

AMG Advanced Metallurgical Group N.V.
Condensed Interim Consolidated Income Statement

For the quarter ended September 30

In thousands of US dollars

	2020 Unaudited	2019 Unaudited
Continuing operations		
Revenue	197,740	269,873
Cost of sales	176,891	244,966
Gross profit	20,849	24,907
Selling, general and administrative expenses	29,619	35,067
Environmental expense	-	491
Other income	(83)	(30)
Net other operating (income) expense	(83)	461
Operating loss	(8,687)	(10,621)
Finance income	(1,155)	(706)
Finance cost	5,651	6,565
Net finance cost	4,496	5,859
Share of loss of associates	(429)	-
Loss before income tax	(13,612)	(16,480)
Income tax expense	32	1,541
Loss for the period	(13,644)	(18,021)
Loss attributable to:		
Shareholders of the Company	(12,775)	(17,775)
Non-controlling interests	(869)	(246)
Loss for the period	(13,644)	(18,021)
Loss per share		
Basic loss per share	(0.45)	(0.60)
Diluted loss per share	(0.45)	(0.60)

AMG Advanced Metallurgical Group N.V.
Condensed Interim Consolidated Income Statement

For the nine months ended September 30

In thousands of US dollars

	2020	2019
	Unaudited	Unaudited
Continuing operations		
Revenue	683,640	920,008
Cost of sales	599,090	832,140
Gross profit	84,550	87,868
Selling, general and administrative expenses	91,715	106,242
Environmental expense	55	491
Other income	(169)	(155)
Net other operating (income) expense	(114)	336
Operating loss	(7,051)	(18,710)
Finance income	(2,446)	(3,066)
Finance cost	18,679	24,916
Net finance cost	16,233	21,850
Share of loss of associates	(429)	-
Loss before income tax	(23,713)	(40,560)
Income tax expense (benefit)	16,134	(6,057)
Loss for the period	(39,847)	(34,503)
Loss attributable to:		
Shareholders of the Company	(38,853)	(34,044)
Non-controlling interests	(994)	(459)
Loss for the period	(39,847)	(34,503)
Loss per share		
Loss earnings per share	(1.37)	(1.14)
Loss earnings per share	(1.37)	(1.14)

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

<i>In thousands of US dollars</i>	September 30, 2020 Unaudited	December 31, 2019
Assets		
Property, plant and equipment	500,736	429,993
Goodwill and other intangible assets	42,314	41,923
Derivative financial instruments	485	922
Other investments	22,914	23,565
Deferred tax assets	55,544	60,945
Restricted cash	241,145	309,581
Other assets	7,341	11,072
Total non-current assets	870,479	878,001
Inventories	167,198	204,152
Derivative financial instruments	2,396	2,693
Trade and other receivables	107,376	119,052
Other assets	44,400	33,860
Current tax assets	2,477	7,980
Cash and cash equivalents	206,080	226,218
Total current assets	529,927	593,955
Total assets	1,400,406	1,471,956

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

<i>In thousands of US dollars</i>	September 30, 2020 Unaudited	December 31, 2019
Equity		
Issued capital	831	831
Share premium	489,546	489,546
Treasury shares	(80,584)	(83,880)
Other reserves	(124,854)	(116,358)
Retained earnings (deficit)	(177,857)	(129,626)
Equity attributable to shareholders of the Company	107,082	160,513
Non-controlling interests	24,809	23,893
Total equity	131,891	184,406
Liabilities		
Loans and borrowings	671,799	669,497
Lease liabilities	44,511	46,490
Employee benefits	184,237	175,870
Provisions	14,641	28,984
Other liabilities	7,947	3,629
Derivative financial instruments	4,268	4,289
Deferred tax liabilities	7,330	4,300
Total non-current liabilities	934,733	933,059
Loans and borrowings	23,221	21,740
Lease liabilities	4,285	4,227
Short-term bank debt	7,500	7,500
Other liabilities	60,897	61,479
Trade and other payables	162,470	157,108
Derivative financial instruments	13,481	4,037
Advance payments	30,465	57,650
Current tax liability	6,568	18,299
Provisions	24,895	22,451
Total current liabilities	333,782	354,491
Total liabilities	1,268,515	1,287,550
Total equity and liabilities	1,400,406	1,471,956

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

For the nine months ended September 30

In thousands of US dollars

	2020 Unaudited	2019 Unaudited
Cash from (used in) operating activities		
Loss for the period	(39,847)	(34,503)
Adjustments to reconcile net loss to net cash flows:		
Non-cash:		
Income tax expense (benefit)	16,134	(6,057)
Depreciation and amortization	32,181	30,645
Asset impairments	98	5,522
Net finance cost	16,233	21,850
Loss (gain) on sale or disposal of property, plant and equipment	248	(96)
Equity-settled share-based payment transactions	5,956	4,092
Movement in provisions, pensions, and government grants	(7,468)	(5,630)
Working capital and deferred revenue adjustments	8,242	10,875
Cash generated from operating activities	31,777	26,698
Finance costs paid, net	(14,261)	(18,361)
Income tax paid	(9,255)	(17,281)
Net cash from (used in) operating activities	8,261	(8,944)
Cash used in investing activities		
Proceeds from sale of property, plant and equipment	48	305
Acquisition of property, plant and equipment and intangibles	(77,042)	(38,422)
Investments in associates and joint ventures	(1,000)	-
Change in restricted cash	68,436	(314,671)
Interest received on restricted cash	1,107	1,486
Capitalized borrowing cost	(15,134)	-
Other	25	-
Net cash used in investing activities	(23,560)	(351,302)

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

For the nine months ended September 30

In thousands of US dollars

	2020	2019
	Unaudited	Unaudited
Cash (used in) from financing activities		
Proceeds from issuance of debt	7,684	324,996
Payment of transaction costs related to the issuance of debt	-	(4,981)
Repayment of borrowings	(2,997)	(2,728)
Proceeds from issuance of common shares	-	3,100
Net repurchase of common shares	(638)	(89,881)
Dividends paid	(9,513)	(16,703)
Payment of lease liabilities	(3,308)	(2,876)
Contributions by non-controlling interests	557	-
Net cash (used in) from financing activities	(8,215)	210,927
Net decrease in cash and cash equivalents	(23,514)	(149,319)
Cash and cash equivalents at January 1	226,218	381,900
Effect of exchange rate fluctuations on cash held	3,376	(3,551)
Cash and cash equivalents at September 30	206,080	229,030