

# CRITICAL MATERIALS FOR A SUSTAINABLE PLANET

Investor Presentation | Third Quarter 2023



AMG CRITICAL MATERIALS N.V.

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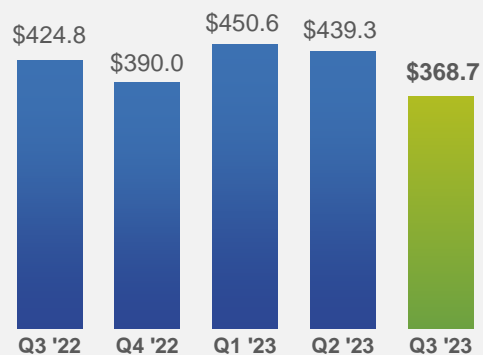
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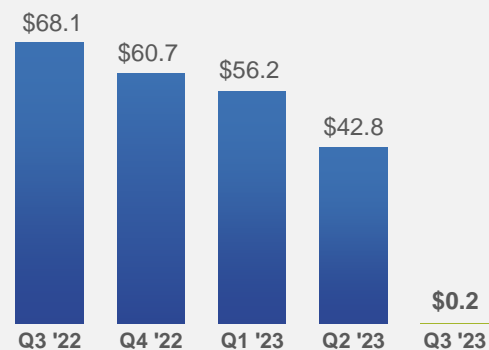


# FINANCIAL HIGHLIGHTS

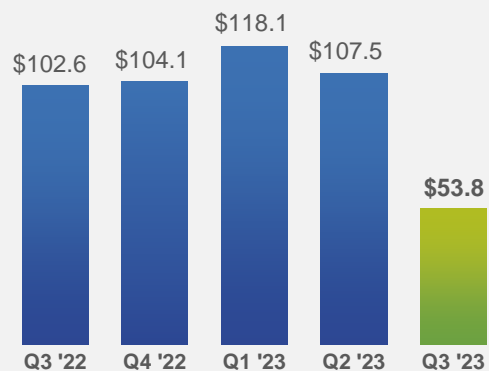
## REVENUE (IN MILLIONS OF US DOLLARS)



