

**Imerys posts a solid performance and exceeds full year 2022 guidance<sup>1</sup> on current EBITDA**

- Full year revenue at €4,282 million (+16.8%), with organic growth at 12.5% vs. last year<sup>2</sup>
- Current EBITDA up 11.0% vs 2021 at €720 million, with current EBITDA margin at 16.8%
- Current net income from continuing operations of €284 million, up 22.3% vs 2021
- Divestiture of the High Temperature Solutions business (HTS) completed on January 31, 2023
- Proposal of a cash dividend of €3.85 per share (vs. €1.55 paid in 2022), representing a total distribution of €327 million, including €200 million from the proceeds of the HTS disposal
- New GHG emissions reduction objective aligned with the 1.5°C trajectory

*The audit procedures on the consolidated accounts are finalized. The audit report will be issued after the finalization of the procedures for the verification of the management report, and the presentation of the accounts to be included in the Universal Registration Document, in the format provided for in the ESEF Regulation.*

Consolidated results (€ millions)	FY 2021		FY 2022	Change 2022 / 2021 restated
	Reported	Restated <sup>(2)</sup>		
Revenue	4,383	<b>3,665</b>	<b>4,282</b>	+16.8%
Organic growth	+15.6%	-	<b>+12.5%</b>	-
Current EBITDA	761	<b>649</b>	<b>720</b>	+11.0%
Current EBITDA margin	17.4%	<b>17.7%</b>	<b>16.8%</b>	-
Current operating income	452	<b>358</b>	<b>439</b>	+22.4%
Current operating margin	10.3%	<b>9.8%</b>	<b>10.2%</b>	-
Operating income	385	<b>291</b>	<b>318</b>	+9.5%
Current net income from continuing operations	288	<b>232</b>	<b>284</b>	+22.3%
Net income from continuing operations	250	<b>182</b>	<b>177</b>	-2.8%
Net income from discontinued activities	-	<b>68</b>	<b>77</b>	+14.5%
Net income, Group share	240	<b>240</b>	<b>237</b>	-1.3%
Net current free operating cash flow (incl. discontinued ope.)	255	<b>255</b>	<b>20</b>	-
Net financial debt (as at December 31)	1,451	<b>1,451</b>	<b>1,666</b>	-
Net income, Group share, per share	€2.83	<b>€2.14</b>	<b>€2.04</b>	-
Current net income from continuing operations per share	€3.40	<b>€2.69</b>	<b>€3.28</b>	+22.3%

<sup>1</sup> Guidance announced on November 2, 2022: FY 2022 current EBITDA between €690 million and €710 million

<sup>2</sup> Results for 2021 and 2022 have been restated to reflect the results from continuing operations excluding the High Temperature Solutions business area (HTS) whose contemplated disposal was announced on July 28, 2022. According to IFRS 5, HTS is accounted for as a discontinued operation and reported under 'Net income from discontinued activities' (its revenue, expenses and pre-tax profits are not presented in the consolidated income statement). The assets serving the paper markets whose contemplated disposal was announced on September 9, 2022, are accounted for as non current assets held for sale and therefore included in the consolidated income statement (continuing operations).

Alessandro Dazza, Chief Executive Officer, said:

*“ Imerys reports an 11% increase in current EBITDA compared to 2021, beating its guidance for the full year 2022. This is a remarkable performance considering the macroeconomic environment and high inflationary levels in which it was achieved, thanks to the strong positioning of our specialty products in our markets. In the fourth quarter, we faced significant destocking by customers in several markets, especially in Europe. We are confident that demand will gradually recover in 2023 as we expect inflation and energy prices to normalize. As a result of our portfolio management, the Group is better positioned to generate organic growth of 3-5% annually on average between 2023 and 2025 while delivering higher current EBITDA margins. Imerys will continue to actively pursue growth opportunities through investments in fast growing markets and acquisitions. With the successful completion of our first 3-year ESG plan, we are now launching an even more ambitious plan which includes a new greenhouse gas emissions reduction objective aligned with the 1.5°C trajectory. With this we aim to reaffirm that ESG is and will remain a key criterion in our development strategy. ”*

## Update on portfolio management

### Completion of the disposal of the High Temperature Solution business area (HTS)

On January 31, 2023, Imerys completed the disposal of HTS to Platinum Equity, a global investment firm operating companies in a broad range of markets, for an enterprise value of €930 million and cash impact of approximately €710 million. Under IFRS 5, the HTS business area is accounted for as a discontinued operation in 2022, and is therefore reported under 'Net income from discontinued activities'. Its revenue, expenses and pre-tax profits are not presented in the consolidated income statement.

### Ongoing disposal process for assets serving the paper market

Imerys expects to close the sale of most of its assets serving the paper market, for an enterprise value of €390 million, by the end of the first half of 2023<sup>3</sup>. Proceeds will be paid through staged payments including an earn-out based on the future performance of the business. In total, these activities represented approximately €425 million in revenue in 2022. These assets are included in the consolidated income statement and accounted for as non current assets held for sale under IFRS 5.

