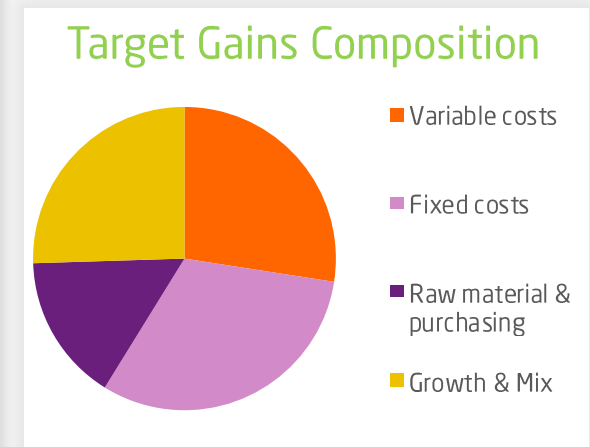
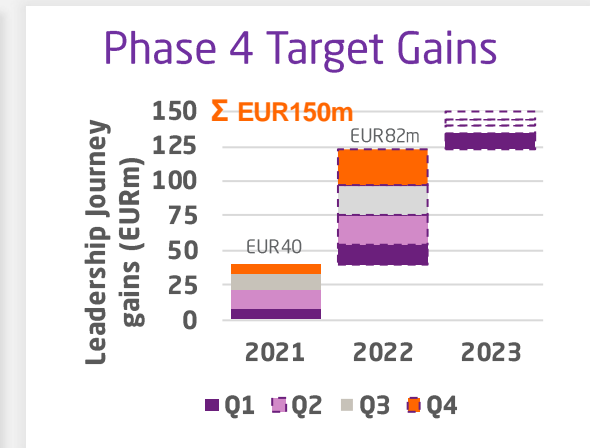
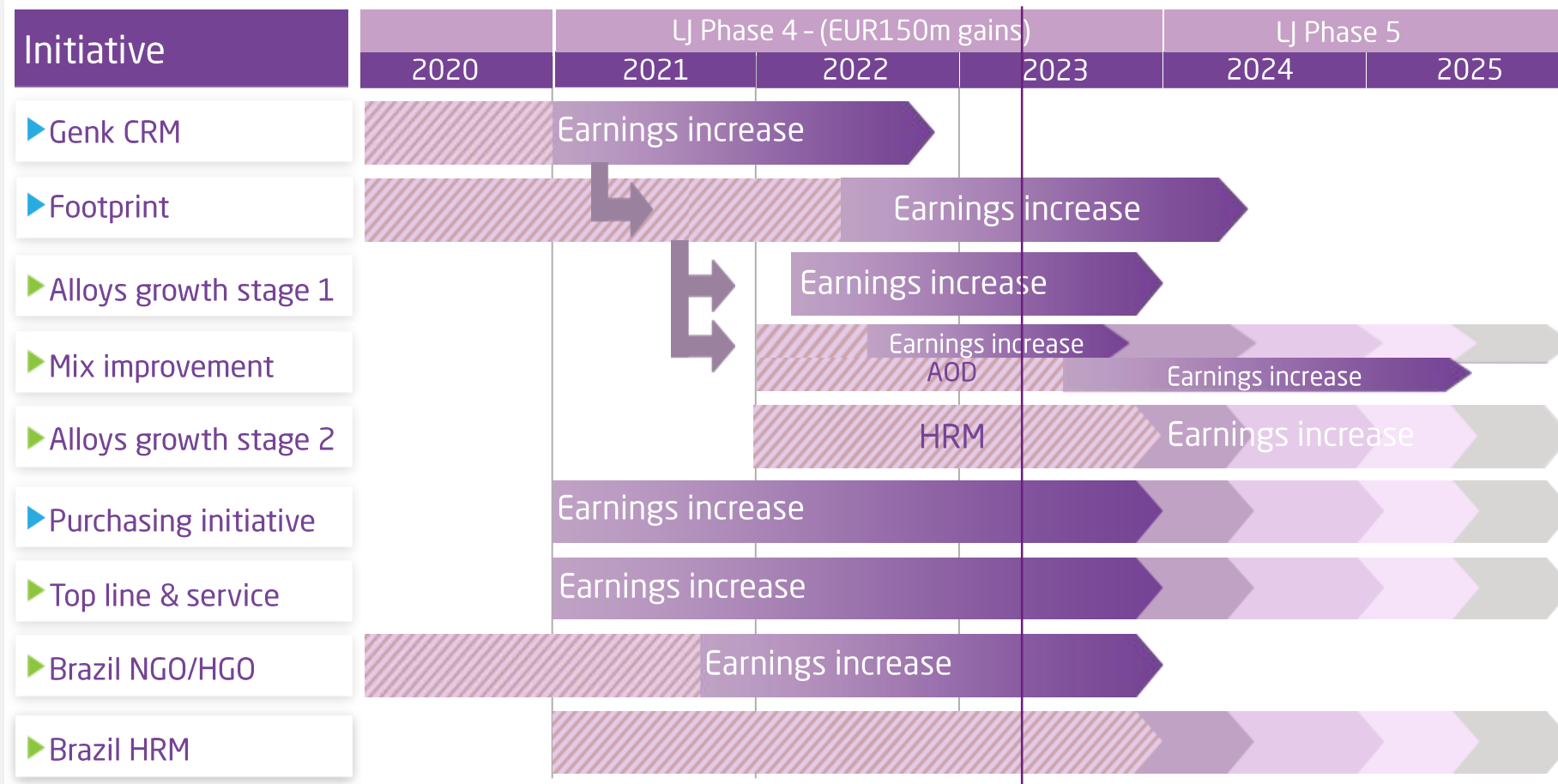
* Before dividend , share buyback & M&A

