

ENABLING THE CIRCULAR ECONOMY

FINANCIAL PRESENTATION | MAY 2021
ANNUAL GENERAL MEETING



AMG ADVANCED
METALLURGICAL GROUP N.V.

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This document has not been approved by any competent regulatory or supervisory authority.

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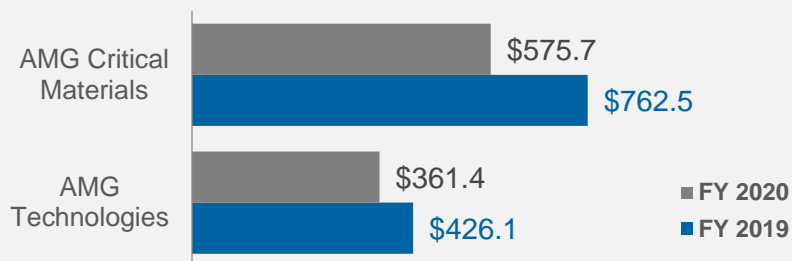
Operational Update 9



DIVISIONAL FINANCIAL HIGHLIGHTS – FY 2020 VS. FY 2019

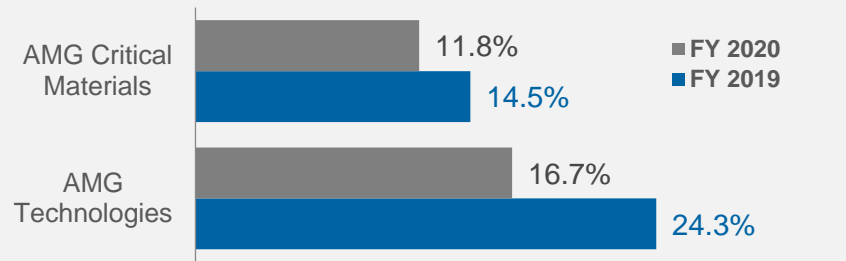
REVENUE

FY 2020 \$937.1 MILLION
 FY 2019 \$1,188.6 MILLION



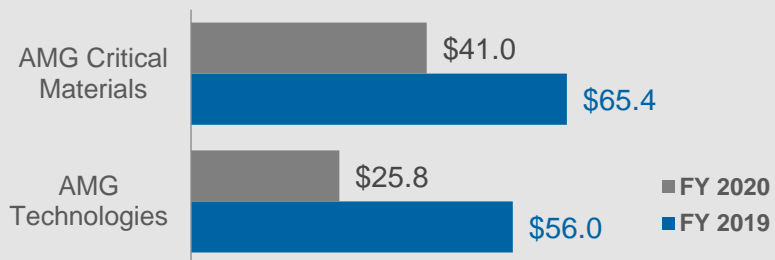
GROSS MARGIN AFTER NON-RECURRING ITEMS

FY 2020 13.7%
 FY 2019 18.0%



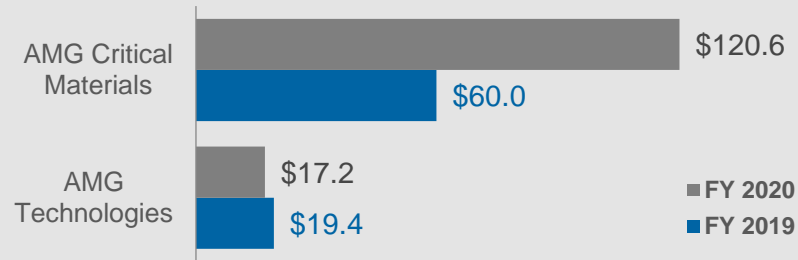
EBITDA

FY 2020 \$66.8 MILLION
 FY 2019 \$121.4 MILLION



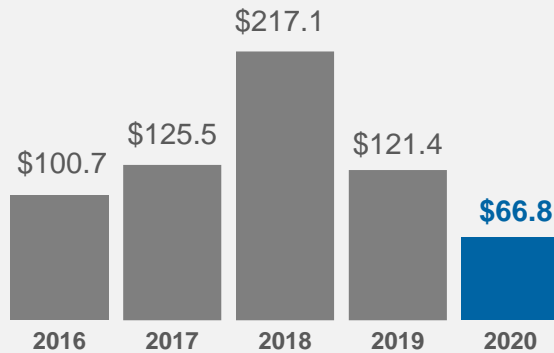
CAPITAL EXPENDITURE

FY 2020 \$137.7 MILLION
 FY 2019 \$79.4 MILLION

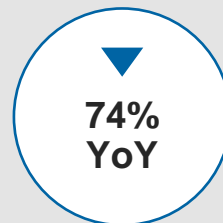
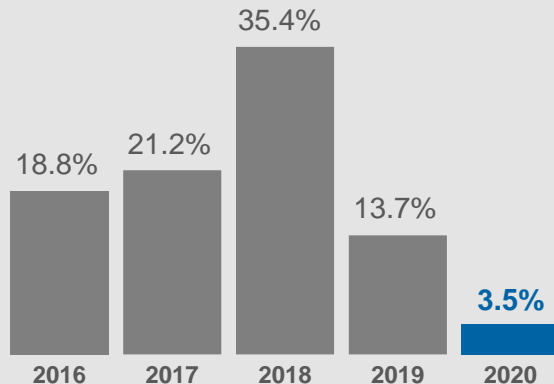


5-YEAR TREND: EBITDA & ROCE

EBITDA (IN MILLIONS OF US DOLLARS)



Annualized ROCE



- 2020 EBITDA is down 45% versus 2019 as a result of lower profitability due to the pandemic-related impacts to AMG's business
- Both market prices and demand for AMG's products strengthened in the second half of 2020, and have further accelerated in 2021
- 2020 annualized ROCE decreased to 3.5% from 13.7% in 2019 due to the challenging economic environment

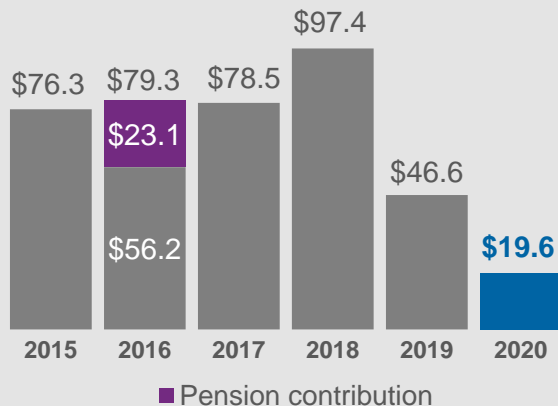
5-YEAR TREND: NET DEBT & OPERATING CASH FLOW

NET DEBT (CASH) (IN MILLIONS OF US DOLLARS)



Significant investment in growth initiatives during 2020, especially the vanadium expansion

