Financial Statements

Q4 2019

AFARAK

FINANCIAL STATEMENTS RELEASE 2019

		Q4/19	Q4/18	2019	2018
Revenue	EUR million	28.6	47.0	144.9	194.0
EBITDA	EUR million	-6.3	1.0	-23.8	-1.0
EBIT	EUR million	-15.4	-7.0	-63.2	-14.1
Earnings before taxes	EUR million	-14.7	-8.7	-60.6	-18.5
Profit	EUR million	-13.9	-11.1	-58.9	-18.6
Earnings per share	EUR	-0.06	-0.04	-0.23	-0.07
EBITDA margin	%	-22.1	2.1	-16.4	-0.5
EBIT margin	%	-53.8	-14.9	-43.6	-7.3
Earnings margin	%	-49.6	-18.5	-41.8	-9.6
Personnel (end of period)		905	942	905	942

QUARTER FOUR 2019 HIGHLIGHTS

- Revenue for the fourth quarter of 2019 decreased by 39.2% to EUR 28.6 (Q4/2018: 47.0) million on account of lower sales volumes and lower selling prices;
- Processed material sold decreased by 34.5%, to 16,914 (Q4/2018: 25,833) tonnes;
- Tonnage mined decreased by 28.8%, to 73,021 (Q4/2018: 102,562) tonnes due to the temporarily discontinued mining activity at the South African mines;
- The Group's EBITDA decreased to EUR -6.3 (Q4/2018: 1.0) million and the EBITDA margin at -22.1% (Q4/2018: 2.1%);
- EBIT was EUR -15.4 (Q4/2018: -7.0) million and the EBIT margin at -53.8% (Q4/2018: -14.9%);
- An impairment write-down on other long term assets related to Mogale business of EUR 7.4 (Q4/2018: 6.5) million;
- Profit for the period totalled EUR -13.9 (Q4/2018: -11.1) million;
- Cash flow from operations was EUR 4.4 (Q4/2018: 4.3) million. Net interest-bearing debt increased to EUR 54.7 (31 December 2018: 12.3) (30 September 2019: 52.7) million;
- Cash and cash equivalents at 31 December totalled EUR 5.4 (31 December 2018: 12.1) (30 September 2019: 8.8) million.

FULL YEAR 2020 HIGHLIGHTS

- Revenue for the year 2019 decreased by 25.3% on account of lower sales volumes and lower selling prices in both Speciality Alloys and FerroAlloys segment;
- Processed material sold decreased by 18.7%, to 81,802 (FY/2018: 100,567) tonnes;
- Tonnage mined decreased by 34.9%, to 357,557 (FY/2018: 549,411) tonnes due to the temporarily discontinued mining activity at the South African mines;
- Low margins in both segments and higher unabsorbed fixed overheads due to lower production caused EBITDA to decrease to EUR -23.8 (FY/2018: -1.0) million;
- An impairment write-down on goodwill and other long-term assets related to Mogale business of EUR 32.0 (FY/2018: 6.5) million;
- Profit for the full year 2019 decreased to EUR -58.9 (FY/2018: -18.6) million.

MARKET SENTIMENT FOR THE FIRST HALF 2020

The general expectation in the industry is that prices recover during 2020, however this could be impacted by a macro-economic incidence, such as the present corona virus epidemic which has already started disrupting production output in China and could extend to other parts of the world.

The Group has taken a conservative view for 2020 and is prepared for weak market conditions, though still expecting lower losses when compared to 2019.

CEO GUY KONSBRUCK

"During Q4 2019, the business conditions for the chrome industry further deteriorated, especially in South Africa, where energy cost and availability remained a huge challenge. As a result, lay-offs and production cuts were announced by many producers. Afarak was not an exception. Fortunately, it seems that the South African government has realised the emergency in the meantime, so that swift and concrete counter-measures could be kicked off very soon. Together with the industry players, many official bodies are elaborating plans on saving and reinvigorating the industrial activity.

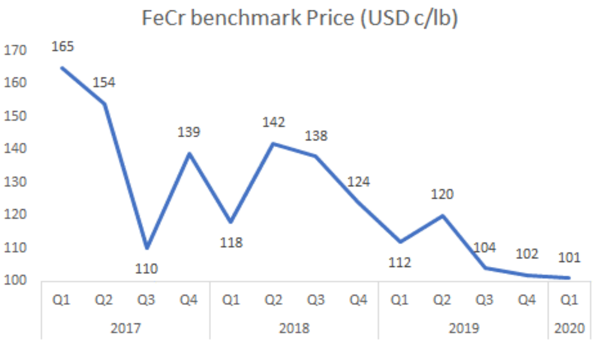
Our Specialty Alloys segment continued to perform in a satisfactory way, given the circumstances. Low Carbon ferrochrome prices have also been under pressure, and our efforts to right-size the production with the actual demand leads to a lower level of fixed cost absorption and ultimately higher cost of production. Nonetheless, the Speciality Alloys segment performance was good overall, which indicates stability and consistency within this segment.