As a reminder, the contemplated divestiture led to the recognition of a goodwill impairment loss on the divested assets of €108 million in the Group's 2022 income statement<sup>4</sup>. At closing, the translation reserve associated with the business disposed of (mainly relating to the devaluation of the Brazilian Real) shall be recycled to the profit and loss statement in accordance with applicable IFRS standards. The Group's shareholders equity will not be affected by this non-cash loss currently estimated at circa. €220 million<sup>5</sup> as of December 31, 2022.

## Proposed dividend

At the Shareholders' General Meeting of May 10, 2023, the Board of Directors will propose a cash dividend of €3.85 per share (vs. €1.55 paid in 2022), which represents a distribution of €327 million, including €200 million from the proceeds of the HTS disposal<sup>6</sup>. This proposal reflects the Board's continued confidence in the Group's fundamentals and strategy and represents an attractive return to shareholders.

<sup>3</sup> The closing of the transaction remains subject to the fulfillment of customary conditions for this type of transaction, including the information and consultation of works councils and other regulatory approval.

<sup>4</sup> Accounted in "Other income and expenses, after tax" (see 'Net income' section of the press release)

<sup>5</sup> Based on data as of December 31, 2022 and a EUR/BRL foreign exchange rate of 5.5652. The final impact shall be revised based upon the conditions prevailing at the date control will be lost.

<sup>6</sup> Ex-dividend and payment dates would be May 15, 2023 and May 17, 2023 respectively

## Update on strategic capital expenditures

Imerys is pursuing its development in the fast-growing Lithium-ion battery market. The third production line of carbon black in Willebroek (Belgium) should be operational in the coming weeks, while the construction of the fourth one is well underway. The capacity expansion of synthetic graphite production in Bodio (Switzerland) is progressing as per plan and commissioning is expected before the end of the year. In addition, the construction of a greenfield plant of specialty minerals for polymer lightweighting for automotive in China is in its final phase. First deliveries to customers are expected in the second quarter of 2023.

In France, the Emili project has been selected by the government, within the “France 2030” program, and will receive financial support for the research and pilot phases of its lithium exploitation at the Beauvoir site. Imerys is currently carrying out scoping and feasibility studies. According to initial assessments, the Emili project would reach a production target of 34,000 tonnes of lithium hydroxide per year from 2028, for at least 25 years.

## Sustainability: new SBTi objectives aligned with the global warming of 1.5°C

The Group has successfully completed its first 3-year ESG sustainability plan and it is now launching an even more ambitious plan for 2025 around three main pillars: empowering our people, growing with our customers and caring for our planet. In this respect, Imerys has submitted for validation to the Science Based Target initiative (SBTi) its commitment to a reduction of its greenhouse gas emissions of 42% by 2030 from a 2021 base year<sup>7</sup>. Several decarbonation levers have been identified and activated, such as fuel switching and biomass utilization, electrification, power purchase agreements, energy efficiency and process innovation. In 2022, Imerys has reduced its CO<sub>2</sub> emission by 10% compared to 2021 in absolute terms.

	2021 restated	2022	Target 2022
<b>Empowering our people</b>			
Occupational health & safety: Total recordable accident frequency rate <sup>8</sup>	2.53	2.43	< 2.50
Average level of maturity of operational sites	2.90	3.00	3.00
Diversity and inclusion: proportion of women within the Group's senior management team <sup>9</sup>	26%	26%	30%
<b>Growing with our customers</b>			
Business ethics and responsible purchasing management: proportion of suppliers assessed against environmental, social and governance criteria <sup>10</sup>	35%	57%	50%
New Product Developments scored as SustainAgility Solutions	70%	75%	50%
Environmental, social and economic impact of products: proportion of product portfolio measured against ESG criteria	21%	55%	40%
<b>Our commitment to our planet</b>			
Environmental impact management: proportion of audits conducted against an environmental maturity matrix	90%	100%	100%
Biodiversity and rehabilitation: level of completion of the biodiversity improvement program	100%	93%	100%
Climate change strategy: % reduction in CO <sub>2</sub> e emissions by million euro of revenue compared to 2018 <sup>7</sup>	-10%	-31%	-23%

<sup>7</sup> Scopes 1 & 2 – Greenhouse gas emissions expressed in tons of CO<sub>2</sub>e equivalent.

<sup>8</sup> Includes all accidents without lost time whenever a healthcare professional is involved in the treatment, even if only for first aid.

<sup>9</sup> The definition of Senior Manager was updated in 2020 to exclude Executive Committee members. Proportion of women on the Executive Committee is reported as a separate indicator in chapter 3 of the Universal Registration Document.

<sup>10</sup> By expenditure.

Non-financial indicators have been restated to reflect the results from continuing operations, therefore excluding the HTS business area.

## Outlook

After a significant destocking impact on volumes in the fourth quarter of 2022, Imerys expects a gradual recovery in 2023 and a progressive normalization of inflation and energy prices which will positively impact business activity, with varying trends across regions and sectors. Demand levels for our specialty solutions are expected to stay more robust in the USA than in Europe, while Asian markets are poised to recover as China reopens. Demand in construction and industrial markets should remain soft, but improve in automotive markets while demonstrating continued resilience in consumer goods. Imerys confirms its mid term organic growth and current EBITDA margin ambitions presented at its Capital Markets Day on November 7, 2022.