OPERATING CASH FLOW (IN MILLIONS OF US DOLLARS)



58% YoY

- Net debt at year end: \$287.9 million
- AMG's primary debt facility is a \$650 million multicurrency term loan and revolving credit facility
 - \$350 million 7-year senior secured term loan B facility, a \$200 million 5-year senior secured revolving credit facility, and €85 million of bilateral letter of credit facilities to support AMG Engineering
 - In compliance with all debt covenants
- AMG generated cash from operating activities of \$19.6 million during 2020

Q1 2021 FINANCIAL HIGHLIGHTS

REVENUE: \$264M

- AMG Critical Materials Technologies provided 46% of the Company's revenue for the quarter, while AMG Critical Minerals and AMG Clean Energy Materials generated 28% and 27%, respectively.
- Revenue was down relative to the prior year mainly due to reduced aerospace activity and volume reductions in the Critical Materials Technologies segment.

EBITDA: \$28M

- The 27% EBITDA increase versus Q1 2020 was due to increased profitability, driven largely by higher sales volumes and higher sales prices in the Clean Energy Materials and Critical Minerals segments.

ROCE: 9.4%

- The increase in return on capital employed is driven by the increased profitability noted above.

Q1 2021 FINANCIAL HIGHLIGHTS

AMG CLEAN ENERGY MATERIALS

- Revenue: \$70.6 million
- Adjusted gross profit: \$13.4 million
- 3% decrease in SG&A versus Q1 2020

AMG CRITICAL MINERALS

- Revenue: \$72.9 million
- Adjusted gross profit: \$13.1 million
- 32% increase in EBITDA versus Q1 2020

AMG CRITICAL MATERIALS TECHNOLOGIES

- Revenue: \$120.4 million
- Adjusted gross profit: \$20.6 million
- Book to bill ratio: 1.03