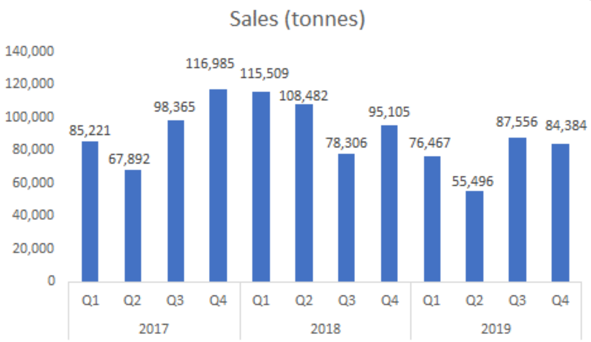
In 2019, Afarak gained full control in its South African mines. This resulted in a positive impact on the results in the second quarter.

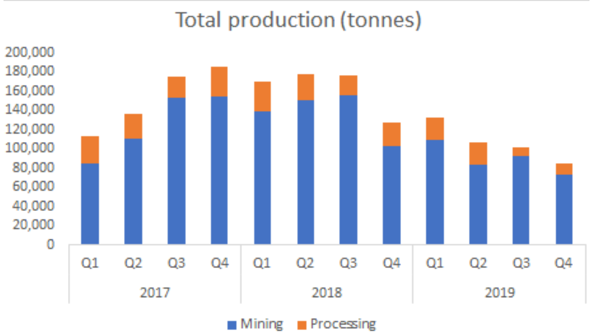
The main priorities for Afarak in 2020 are stability and consistency of operational and financial performance."

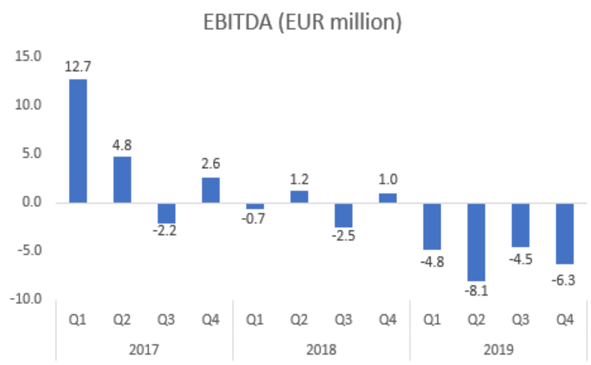
OVERVIEW OF RESULTS

This Interim Report is prepared in accordance with the IAS 34 standard and is unaudited. All the corresponding comparable figures of 2018 are presented in brackets, unless otherwise explicitly stated.









MARKET OVERVIEW

Cr ore and ferrochrome prices have been under sharp downward pressure in 2019, reflecting a weakening demand in China and an excessive production, the global ferrochrome production rose around 9%YoY in H1 2019. Reported Chinese ferrochrome production was running over 20% higher YoY up until July and falling prices led to cuts from loss making South African and Chinese supply. It is estimated that the global ferrochrome production was then cut by around 8%YoY in 2019.

Despite the higher ferrochrome production, chrome ore prices have weakened as South African exports have continued to grow (+6%YoY) and China's ferrochrome producers have drawn down 1Mt of port stocks over the past year. Ore prices have fallen faster in $US terms than Rand terms and serious production cuts did not materialise.

European Ferrochrome benchmark prices were cut by 16c/lb, in the third quarter, to $1.04/lb reflecting lower China prices, and were then cut by a further 2c/lb for fourth quarter deliveries. These are the lowest EBM levels experienced since the end of 2009. Most likely, this is the low point of the cycle. Expected production cuts will probably succeed in stabilizing prices during 2020.

In the medium term, the price for ore needs to hold at levels that will allow sufficient new supply in South Africa which, in turn, largely depends on the ZAR-USD exchange rate. Incremental units from South Africa will become more expensive to produce, suggesting that a price above $200/t CFR China is still likely over the medium term.

Q4 2019 COMPARED TO Q4 2018

The Group revenue dropped during the quarter by 39.2% to EUR 28.6 (47.0) million as a result of lower selling prices and lower sales volumes in both Speciality Alloys and FerroAlloys segment. The Group production also decreased by 32.7% mainly due to not being in full operation as opposed to same period last year. Such factors had a negative impact on EBITDA which declined to EUR -6.3 (1.0) million. Results were also negatively impacted by an impairment write-down on other long term assets related to Mogale business of EUR 7.4 (6.5) million. Financial income and expenditure during the quarter were EUR 0.6 (-1.7) million.

