

AMG Advanced Metallurgical Group N.V.  
Consolidated Income Statement

**For the quarter ended December 31**

*In thousands of US dollars*

	2019 Unaudited	2018
<b>Continuing operations</b>		
Revenue	268,563	344,448
Cost of sales	238,141	258,107
<b>Gross profit</b>	<b>30,422</b>	<b>86,341</b>
<b>Selling, general and administrative expenses</b>	<b>37,209</b>	<b>35,131</b>
Environmental expense	234	8,722
Other (income) expense, net	(9)	27
<b>Net other operating expense</b>	<b>225</b>	<b>8,749</b>
<b>Operating (loss) profit</b>	<b>(7,012)</b>	<b>42,461</b>
Finance income	(1,662)	(1,509)
Finance cost	7,795	8,450
<b>Net finance cost</b>	<b>6,133</b>	<b>6,941</b>
<b>(Loss) profit before income tax</b>	<b>(13,145)</b>	<b>35,520</b>
<b>Income tax expense</b>	<b>938</b>	<b>5,849</b>
<b>(Loss) profit for the period</b>	<b>(14,083)</b>	<b>29,671</b>
Attributable to:		
Shareholders of the Company	(14,239)	28,980
Non-controlling interests	156	691
<b>(Loss) profit for the period</b>	<b>(14,083)</b>	<b>29,671</b>
<b>(Loss) earnings per share</b>		
Basic (loss) earnings per share	(0.50)	0.95
Diluted (loss) earnings per share	(0.50)	0.92

AMG Advanced Metallurgical Group N.V.  
Consolidated Income Statement

**For the year ended December 31**

*In thousands of US dollars*

	2019 Unaudited	2018
<b>Continuing operations</b>		
Revenue	1,188,571	1,310,288
Cost of sales	1,070,281	995,113
<b>Gross profit</b>	<b>118,290</b>	<b>315,175</b>
 <b>Selling, general and administrative expenses</b>	 <b>143,451</b>	 <b>143,581</b>
Environmental expense	725	8,757
Other income, net	(164)	(424)
<b>Net other operating expense</b>	<b>561</b>	<b>8,333</b>
 <b>Operating (loss) profit</b>	 <b>(25,722)</b>	 <b>163,261</b>
Finance income	(4,728)	(3,721)
Finance cost	32,711	27,230
<b>Net finance cost</b>	<b>27,983</b>	<b>23,509</b>
 <b>(Loss) profit before income tax</b>	 <b>(53,705)</b>	 <b>139,752</b>
 <b>Income tax (benefit) expense</b>	 <b>(5,119)</b>	 <b>44,971</b>
 <b>(Loss) profit for the year</b>	 <b>(48,586)</b>	 <b>94,781</b>
Attributable to:		
Shareholders of the Company	(48,283)	94,616
Non-controlling interests	(303)	165
<b>(Loss) profit for the year</b>	<b>(48,586)</b>	<b>94,781</b>
 <b>(Loss) earnings per share</b>		
Basic (loss) earnings per share	(1.64)	3.12
Diluted (loss) earnings per share	(1.64)	2.97

AMG Advanced Metallurgical Group N.V.  
 Consolidated Statement of Financial Position

<i>In thousands of US dollars</i>	December 31, 2019 Unaudited	December 31, 2018
<b>Assets</b>		
Property, plant and equipment	429,993	327,951
Goodwill and other intangible assets	41,923	35,130
Derivative financial instruments	922	7,592
Other investments	23,565	21,452
Deferred tax assets	60,945	34,112
Restricted cash	309,581	1,715
Other assets	11,072	11,266
<b>Total non-current assets</b>	<b>878,001</b>	<b>439,218</b>
Inventories	204,152	316,715
Derivative financial instruments	2,693	1,335
Trade and other receivables	119,052	138,530
Other assets	33,860	39,570
Current tax assets	7,980	3,668
Cash and cash equivalents	226,218	381,900
<b>Total current assets</b>	<b>593,955</b>	<b>881,718</b>
<b>Total assets</b>	<b>1,471,956</b>	<b>1,320,936</b>

AMG Advanced Metallurgical Group N.V.  
Consolidated Statement of Financial Position  
(continued)