## COMMENTARY ON THE FOURTH QUARTER AND 2022 ANNUAL RESULTS

### Revenue

Unaudited consolidated results (€ millions)	2021		2022	Change 2022 / 2021 restated			
	Reported	Restated		Reported Change	Like-for-like change	Volumes	Price mix
First half	2,158	1,812	2,142	+18.2%	+14.3%	-1.9%	+16.3%
Third quarter	1,104	924	1,116	+20.8%	+13.3%	-8.7%	+22.0%
Fourth quarter	1,121	928	1,024	+10.3%	+8.2%	-10.5%	+18.7%
Second half	2,225	1,852	2,140	+15.5%	+11.2%	-10.0%	+21.2%
<b>Total</b>	<b>4,383</b>	<b>3,665</b>	<b>4,282</b>	<b>+16.8%</b>	<b>+12.5%</b>	<b>-5.8%</b>	<b>+18.3%</b>

Revenue was €4,282 million, up 12.5% year-on-year at constant scope and exchange rates in 2022. Group sales volumes were down 5.8%, reflecting the impact of the Ukrainian crisis and the international economic sanctions against Russia, local lockdowns in China and the weakness of industrial and construction markets towards the end of the year. Volumes declined further in the fourth quarter as several markets were affected by customers destocking.

In a context of high inflation, Imerys' pricing actions continued in the fourth quarter (+18.7% of price effect), averaging +18.3% for the full year 2022.

Revenue included a significantly positive currency effect of €211 million (+5.8%), primarily as a result of the appreciation of the U.S. dollar against the euro. The scope effect was -€72 million, related to recent divestitures (in particular the hydrous kaolin business in North America).

### Current EBITDA

Unaudited consolidated results (€ millions)	2021		2022	Change 2022 / 2021 restated
	Reported	Restated		
First half	401	348	375	+7.9%
Third quarter	194	168	193	+14.9%
Fourth quarter	167	133	152	+14.5%
Second half	361	300	345	+15.0%
<b>Total</b>	<b>761</b>	<b>648</b>	<b>720</b>	<b>+11.0%</b>
Margin	17.4%	17.7%	16.8%	-

Current EBITDA was above the high end of the guidance range in 2022 and reached €720 million (i.e. €859 million including HTS), a 11.0% increase vs. 2021.

The price effect in 2022 compensated for substantial input cost inflation, including variable, fixed and overhead costs. The currency effect was positive at €56 million.

Current operating income reached €439 million for 2022, a 22.4% increase compared to last year.

### Current net income from continuing operations

Current net income from continuing operations, Group share, totaled €284 million, up 22.3% vs. 2021. Net financial result was negative at €50 million. The income tax expense of €105 million corresponds to an effective tax rate of 26.9%. Net income, per share, from current operations, Group share, was up 22.3% to €3.28.

### Net income

Net income, Group share, totaled €237 million in 2022. Net income from continuing operations reached €177 million after other income and expenses, of -€107 million in 2022, mostly related to goodwill impairment on the assets for the paper market whose divestment process is currently underway. The net income also includes €77 million of net income from discontinued activities and -€17 million of minority interests.

### Net current free operating cash flow

(€ millions)	2021	2022
Current EBITDA (including discontinued operations)	761	859
Increase (-)/ decrease (+) in operating working capital	-19	-233
Notional tax on current operating income	-122	-155
Other	6	11
Net current operating cash flow (before capital expenditure)	626	482
Capital expenditure	-336	-406
Right-of-use assets (IFRS 16)	-34	-56
<b>Net current free operating cash flow</b>	<b>255</b>	<b>20</b>
of which discontinued operations	39	14
<b>Net current free operating cash flow before strategic capex</b>	<b>300</b>	<b>105</b>

Imerys generated net current free operating cash flow of €20 million in 2022 (including €14 million from discontinued operations). This figure includes €406 million of capital expenditure, up €70 million year-on-year, reflecting increased spending on strategic projects aimed at increasing production capacity primarily in green mobility (€85 million, up from €45 million). Operating working capital was up €233 million in 2022, principally due to inflation.

(€ millions)	2021	2022
<b>Net current free operating cash flow</b>	<b>255</b>	<b>20</b>
Acquisitions and disposals	19	86
Dividend	-107	-138
Change in equity	-8	-11
Increase (-)/ decrease (+) in non-operating working capital	2	51
Other non-recurring income and expenses	-56	-46
Debt servicing costs	-29	-36
Exchange rates and other	-19	-19
<b>Change in net financial debt</b>	<b>57</b>	<b>-93</b>
of which change in net financial debt from discontinued operations	57	-101

## Financial structure

(€ millions)	2021	2022
Net financial debt at January 1	1,508	1,451
Net financial debt at December 31	1,451	1,666
Equity at December 31	3,242	3,385
Current EBITDA	761	720
<b>Net financial debt/Equity</b>	<b>44.8%</b>	<b>49.2%</b>
<b>Net financial debt/current EBITDA</b>	<b>1.9x</b>	<b>2.3x</b>

At December 31, 2022, the net financial debt of €1,666 million does not take into account the cash impact of the sale of HTS (approximately €710 million). Adjusted for these proceeds, the net financial debt to current EBITDA ratio would be at 1.3 x.