## NET INCOME ATTRIBUTABLE TO SHAREHOLDERS (IN MILLIONS OF US DOLLARS)



## EBITDA (IN MILLIONS OF US DOLLARS)

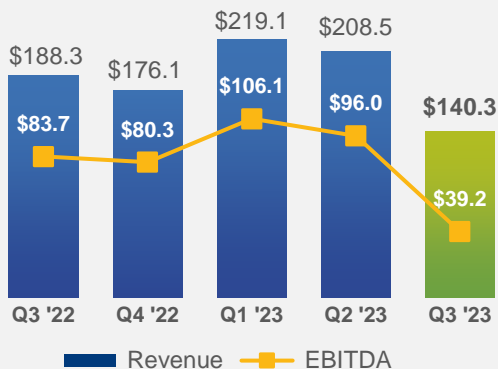


## EARNINGS PER SHARE – FULLY DILUTED



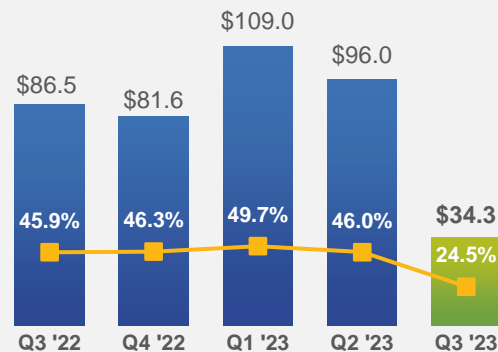
# AMG CLEAN ENERGY MATERIALS FINANCIAL HIGHLIGHTS

## REVENUE & EBITDA (IN MILLIONS OF US DOLLARS)



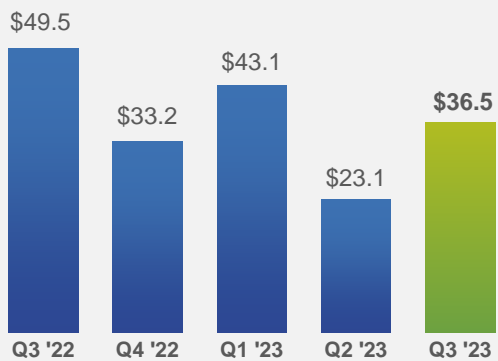
Revenue decreased 25% vs. Q3 '22

## GROSS PROFIT (IN MILLIONS OF US DOLLARS)



Gross profit decreased \$52 million vs. Q3 '22

## CAPITAL EXPENDITURES (IN MILLIONS OF US DOLLARS)



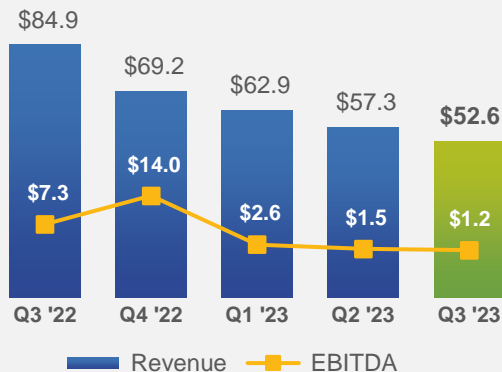
26% YoY

## KEY HIGHLIGHTS

- Revenue decreased 25% million versus Q3 2022, to \$140 million, driven mainly by decreased prices in lithium and vanadium as well as lower volumes in lithium concentrate, partially offset by increased volumes in vanadium
- SG&A expenses in Q3 2023 were higher than in Q3 2022, mainly driven by the increase in headcount related to the lithium and vanadium expansion projects, as well as higher employee benefit costs
- In Q3 2023, AMG sold 16,012 dry metric tons ("dmt") of lithium concentrates, with an average realized sales price of \$2,395/dmt CIF China and an average cost per ton of \$529/dmt CIF China

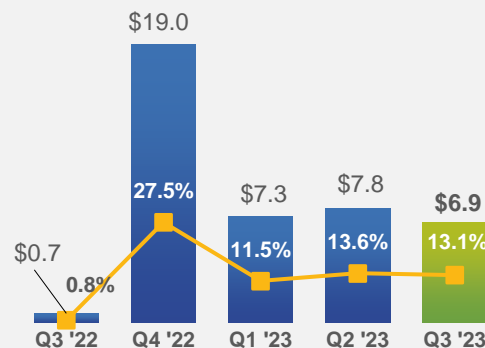
# AMG CRITICAL MINERALS FINANCIAL HIGHLIGHTS

## REVENUE & EBITDA (IN MILLIONS OF US DOLLARS)



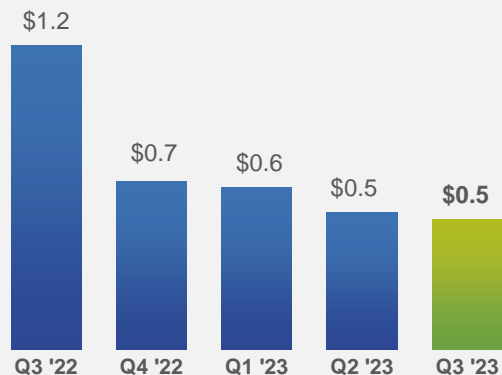
Revenue decreased vs. Q3 '22 largely due to lower volumes

## GROSS PROFIT (IN MILLIONS OF US DOLLARS)



Gross profit was \$6 million higher vs. Q3 '22 due to the high energy costs in the prior period

## CAPITAL EXPENDITURES (IN MILLIONS OF US DOLLARS)



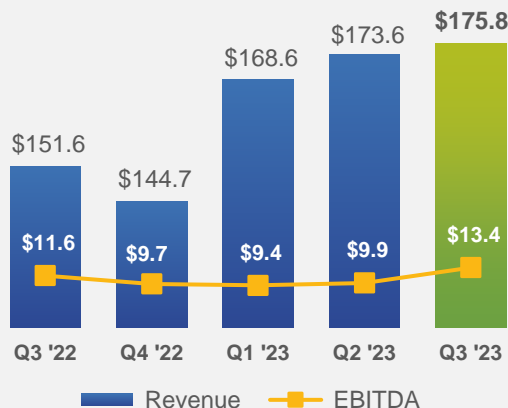
\$0.7M YoY

## KEY HIGHLIGHTS

- Revenue decreased by 38% in Q3 2023, to \$53 million, mainly due to lower volumes across the segment largely driven by the silicon metal plant operating one furnace during the quarter
- SG&A expenses in Q3 2023 were in line with Q3 2022
- EBITDA in Q3 2023 decreased by \$6 million compared to Q3 2022, due to the silicon shutdown as well as the slowdown in the end-use markets for the segment in the current quarter
- AMG Silicon operated one of four furnaces throughout the third quarter and plans to operate one furnace for the remainder of 2023