<i>In thousands of US dollars</i>	December 31, 2019 Unaudited	December 31, 2018
<b>Equity</b>		
Issued capital	831	812
Share premium	489,546	462,891
Treasury shares	(83,880)	(347)
Other reserves	(116,358)	(104,274)
Retained earnings (deficit)	(129,626)	(39,158)
<b>Equity attributable to shareholders of the Company</b>	<b>160,513</b>	<b>319,924</b>
Non-controlling interests	23,893	24,119
<b>Total equity</b>	<b>184,406</b>	<b>344,043</b>
<b>Liabilities</b>		
Loans and borrowings	669,497	356,997
Lease liabilities *	46,490	-
Employee benefits	175,870	149,217
Provisions	28,984	32,527
Other liabilities	3,629	4,371
Derivative financial instruments	4,289	5,148
Deferred tax liabilities	4,300	7,930
<b>Total non-current liabilities</b>	<b>933,059</b>	<b>556,190</b>
Loans and borrowings	21,740	8,947
Lease liabilities *	4,227	-
Short-term bank debt	7,500	15,500
Other liabilities	61,479	61,120
Trade and other payables	157,108	230,939
Derivative financial instruments	4,037	8,267
Advance payments	57,650	50,210
Current tax liability	18,299	19,675
Provisions	22,451	26,045
<b>Total current liabilities</b>	<b>354,491</b>	<b>420,703</b>
<b>Total liabilities</b>	<b>1,287,550</b>	<b>976,893</b>
<b>Total equity and liabilities</b>	<b>1,471,956</b>	<b>1,320,936</b>

\*The Company applied IFRS 16 (lease accounting) for the first time as of January 1, 2019. The Company recognized new assets and liabilities for its operating leases which are primarily comprised of buildings, equipment, machinery and automobiles. Right of use assets are included within property, plant and equipment and classified in the same manner as if the underlying assets were owned by the Company. The lease liabilities are presented as a separate line item on the consolidated statement of financial position. The nature and pattern of expense recognition in relation to these leases has changed. The Company recognizes depreciation on the right of use assets on a straight-line basis over the expected term of the lease. Interest expense related to the lease liabilities are recognized over the expected term of the lease using the effective interest method. Comparative figures have not been adjusted. Assets and liabilities increased per January 1, 2019 by \$37 million.

AMG Advanced Metallurgical Group N.V.  
Consolidated Statement of Cash Flows

**For the year ended December 31**

*In thousands of US dollars*

	2019 Unaudited	2018
<b>Cash from operating activities</b>		
(Loss) profit for the period	(48,586)	94,781
Adjustments to reconcile net (loss) profit to net cash flows:		
<b>Non-cash:</b>		
Income tax (benefit) expense	(5,119)	44,971
Depreciation and amortization	41,967	33,034
Asset impairments	4,519	3,333
Net finance cost	27,983	23,509
Gain on sale or disposal of property, plant and equipment	(69)	(720)
Equity-settled share-based payment transactions	5,514	7,499
Movement in provisions, pensions and government grants	(8,053)	3,724
Working capital and deferred revenue adjustments	76,169	(73,107)
<b>Cash generated from operating activities</b>	<b>94,325</b>	<b>137,024</b>
Finance costs paid, net	(23,152)	(18,273)
Income tax paid, net	(24,600)	(21,329)
<b>Net cash from operating activities</b>	<b>46,573</b>	<b>97,422</b>
<b>Cash used in investing activities</b>		
Proceeds from sale of property, plant and equipment	421	1,660
Insurance proceeds on property, plant and equipment	-	1,300
Acquisition of property, plant and equipment and intangibles	(79,442)	(73,031)
Acquisitions of subsidiaries	(25,435)	-
Change in restricted cash	(307,866)	(923)
Capitalized borrowing cost	2,437	-
Other	6	(325)
<b>Net cash used in investing activities</b>	<b>(409,879)</b>	<b>(71,319)</b>

AMG Advanced Metallurgical Group N.V.  
 Consolidated Statement of Cash Flows  
 (continued)

**For the year ended December 31**

*In thousands of US dollars*

	2019	2018
	Unaudited	
<b>Cash from financing activities</b>		
Proceeds from issuance of debt	325,093	353,087
Payment of transaction costs related to the issuance of debt	(4,981)	(9,238)
Repayment of borrowings	(3,911)	(155,423)
Proceeds from issuance of common shares	2,915	15,923
Net repurchase of common shares	(89,881)	(9,558)
Dividends paid	(16,703)	(12,092)
Payment of lease liabilities	(3,829)	-
<b>Net cash from financing activities</b>	<b>208,703</b>	<b>182,699</b>
<b>Net (decrease) increase in cash and cash equivalents</b>	<b>(154,603)</b>	<b>208,802</b>
Cash and cash equivalents at January 1	381,900	178,800
Effect of exchange rate fluctuations on cash held	(1,079)	(5,702)
<b>Cash and cash equivalents at December 31</b>	<b>226,218</b>	<b>381,900</b>