Imerys "investment grade" ratings were confirmed by Standard and Poor's (November 29, 2022, BBB-, stable outlook) and Moody's (March 11, 2022, Baa3, stable outlook).

At December 31, 2022, Imerys' bond financing amounted to €1.7 billion with an average maturity of 4.4 years. The Group also has €1,010 million available in bilateral credit lines.

## SEGMENT PERFORMANCE

### Performance Minerals (67% of consolidated revenue)

Q4 2021	Q4 2022	LFL change on Q4 2021	Unaudited quarterly data (€ millions)	2021	2022	LFL change on 2021
240	279	+10.1%	Revenue Americas	957	1,154	+12.3%
267	324	+21.8%	Revenue Europe, Middle East and Africa (EMEA)	1,130	1,336	+17.3%
129	144	+16.0%	Revenue Asia-Pacific (APAC)	515	589	+12.4%
(41)	(51)	-	Eliminations & others	(177)	(226)	-
<b>594</b>	<b>696</b>	<b>+15.0%</b>	<b>Total revenue</b>	<b>2,425</b>	<b>2,853</b>	<b>+13.6%</b>
			<b>Current EBITDA</b>	<b>497</b>	<b>555</b>	<b>+11.7% *</b>
			Current EBITDA margin	20.5%	19.5%	-

\* reported growth

Revenue generated by the **Performance Minerals** segment was up 13.6% like-for-like in 2022. On a reported basis, revenue was up 17.6% and includes a positive currency effect of €155 million (+6.4%).

Revenue in the **Americas** was up 12.3% at constant scope and exchange rates in 2022. Sales in the fourth quarter (+10.1%) was marked by a slowdown in demand for minerals for the construction industry in the US.

Revenue in **Europe, Middle East and Africa** increased by 17.3% at constant scope and exchange rates in 2022 and +21.8% in the fourth quarter, primarily driven by higher selling prices. Volumes in the fourth quarter were impacted by end-of-year destocking in several markets. Sales nevertheless benefited from a rebound in the automotive market and a good performance in ceramics and building products, while paper remained weak.

Covid lock-downs in China weighed on the performance in **Asia-Pacific** where revenue growth was limited to 12.4% at constant scope and exchange rates in 2022. Sales in the fourth quarter (+16.0% like-for-like) were driven by the mobile energy market. Specialty minerals volumes were resilient overall: filtration & life science solutions went up while paper & board was flat and ceramics remained soft due to the energy crisis and weak end markets demand.

Current EBITDA for the segment totaled €555 million in 2022, or 19.5% of revenue.

### High Temperature Materials & Solutions (33% of consolidated revenue)

Q4 2021	Q4 2022	LFL change on Q4 2021	Unaudited quarterly data (€ millions)	2021	2022	LFL change on 2021
328	329	-3.6%	Revenue Refractory, Abrasives & Construction	1,240	1,434	+10.1%
6	-	-	Eliminations & others	-	-	-
<b>334</b>	<b>329</b>	<b>-5.2%</b>	<b>Total revenue</b>	<b>1,240</b>	<b>1,434</b>	<b>+10.1%</b>
			<b>Current EBITDA</b>	<b>189</b>	<b>202</b>	<b>+7.0% *</b>
			Current EBITDA margin	15.2%	14.1%	-

\* reported growth

The **Refractory, Abrasives & Construction** business area revenue increased by 15.6% on a reported basis with a favorable currency effect of €66 million (+5.3%) and a negative scope effect of €3 million (-0.3%). Revenue was up 10.1% at constant scope and exchange rates in 2022, driven by the price increases necessary to pass through rising inflation, especially escalating energy costs. As anticipated, organic growth decelerated in the fourth quarter of 2022 (-3.6%) due to a drop in refractory and abrasives markets in Europe - amplified by significant destocking at customers - and in China, where the business has a strong presence. Building & infrastructure solutions maintained a good momentum in the fourth quarter.

Current EBITDA for the segment totaled €202 million, or 14.1% of revenue in 2022.

In accordance with IFRS 5, the **High Temperature Solutions** business area is accounted for as a discontinued operation in 2022 and 2021 and no longer included in the segment reporting.

## 2022 annual results webcast

The press release is available on the Group's website [www.imerys.com](http://www.imerys.com). The Group will hold a live webcast to discuss the 2022 annual results at 10.00 AM (CET) on February 17, 2023, which can be accessed [via this link](#).

## Financial Calendar

May 2, 2023	First quarter 2023 results
May 10, 2023	General Meeting of Shareholders
July 27, 2023	First half 2023 results
October 30, 2023	Third quarter 2023 results

These dates are subject to change and may be updated on the Group's website <https://www.imerys.com/finance>.