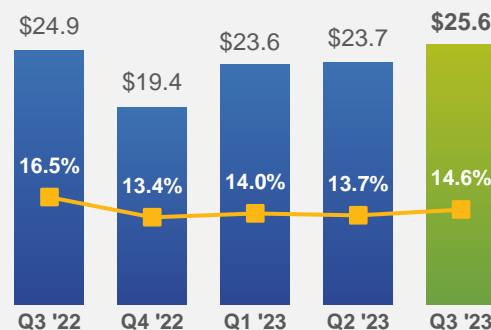
# AMG CRITICAL MATERIALS TECHNOLOGIES FINANCIAL HIGHLIGHTS

## REVENUE & EBITDA (IN MILLIONS OF US DOLLARS)



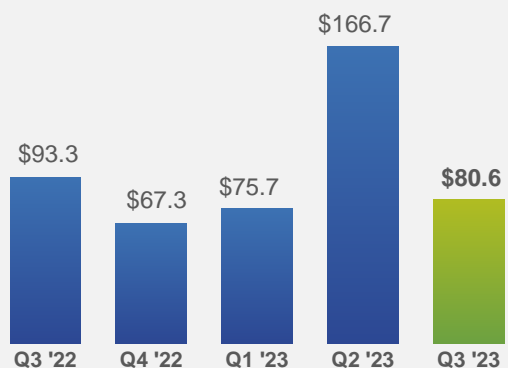
EBITDA increased 15% vs. Q3 '22

## GROSS PROFIT (IN MILLIONS OF US DOLLARS)



Q3 '23 gross profit increased by \$0.6 million vs. Q3 '22

## ORDER INTAKE (IN MILLIONS OF US DOLLARS)



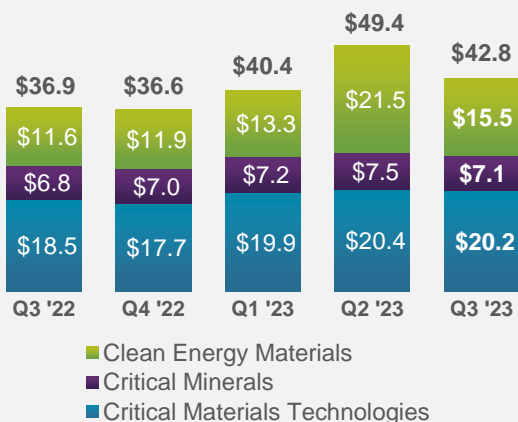
Book to bill ratio of 1.02x in Q3 '23

## KEY HIGHLIGHTS

- Q3 2023 revenue increased by \$24 million vs. Q3 2022, driven by strong revenues in our engineering unit, as well as higher sales volumes of titanium alloys and chrome metal, partially offset by lower chrome metal pricing
- EBITDA was \$13 million in Q3 2023 vs. \$12 million in Q3 2022; this increase was primarily due to higher profitability in Engineering and Titanium, partially offset by lower chrome margins driven by continued sequential decline in chrome price in Q3 2023
- The Company signed \$81 million in new orders during Q3 2023, representing a 1.02x book to bill ratio, driven by strong orders of remelting and heat treatment furnaces
- Order backlog was \$341 million as of September 30, 2023, the highest in AMG's history

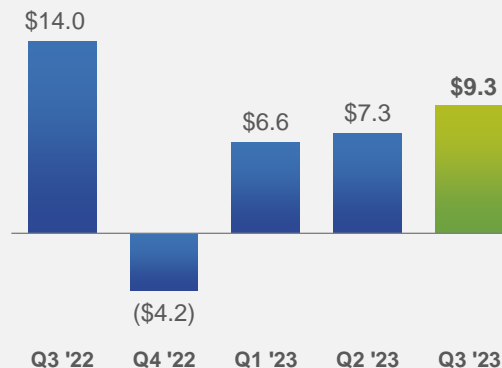
# KEY CORPORATE INCOME STATEMENT ITEMS

## SG&A EXPENSES (IN MILLIONS OF US DOLLARS)



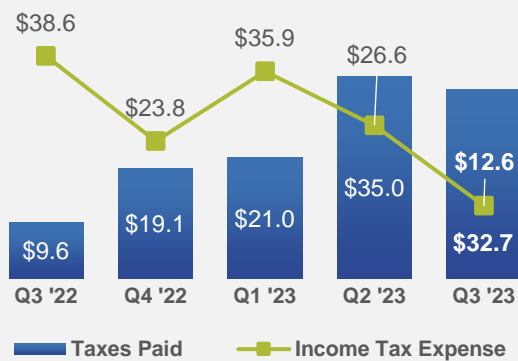
SG&A increased 16% vs. Q3 '22

## NET FINANCE COSTS (INCOME) (IN MILLIONS OF US DOLLARS)



Variance driven by foreign exchange gains and higher interest income earned in Q3 '23