MARCH 31, 2021 FINANCIAL POSITION

- Cash: \$211.1 million
- Net debt: \$317.2 million
- Total liquidity: \$380.9 million

OPERATIONAL UPDATE 2020 – CURRENT

AMG Group

- In March 2020, we initiated an intensive program of liquidity maintenance. This program included cuts to variable compensation, professional fees, and other ancillary expenses that resulted in a reduction of our SG&A cost of \$26 million versus 2019 levels. It also included extensive operational changes which resulted in a cost savings program of \$18 million across our global operations base.
- Management made the choice to sacrifice profitability by reducing production, reducing inventories, harvesting cash via lower working capital levels, and limiting all nonessential capital projects. The net result of this multipronged effort was that despite poor profitability, AMG ended the year with the same high level of liquidity with which it started.
- AMG was promoted from the Euronext's AScX® (small cap) index to their AMX® (mid cap) index, effective March 22, 2021.
- In April 2021, AMG issued 3.1 million new shares, generating \$118 million of net proceeds and increasing current liquidity to approximately \$500 million. With this equity raise, in combination with cash on hand and strong projected cash flow from operations, AMG believes it can fully fund its current strategic Clean Energy Materials projects while maintaining strong balance sheet and liquidity positions.

OPERATIONAL UPDATE 2020 – CURRENT

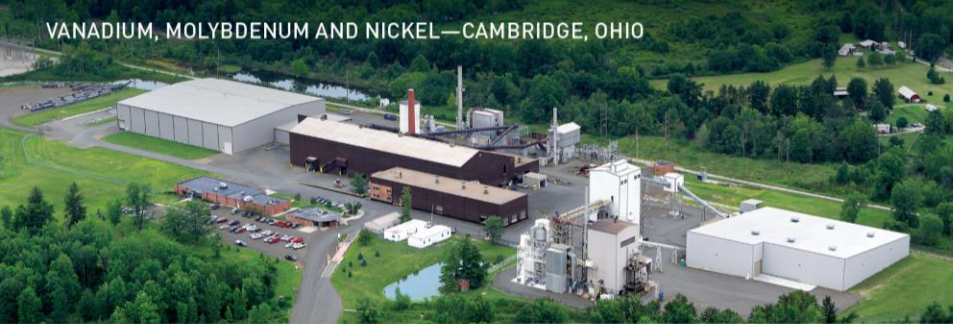
AMG Clean Energy Materials

- AMG Lithium GmbH invested in a solid state battery (SSB) pilot plant to complement its state-of-the-art battery materials laboratory located in Frankfurt, Germany.
- AMG Vanadium signed a new long-term, multi-year agreement in Q1 2021 to process and recycle spent catalysts from a major oil refinery operator in North America.
- AMG Brazil entered into an Exclusive Cooperation Agreement (“ECA”) with one of its major customers for lithium concentrates. The ECA provides for AMG Brazil to supply 200,000 DMT over a 5-year supply term, which will be obtained from an expansion (targeting 40,000 DMT per annum) of AMG Brazil’s existing lithium concentrate plant. The ECA includes an Advanced Payment for lithium concentrate which will fund AMG Brazil’s investment in the expansion.
- AMG Aluminum’s Henderson, Kentucky Plant completed over 6 years without a Lost Time Incident. As a result of this achievement, the Henderson plant and all its employees have received the Governor’s Safety Award from Governor Andy Beshear and the Kentucky Labor Cabinet.

OPERATIONAL UPDATE 2020 – CURRENT

AMG Critical Materials Technologies

- AMG formed AMG Chrome US LLC (“US Chrome”). US Chrome will manufacture chrome metal products in New Castle, PA, and will be the only producer of chrome metal in the United States.
- AMG Engineering’s order intake in 2020 exceeded \$200 million for the year due to significant orders in market segments outside aerospace, including strong orders from specialty steel producers.
- AMG Engineering’s Heat Treatment Services business experienced higher demand at the end of 2020 as a result of the rapidly recovering automotive sector.



V₂O₅



LI PROCESSING, AMG BRAZIL



TANTALUM, NIOBIUM, AND HAFNIUM



PLUTONIUM

This announcement appears as a matter of record.



AMG's LAW:

“Everything that can be recycled will be recycled.”

AMG ADVANCED METALLURGICAL GROUP N.V.
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NIOBIUM



LITHIUM TAILINGS



TITANIUM



CHROMIUM