*The world's leading supplier of mineral-based specialty solutions for industry with €4.3 billion in revenue and 14,000 employees in 2022. Imerys delivers high value-added, functional solutions to a great number of sectors, from processing industries to consumer goods. The Group draws on its understanding of applications, technological knowledge and expertise in material science to deliver solutions by beneficiating its mineral resources, synthetic minerals and formulations. Imerys' solutions contribute essential properties to customers' products and their performance, including heat resistance, hardness, conductivity, opacity, durability, purity, lightness, filtration, absorption and water repellency. Imerys is determined to develop responsibly, in particular by fostering the emergence of environmentally-friendly products and processes.*

*More comprehensive information about Imerys may be obtained from its website ([www.imerys.com](http://www.imerys.com)) in the Regulated Information section, particularly in its Registration Document filed with the French financial markets authority (Autorité des marchés financiers, AMF) on March 22, 2022 under number D.22-0131 (also available from the AMF website, [www.amf-france.org](http://www.amf-france.org)). Imerys draws investors' attention to chapter 2 "Risk Factors and Internal Control" of its Registration Document.*

*Disclaimer: This document contains projections and other forward-looking statements. Investors should be aware that such projections and forward-looking statements are subject to various risks and uncertainties (many of which are difficult to predict and generally beyond the control of Imerys) that could cause actual results and developments to differ materially from those expressed or implied.*



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**APPENDIX**

## KEY INCOME STATEMENT INDICATORS

Consolidated results (€ millions)	Q4 2021		Q4 2022	Change (%)
	Reported	Restated		
Revenue	1,121	928	1,024	+10.3%
Organic growth	+10.7%	-	+8.2%	-
Current EBITDA	167	133	152	+14.5%
Current EBITDA margin	14.9%	14.3%	14.8%	-
Current operating income	89	63	93	+48.4%
Current operating margin	8.0%	6.8%	9.1%	-
Operating income	46	20	72	-
Current net income from continuing operations	55	37	58	'-
Net income from continuing operations	24	7	49	-
Net income from discontinued activities	-	19	-10	-
Net income, Group share	24	24	44	-

## CONSOLIDATED INCOME STATEMENT

(€ millions)	2022	2021 <sup>(1)</sup>
<b>Revenue</b>	<b>4,281.6</b>	<b>3,664.7</b>
Raw materials and consumables used	(1,472.5)	(1,170.5)
External expenses	(1,208.9)	(1,040.8)
Staff expenses	(872.7)	(801.4)
Taxes and duties	(37.6)	(36.6)
Amortization, depreciation and impairment	(303.1)	(300.0)
Intangible assets, mining assets and property, plant and equipment	(254.8)	(253.4)
Right-of-use assets	(48.3)	(46.6)
Other current income and expenses	25.4	30.3
Share in net income of joint ventures and associates	26.6	12.8
<b>Current operating income</b>	<b>438.8</b>	<b>358.5</b>
Gain (loss) from obtaining or losing control	22.8	(0.1)
Other non-recurring items	(143.2)	(67.6)
<b>Operating income</b>	<b>318.4</b>	<b>290.8</b>
<b>Net financial debt expense</b>	<b>(32.9)</b>	<b>(33.9)</b>

Income from securities	5.1	2.6
Gross financial debt expense	(38.0)	(36.5)
Interest expense on borrowings and financial debt	(34.9)	(33.4)
Interest expense on lease liabilities	(3.1)	(3.1)
<b>Other financial income (expenses)</b>	<b>(17.4)</b>	<b>(6.5)</b>
Other financial income	228.3	117.8
Other financial expenses	(245.7)	(124.3)
<b>Financial income (loss)</b>	<b>(50.3)</b>	<b>(40.4)</b>
Income taxes	(91.0)	(68.2)
<b>Net income from continuing operations</b>	<b>177.1</b>	<b>182.2</b>
Net income from continuing operations, Group share <sup>(3)</sup>	172.9	180.8
Net income from continuing operations attributable to non-controlling interests	4.2	1.4
<b>Net income from discontinued operations<sup>(2)</sup></b>	<b>77.3</b>	<b>67.5</b>
Net income from discontinued operations, Group share	64.3	59.3
Net income from discontinued operations attributable to non-controlling interests	13.0	8.2
<b>Net income</b>	<b>254.4</b>	<b>249.7</b>
Net income, Group share <sup>(3)</sup>	237.2	240.1
Net income attributable to non-controlling interests	17.2	9.6
<i>(1) 2021 flows were restated in accordance with the principles described in Note 25 following the designation of the High Temperature Solutions line of business as a discontinued operation.</i>		
<i>(2) High Temperature Solutions line of business (Note 25).</i>		
<i>(3) Net income per share</i>		
Basic net income per share, Group share (in €)	2.80	2.83
Diluted net income per share, Group share (in €)	2.76	2.79
Basic net income from continuing operations per share, Group share (in €)	2.04	2.13
Diluted net income from continuing operations per share, Group share (in €)	2.01	2.10