## TAXES (IN MILLIONS OF US DOLLARS)



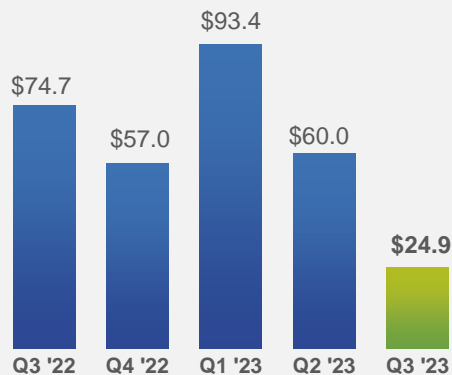
Income tax expense variance vs. Q3 '22 due to lower profitability in the current quarter

## KEY HIGHLIGHTS

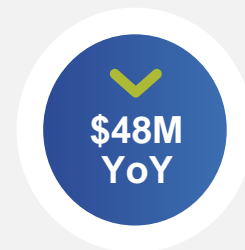
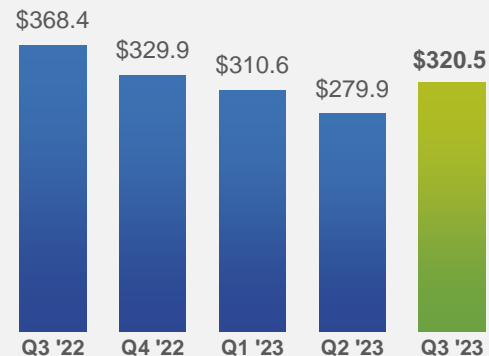
- SG&A expenses were \$43 million in Q3 2023 compared to \$37 million in Q3 2022, with the increase attributable to higher personnel costs driven by increased hiring in our Lithium, Engineering, and LIVA businesses
- AMG's net finance cost in Q3 2023 was \$9 million vs. \$14 million in Q3 2022; this decrease was mainly driven by foreign exchange gains of \$3 million in Q3 '23 primarily due to non-cash intergroup balances and higher interest income earned on an increased cash balance in Q3 2023 compared to the prior period
- AMG recorded an income tax expense of \$13 million in Q3 2023, compared to \$39 million in Q3 2022; this variance was mainly driven by lower profitability in the current quarter

# CASH FLOW AND WORKING CAPITAL

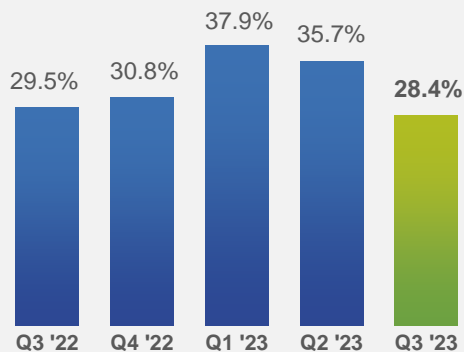
## OPERATING CASH FLOW (IN MILLIONS OF US DOLLARS)



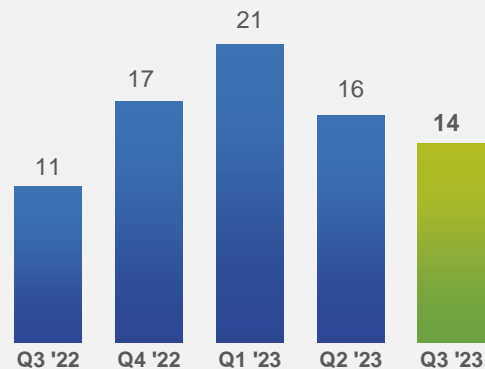
## NET DEBT (IN MILLIONS OF US DOLLARS)