² based on steel shipments

IMPROVEMENT & GROWTH



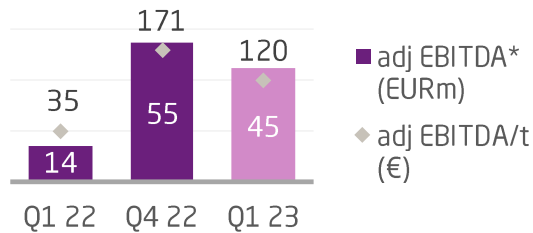
Leadership Journey® Phase 4 Progresses Well. Phase 5 in preparation EUR12m Gains Added in Q1 (Σ EUR134m since Q1-21)



▶ Cost measure ▶ Growth measure CAPEX / Implementation Earnings contribution not included in Phase 4

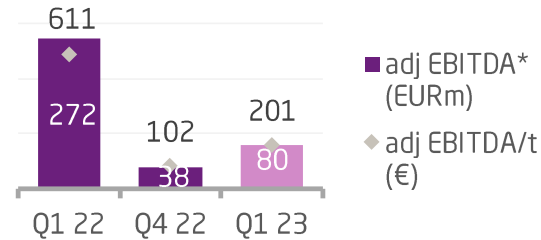
R&R Remains Strong, A&S stable excl. inventory valuation, S&S normalizes, S&E reflects Genk, strike & BRA seasonality

Recycling & Renewables adj. EBITDA (EURm)



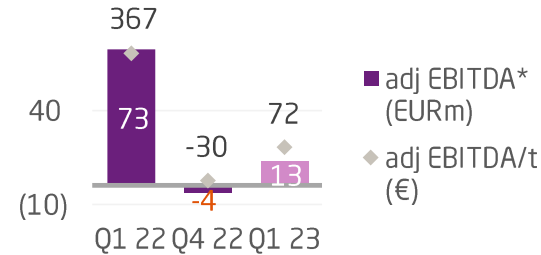
- > Shipments +16% qoq, -5% YoY. Both scrap and charcoal shipments increased qoq
- > QoQ: Adj. EBITDA decreased despite higher volumes and better prices due to the absence of positive valuation effects included in Q4-22
- > YoY: Adj EBITDA increased due to higher margins and the absence of a significant negative LME related effect contained in Q1-22

Stainless & Electrical Steel adj. EBITDA (EURm)



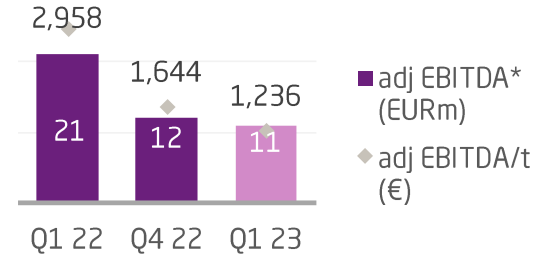
- > Shipments: +9% qoq, +1% yoy seasonally softer Brazil, Europe seasonally stronger from a low level
- > QoQ: Adj. EBITDA increased as higher volumes and a less negative inventory valuation more than compensated for a price/cost squeeze, the Genk downstream maintenance and strike related costs
- > YoY: Adj EBITDA decreased due to lower prices, a price cost squeeze and a negative inventory valuation effect

Services & Solutions adj. EBITDA (EURm)



- > Shipments +35% qoq, -10% yoy. Seasonal recovery from a low level. Destocking continued.
- > QoQ: adj EBITDA normalized due to higher volumes and a less negative inventory valuation
- > YoY: adj EBITDA decreased due to lower shipments, lower prices and a negative inventory valuation effect

Alloys & Specialties adj. EBITDA (EURm)



- > Shipments: +23% qoq, +27% yoy
- > QoQ: Adj. EBITDA decreased slightly solely due to a negative inventory valuation effect (Ni, Co, Mo) that erased the positive volume effect.
- > YoY: Adj. EBITDA decreased due to a negative inventory valuation effect versus a positive one a year ago

Q1 Guidance & Other Forward Looking Items



Q2 2023 OUTLOOK

- Q2 shipments are expected at a seasonally higher level qoq
- Q2 adj. EBITDA is expected at a slightly higher level versus Q1 2023
 - Unchanged negative low- to mid double digit inventory valuation
 - Lower prices globally & softer Brazil mix
 - + Lower input prices
- We guide for marginally higher Q2 net financial debt*
 - Higher NWC to buffer a planned maintenance standstill in Q3

OTHER ITEMS

- FY 2023 base dividend stable at EUR2.00/shr (~EUR144 million)
- Additional cash return to shareholders in line with the financial policy
- FY 2023 group capex ~EUR300m due to accelerated Leadership Journey® investments
- FY 2023 P&L effective tax rate expected at 20-25%
- Leadership Journey® Phase 4: EUR150 million savings target by end of 2023

*Depending on the raw material price development during Q2

Events Post Q1 2023 Results

EVENT

10 May	Paris SMID Megatrends Conference
16 May	Madrid Roadshow
17 May	Barcelona Materials Conference
23 May	London Materials Conference
24 May	Amsterdam Benelux Conference
1 June	The Nice Conference
12/13 June	Scandinavia Roadshow

ORGANIZATION

Kepler Cheuvreux
Degroof Petercam
Bank of America
J.P. Morgan
Oddo / ABN Amro
Societe Generale
Kepler Cheuvreux



MANAGEMENT PODCAST

Q1 Management comments are available on the Aperam website

- Aperam > Investors > Q1-23 Podcast
- <https://www.aperam.com/sites/default/files/images/Aperam-23-1.mp4>

Q&A CALL & WEBCAST

3 May 2023, 14:00 CET

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