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(€ millions)</i>	<b>2022</b>	<b>2021</b>
<b>Non-current assets</b>	<b>4,357.4</b>	<b>4,990.3</b>
Goodwill	1,852.2	2,144.7
Intangible assets	287.5	303.9
Right-of-use assets	133.1	175.6
Mining assets	415.5	419.0
Property, plant and equipment	1,410.7	1,622.6
Joint ventures and associates	90.5	100.3
Other financial assets	25.4	43.4
Other receivables	31.8	41.6
Derivative financial assets	-	0.6
Deferred tax assets	110.7	138.6
<b>Current assets</b>	<b>2,137.4</b>	<b>2,362.7</b>
Inventories	789.9	849.1
Trade receivables	489.9	614.3
Other receivables	208.4	238.7
Derivative financial assets	27.0	75.4
Other financial assets	2.0	8.0
Cash and cash equivalents	620.2	577.2
<b>Assets held for sale<sup>(1)</sup></b>	<b>1,376.2</b>	<b>63.1</b>
<b>Consolidated assets</b>	<b>7,871.0</b>	<b>7,416.1</b>
<b>Equity, Group share</b>	<b>3,337.9</b>	<b>3,193.4</b>
Share capital	169.9	169.9
Share premium	614.4	614.4
Treasury shares	(18.7)	(13.4)
Reserves	2,335.1	2,182.4
Net income, Group share	237.2	240.1

<b>Equity attributable to non-controlling interests</b>	<b>47.5</b>	<b>48.5</b>
<b>Equity</b>	<b>3,385.4</b>	<b>3,241.9</b>
<b>Non-current liabilities</b>	<b>2,465.6</b>	<b>2,726.5</b>
Provisions for employee benefits	160.2	259.7
Other provisions	388.8	414.0
Borrowings and financial debt	1,694.5	1,695.0
Lease liabilities	98.1	155.7
Other debts	20.0	70.7
Derivative financial liabilities	4.1	1.8
Deferred tax liabilities	99.9	129.6
<b>Current liabilities</b>	<b>1,551.1</b>	<b>1,434.2</b>
Other provisions	34.3	53.2
Trade payables	540.1	660.1
Income tax payable	104.9	115.4
Other debts	344.3	410.1
Derivative financial liabilities	29.0	7.9
Borrowings and financial debt	452.7	124.9
Lease liabilities	42.1	32.5
Bank overdrafts	3.7	30.1
<b>Liabilities related to assets held for sale<sup>(2)</sup></b>	<b>468.9</b>	<b>13.5</b>
<b>Consolidated equity and liabilities</b>	<b>7,871.0</b>	<b>7,416.1</b>

(1) Of which, at December 31, 2022, the High Temperature Solutions line of business for €942.8 million and the business serving the paper market for €433.4 million (Note 25) and at December 31, 2021, the hydrous kaolin business in the US for €63.1 million (Note 25).

(2) Of which, at December 31, 2022, the High Temperature Solutions line of business for €335.5 million and the business serving the paper market for €133.5 million (Note 25) and at December 31, 2021, the hydrous kaolin business in the US for €13.5 million (Note 25).

## NET CURRENT FREE OPERATING CASH FLOW

(€ millions)	2022	2021
<b>Items from the Consolidated Income Statement</b>		
Revenue	5,172.6	4,382.9
Raw materials and consumables used	(1,898.2)	(1,495.6)
External expenses	(1,357.3)	(1,162.8)
Staff expenses	(1,021.3)	(939.8)
Taxes and duties <sup>(1)</sup>	(40.7)	(39.0)
Other current income and expenses	9.7	17.7
Share in net income of joint ventures and associates	26.6	12.8
<b>Adjustments</b>		
Change in provisions for employee benefits	(2.7)	(6.5)
Change in current operating write-downs and provisions	(2.9)	0.8
Share in net income of joint ventures and associates	(32.6)	(14.7)
Dividends received from joint ventures and associates	5.8	5.2
<b>Current EBITDA</b>	<b>859.0</b>	<b>761.0</b>
<i>of which discontinued operations<sup>(2)</sup></i>	<i>139.0</i>	<i>112.4</i>
<b>Income taxes</b>		
Notional income tax on current operating income	(155.1)	(122.1)
<b>Adjustments</b>		
Change in operating working capital requirement <sup>(3)</sup>	(232.8)	(19.3)
Carrying amount of intangible assets and property, plant and equipment disposed of	10.7	6.2
<b>Net current operating cash flow</b>	<b>481.8</b>	<b>625.8</b>
<i>of which discontinued operations<sup>(2)</sup></i>	<i>41.0</i>	<i>65.4</i>
<b>Investing activities</b>		
Acquisitions of intangible assets and property, plant and equipment <sup>(4)</sup>	(406.2)	(336.3)
Additions to right-of-use assets	(55.8)	(34.4)

<b>Net current free operating cash flow</b>	<b>19.8</b>	<b>255.1</b>
<i>of which discontinued operations<sup>(2)</sup></i>	<i>14.2</i>	<i>38.9</i>
(1) Consolidated Income Statement		
(2) High Temperature Solutions line of business (Note 25).		
(3) Change in operating working capital requirement (Consolidated Statement of Cash Flows)	(232.8)	(19.3)
Adjustments for decrease (increase) in inventories	(198.8)	(145.7)
Adjustments for decrease (increase) in trade receivables	(79.1)	(40.7)
Adjustments for increase (decrease) in trade payables	45.1	167.1
(4) Acquisitions of intangible assets and property, plant and equipment (Consolidated Statement of Cash Flows)	(406.2)	(336.3)
Acquisitions of intangible assets	(44.5)	(24.3)
Acquisitions of property, plant and equipment	(345.1)	(337.0)
Change in payables on acquisitions of intangible assets and property, plant and equipment	(16.6)	25.0

The following table presents the cash flow from non-recurring operations, i.e. non-recurring operating transactions, changes in the scope of consolidation, financing transactions and transactions with shareholders. These cash flows, added to the net current free operating cash flow from the previous table, give the total change in net financial debt.