## ANNUALIZED ROCE



## WORKING CAPITAL DAYS





# APPENDIX



# AMG PROVIDES CRITICAL MATERIALS AND RELATED PROCESS TECHNOLOGIES TO ADVANCE A LESS CARBON-INTENSIVE WORLD

## A GLOBAL IMPERATIVE FOR THE 21<sup>ST</sup> CENTURY

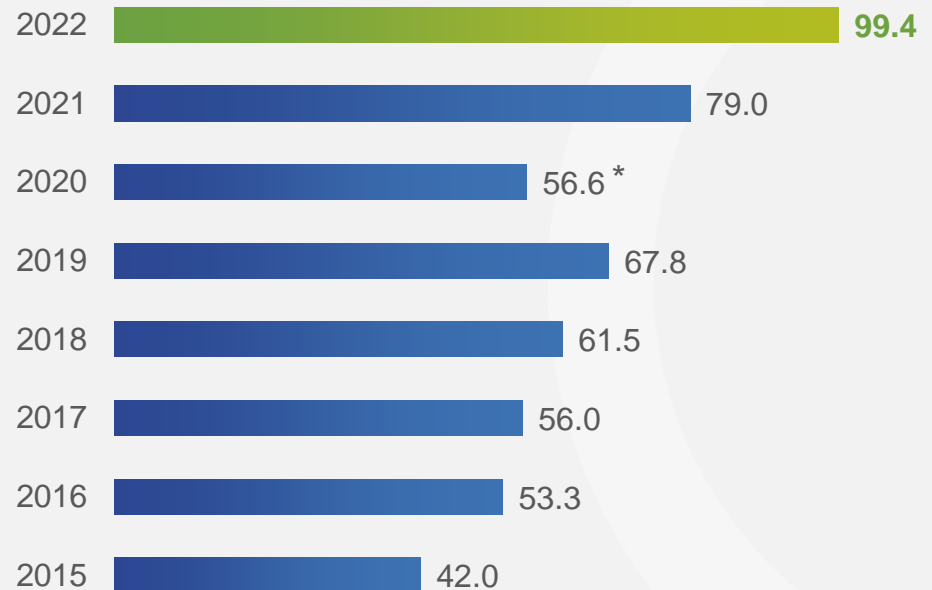
### AMG: ENABLING TECHNOLOGIES

Products and processes saving CO<sub>2</sub> emissions during use (e.g., light-weighting and fuel efficiency in the aerospace and automotive industries)

### AMG: MITIGATING TECHNOLOGIES

Products and processes saving raw minerals, energy and CO<sub>2</sub> emissions during manufacturing (e.g., recycling of ferrovandium)

## AMG'S ENABLED CO<sub>2</sub> EMISSION REDUCTIONS (Million MT)



\* 2020 decrease due to the global pandemic significantly impacting volumes in our aerospace exposed businesses

# QUARTERLY REVENUE DRIVERS

## CLEAN ENERGY MATERIALS

SEGMENT RESULTS			KEY DRIVERS	
	<u>Q3 2023</u>	<u>Q3 2022</u>	Price	Volume
Revenue	\$140.3	\$188.3	▼	▲
Gross Profit	\$34.3	\$86.5	▼	▲

## CRITICAL MINERALS

SEGMENT RESULTS			KEY DRIVERS	
	<u>Q3 2023</u>	<u>Q3 2022</u>	Price	Volume
Revenue	\$52.6	\$84.9	↔	▼
Gross Profit	\$6.9	\$0.7	▼	▼

## CRITICAL MATERIALS TECHNOLOGIES

SEGMENT RESULTS			KEY DRIVERS	
	<u>Q3 2023</u>	<u>Q3 2022</u>	Price	Volume
Revenue	\$175.8	\$151.6	▼	▲
Gross Profit	\$25.6	\$24.9	↔	▲

Engineering Book to Bill ▼\*

\* AMG Engineering variance arrow represents total change in book to bill, not volume or price

## CRITICAL MATERIALS — AVERAGE QUARTERLY MARKET PRICES

MATERIALS	Q3 2022	Q3 2023	NOV 1, 2023 SPOT	Q3 '23 VS. Q3 '22 % CHANGE	SPOT VS. Q3 '23 % CHANGE
Ferrovandium (\$/lb) <i>CRU</i>	\$23.07	\$16.31	\$14.65	(29%)	(10%)
Molybdenum (\$/lb) <i>S&amp;P Global Platts</i>	\$16.23	\$23.79	\$17.88	47%	(25%)
Nickel (\$/MT) <i>Fastmarkets</i>	\$22,053	\$20,334	\$17,813	(8%)	(12%)
Chrome Metal (\$/lb) <i>CRU</i>	\$7.68	\$5.28	\$5.35	(31%)	1%
Tantalum (\$/lb) <i>Argus Metals</i>	\$112.84	\$73.23	\$75.00	(35%)	2%
Spodumene (\$/MT) <i>Asian Metal</i>	\$4,885	\$3,374	\$2,010	(31%)	(40%)
Lithium Carbonate (\$/MT) <i>Asian Metal</i>	\$70,994	\$33,367	\$22,353	(53%)	(33%)
Lithium Hydroxide (\$/MT) <i>Fastmarkets</i>	\$73,167	\$34,833	\$24,750	(52%)	(29%)
Antimony (\$/MT) <i>Fastmarkets</i>	\$13,259	\$11,863	\$11,575	(11%)	(2%)
Graphite (\$/MT) <i>Benchmark Minerals</i>	\$1,173	\$1,048	\$1,028	(11%)	(2%)
Silicon Metal (€/MT) <i>CRU</i>	€4,309	€2,346	€2,250	(46%)	(4%)