(€ millions)	2022	2021
<b>Net current free operating cash flow</b>	<b>19.8</b>	<b>255.1</b>
<i>of which discontinued operations<sup>(1)</sup></i>	<i>14.2</i>	<i>38.9</i>
<b>Income taxes</b>		
Notional income tax on financial income (loss)	13.3	10.7
Change in current and deferred tax assets and liabilities	12.7	(1.5)
Change in income tax payables and receivables	20.9	32.5
Income taxes paid on non-recurring income and expenses	2.9	8.3
<b>Consolidated Income Statement</b>		
Financial income (loss)	(52.8)	(39.7)
Other operating income and expenses	(137.6)	(67.8)
<b>Adjustments</b>		
Change in non-operating working capital requirement	1.2	(32.6)
Change in financial write-downs and provisions	2.7	-
Change in fair value of hedging instruments	3.6	(4.8)
Non-recurring impairment losses	108.0	(1.7)
Change in non-recurring write-downs and provisions	10.0	8.2
Share in net income of joint ventures and associates	(3.3)	-
Gain (loss) on businesses disposed of	(28.5)	(3.2)
Gain (loss) on intangible assets and property, plant and equipment disposed of	2.4	0.5
<b>Investing activities</b>		
Acquisition of businesses	(20.3)	(45.3)
Disposal of businesses	100.9	38.7
Disposal of intangible assets and property, plant and equipment	0.5	-
Loans and advances in cash received from (granted to) third parties	4.6	25.4
<b>Equity</b>		
Share capital increases (decreases)	-	1.5

Disposals (acquisitions) of treasury shares	(10.9)	(10.0)
Share-based payments	13.5	8.6
Dividends	(137.5)	(106.5)
<b>Change in net financial debt excl. exchange rate effects</b>	<b>(73.9)</b>	<b>76.4</b>

(1) High Temperature Solutions line of business (Note 25).

## CHANGE IN NET FINANCIAL DEBT

(€ millions)	2022	2021
<b>Net financial debt at the beginning of the period</b>	<b>(1,451.1)</b>	<b>(1,508.0)</b>
Change in net financial debt excl. exchange rate effects	(73.9)	76.4
Reclassification of discontinued operations <sup>(1)</sup>	(122.1)	-
Exchange rate effects	(19.1)	(19.5)
<b>Change in net financial debt</b>	<b>(215.1)</b>	<b>56.9</b>
<b>Net financial debt at the end of the period</b>	<b>(1,666.2)</b>	<b>(1,451.1)</b>

(1) The amount of - €122.1 million reclassified as discontinued operations corresponds to the non-Group net debt of the High Temperature Solutions line of business for - €83.1 million, - €38.2 million for the business serving the paper market and -€0.8 million for the hydrous kaolin business in the US (Note 25). Besides, the intragroup net debt remaining as of December 31, 2022 between the continuing and discontinued operations scopes amounts to €57.1 million, of which €110.0 million with respect to the High Temperature Solutions line of business and -€52.9 million with respect to the business serving the paper market.

## CONSOLIDATED STATEMENT OF CASH FLOWS

(€ millions)	2022	2021
<b>Net income</b>	<b>254.4</b>	<b>249.7</b>
<b>Adjustments</b>		
Adjustments for depreciation and amortization	335.4	352.7
Adjustments for impairment loss on goodwill	108.0	-
Adjustments for impairment loss (reversal of impairment loss) recognized in profit or loss, trade and other receivables	(2.6)	4.4
Adjustments for impairment loss (reversal of impairment loss) recognized in profit or loss, inventories	4.8	(5.9)
Adjustments for provisions	(14.4)	(24.8)
Adjustments for share-based payments	13.5	8.6
Adjustments for losses (gains) on disposal of non-current assets	(25.1)	(7.0)
Adjustments for undistributed profits from joint ventures and associates	(35.8)	(14.7)
Adjustments for net interest income and expense	37.6	37.8
Adjustments for fair value losses (gains)	3.7	(4.6)
Other adjustments for non-cash items	(0.9)	(0.2)
Other adjustments for which cash effects are investing or financing cash flow	16.8	5.4
<b>Change in working capital requirement</b>	<b>(231.6)</b>	<b>(51.9)</b>
Adjustments for decrease (increase) in inventories	(198.8)	(145.7)
Adjustments for decrease (increase) in trade receivables	(79.1)	(40.7)
Adjustments for increase (decrease) in trade payables	45.1	167.1
Adjustments for other receivables and debts	1.2	(32.6)
<b>Adjustments for income tax expense</b>	<b>129.7</b>	<b>95.1</b>
<b>Net cash flow from (used in) operations</b>	<b>593.5</b>	<b>644.6</b>

Interest paid	(41.9)	(34.9)
Income taxes refund (paid)	(105.4)	(72.0)
Adjustments for dividends received from joint ventures and associates	5.8	5.2
<b>Net cash flows from (used in) operating activities</b>	<b>452.0</b>	<b>542.9</b>
<i>of which discontinued operations<sup>(1)</sup></i>	<i>17.1</i>	<i>58.2</i>

(1) High Temperature Solutions line of business (Note 25).