# CRITICAL MATERIALS — FULL YEAR AND CURRENT SPOT PRICES

MATERIALS	AVG 2021	AVG 2022	NOV 1, 2023 SPOT	AVG '22 VS. AVG '21 % CHANGE	SPOT VS. AVG '22 % CHANGE
Ferrovandium (\$/lb) <i>CRU</i>	\$15.81	\$23.89	\$14.65	51%	(39%)
Molybdenum (\$/lb) <i>S&amp;P Global Platts</i>	\$15.98	\$18.91	\$17.88	18%	(5%)
Nickel (\$/MT) <i>Fastmarkets</i>	\$18,500	\$25,993	\$17,813	41%	(31%)
Chrome Metal (\$/lb) <i>CRU</i>	\$4.37	\$7.13	\$5.35	63%	(25%)
Tantalum (\$/lb) <i>Argus Metals</i>	\$76.01	\$99.17	\$75.00	30%	(24%)
Spodumene (\$/MT) <i>Asian Metal</i>	\$971	\$4,386	\$2,010	352%	(54%)
Lithium Carbonate (\$/MT) <i>Asian Metal</i>	\$18,882	\$72,457	\$22,353	284%	(69%)
Lithium Hydroxide (\$/MT) <i>Fastmarkets</i>	\$16,560	\$68,000	\$24,750	311%	(64%)
Antimony (\$/MT) <i>Fastmarkets</i>	\$11,752	\$13,367	\$11,575	14%	(13%)
Graphite (\$/MT) <i>Benchmark Minerals</i>	\$1,030	\$1,185	\$1,028	15%	(13%)
Silicon Metal (€/MT) <i>CRU</i>	€3,825	€4,428	€2,250	16%	(49%)



# PROFIT FOR THE PERIOD TO ADJUSTED EBITDA RECONCILIATION

(000's USD)	Q3 2023	Q3 2022
Profit for the period	\$1,002	\$68,339
Income tax expense	12,565	38,603
Net finance cost	9,295	13,988
Equity-settled share-based payment transactions	1,392	1,386
Restructuring expense	2,745	11
Net contract settlements	—	(46,407)
Silicon's partial closure	(739)	—
Inventory cost adjustment	1,388	—
Asset impairment reversal	—	11,587
Strategic project expense <sup>(1)</sup>	11,196	3,282
Share of loss of associates	1,197	750
Others	184	(3)
<b>EBIT</b>	<b>40,225</b>	<b>91,536</b>
Depreciation and amortization	13,560	11,067
<b>EBITDA</b>	<b>53,785</b>	<b>102,603</b>

Notes:

- (1) The Company is in the initial development and ramp-up phases for several strategic expansion projects, including the joint venture with Shell, the LIVA Battery System, and the lithium expansion in Germany, which incurred project expenses during the quarter but are not yet operational. AMG is adjusting EBITDA for these exceptional charges



LITHIUM LAB



LITHIUM HYDROXIDE – BITTERFELD, GERMANY



LIVA BATTERY



LI PROCESSING, AMG BRAZIL



TITANIUM



PLUTONIUM



TANTALUM, NIOBIUM, AND HAFNIUM

This announcement appears as a matter of record.



AMG's LAW:

“Everything that  
can be recycled  
will be recycled.”

AMG Critical Materials N.V.

[amg-nv.com](http://amg-nv.com)



LITHIUM TAILINGS



ENGINEERING – HANAU, GERMANY



MELTSHOP – ZANESVILLE, OHIO



V<sub>2</sub>O<sub>5</sub>



VANADIUM, MOLYBDENUM AND NICKEL – CAMBRIDGE, OHIO



VANADIUM, MOLYBDENUM AND NICKEL – ZANESVILLE, OHIO