(€ millions)	2022	2021
Acquisitions of intangible assets	(44.5)	(24.3)
Acquisitions of property, plant and equipment	(345.1)	(337.0)
Change in payables on acquisitions of intangible assets and property, plant and equipment	(16.6)	25.0
Cash flows used in (from gaining) control of subsidiaries or other businesses	(20.8)	(46.4)
Proceeds from disposals of intangible assets and property, plant and equipment	10.2	8.8
Cash flows from losing control of subsidiaries or other businesses <sup>(1)</sup>	84.4	33.9
Cash advances and loans granted to third parties	(3.0)	(6.3)
Cash receipts from repayment of advances and loans granted to third parties	7.3	34.3
Interest received	5.5	2.4
<b>Cash flow from investing activities</b>	<b>(322.6)</b>	<b>(309.6)</b>
<i>of which discontinued operations<sup>(2)</sup></i>	<i>23.9</i>	<i>(37.2)</i>
Proceeds from issuing shares	-	1.5
Payments to acquire or redeem treasury shares	(10.9)	(10.0)
Dividends paid	(137.5)	(106.5)
Proceeds from borrowings	-	298.3
Repayments of borrowings	(6.8)	(312.3)
Payments of lease liabilities	(61.1)	(58.8)
Other cash inflows (outflows) <sup>(3)</sup>	318.9	(153.5)
<b>Cash flow from financing activities</b>	<b>102.6</b>	<b>(341.3)</b>
<i>of which discontinued operations<sup>(2)</sup></i>	<i>(35.1)</i>	<i>9.7</i>
<b>Change in cash and cash equivalents</b>	<b>232.0</b>	<b>(108.0)</b>

(1) Of which in 2022, €49.0 million received with respect to the loss of control of the US hydrous kaolin business, €33.4 million with respect to the loss of control of the Canadian and Namibian natural graphite business (Note 25).

(2) High Temperature Solutions line of business (Note 25).

(3) Mainly made up of short-term negotiable debt securities issued (Note 24.5).

## GLOSSARY

Imerys uses “current” indicators to measure the recurrent performance of its operations, excluding significant items that, because of their nature and their relatively infrequent occurrence, cannot be considered as inherent to the recurring performance of the Group (see section 5.5 Definitions and reconciliation of alternative performance measures to IFRS indicators in the 2021 Universal Registration Document).

Alternative Performance Indicators	Definitions and reconciliation to IFRS indicators
Growth at constant scope and exchange rates (also called life-for-like change, LFL growth organic or internal growth)	<p>Calculated by stripping out the impact of currency fluctuations as well as acquisitions and disposals (scope effect).            Restatement of the currency effect consists of calculating aggregates for the current year at the exchange rate of the prior year. The impact of exchange rate instruments qualifying as hedging instruments is taken into account in current data.            Restatement of Group structure to take into account newly consolidated entities consists of:            subtracting the contribution of the acquisition from the aggregates of the current year, for entities entering the consolidation scope in the current year;            subtracting the contribution of the acquisition from January 1 of the current year, until the last day of the month of the current year when the acquisition was made the prior year, for entities entering the consolidation scope in the prior year.            Restatement of entities leaving the consolidation scope consists of:            subtracting the departing entity's contribution from the aggregates of the prior year as from the first day of the month of divestment, for entities leaving the consolidation scope in the current year;            subtracting the departing entity's contribution from the aggregates of the prior year, for entities leaving the consolidation scope in the prior year.</p>
Volume effect	The sum of the change in sales volumes of each business area between the current and prior year, valued at the average sales price of the prior year.
Price mix effect	The sum of the change in average prices by product family of each business area between the current and prior year, applied to volumes of the current year.
Current operating income	The operating income before other operating income and expenses (income from changes in control and other non-recurring items).
Net income from current operations	The Group's share of income before other operating income and expenses, net (income from changes in control and other non-recurring items, net of tax) and income from discontinued operations.
Current EBITDA	Calculated from current operating income before operating amortization, depreciation and impairment losses and adjusted for changes in operating provisions and write-downs, share in net income and dividends received from joint ventures and associates.
Net current operating cash flow	Current EBITDA after notional income tax on current operating income, adjusted for changes in operational working capital requirement and proceeds from divested intangible and tangible assets.
Net current free operating cash flow	Current EBITDA after notional income tax on current operating income, adjusted for changes in operational working capital requirement, proceeds from divested intangible and tangible assets, paid intangible and tangible capital expenditure and changes in right-of-use assets.
Net financial debt	Difference between financial liabilities (borrowings, financial debts, and IFRS 16 liabilities) and cash and cash equivalents.