2019 COMPARED TO 2018

The Group revenue for the year decreased significantly by 25.3%. The adverse selling prices and the higher unabsorbed costs as a result of lower production during 2019 led to a drop in EBITDA to EUR -23.8 (-1.0) million. Results were also negatively impacted by an impairment write-down on goodwill and other long-term assets related to Mogale business of EUR 32.0 (6.5) million. Financial income and expenditure during the quarter were EUR -4.5 (-4.4) million.

DISTRIBUTION PROPOSAL

The Board of Directors proposes to the Annual General Meeting which will be held on 26 May 2020 that no distribution would be paid in 2019.

SEGMENT PERFORMANCE

SPECIALITY ALLOYS BUSINESS

The Speciality Alloys business consists of Türk Maadin Şirketi A.S ("TMS"), the mining and beneficiation operation in Turkey, and Elektrowerk Weisweiler GmbH ("EWW"), the chromite concentrate processing plant in Germany. TMS supplies EWW with high quality chromite concentrate which produces speciality products including specialised low carbon and ultra-low carbon ferrochrome. Chrome ore from TMS that is not utilised for the production of specialised low carbon ferrochrome is sold to the market.

Speciality Alloys key figures

		Q4/19	Q4/18	2019	2018
Revenue	EUR million	15.3	23.6	82.5	96.1
EBITDA	EUR million	0.2	4.0	6.8	12.6
EBIT	EUR million	-0.3	3.8	4.5	10.8
EBITDA margin	%	1.4	17.1	8.3	13.1
EBIT margin	%	-1.9	16.0	5.4	11.2
Sales	Tonnes	5,078	7,130	26,609	29,467
Total production	Tonnes	25,535	23,867	100,765	95,388
Mining	Tonnes	20,929	16,425	75,251	64,461
Processing	Tonnes	4,606	7,442	25,515	30,927
Personnel		534	526	534	526

PERFORMANCE COMPARED TO QUARTER FOUR 2018

- Revenue for the fourth quarter decreased by 35.2%, to EUR 15.3 (23.6) million driven by the contraction in sales volumes of processed material and lower selling prices of low carbon ferrochrome during the quarter;
- Mining activity at TMS increased significantly when compared to same period last year. This was partly offset by the decrease in the production of processed material, were there was an earlier shutdown to manage inventory level;
- EBITDA retracted to EUR 0.2 (4.0) million, this was mainly driven by decrease in selling prices, as well as the higher unabsorbed fixed overheads in the quarter.

PERFORMANCE COMPARED TO FULL YEAR 2018/2019

- The unfavourable low carbon ferrochrome selling prices, together with lower sales volumes throughout 2019 resulted in a decrease in revenue for the full year by 14.2%, to EUR 82.5 (96.1) million;
- The mining activity at both Turkish mines increased significantly during the year when compared to prior year;
- The lower Ferrochrome production to manage inventory levels and to address lower demand, has led to additional unabsorbed costs of EUR 2.1 million in 2019;
- The above factors negatively impacted profitability during 2019, which caused EBITDA to decrease to EUR 6.8 (12.6).

FERROALLOYS BUSINESS

The FerroAlloys business consists of the processing plant Mogale Alloys ("Mogale"), Vlakpoort mine, Stellite mine, Mecklenburg mine and Zeerust mine in South Africa. The business produces chrome ore, charge chrome and medium carbon ferrochrome for sale to global markets.

FerroAlloys key figures

		Q4/19	Q4/18	2019	2018
Revenue	EUR million	13.1	23.2	61.8	97.0
EBITDA	EUR million	-5.5	-1.8	-23.6	-8.1
EBIT	EUR million	-13.7	-9.5	-60.3	-19.3
EBITDA margin	%	-41.5	-7.7	-38.2	-8.4
EBIT margin	%	-104.6	-40.7	-97.6	-19.9
Sales	Tonnes	11,836	18,703	55,193	71,100
Total production	Tonnes	59,979	103,127	326,008	556,142
Mining	Tonnes	52,092	86,137	282,306	484,949
Processing	Tonnes	7,887	16,990	43,702	71,193
Personnel		307	324	307	324

PERFORMANCE COMPARED TO QUARTER FOUR 2018

- Revenue for the fourth quarter decreased to EUR 13.1 (23.2) million due to substantially lower sales volumes and significantly lower benchmark price;
- Lower mining activity at Stellite mine and no mining activity at Mecklenburg mine during the fourth quarter of 2019;
- Production of processed material decreased significantly mainly due to furnace P2 and P3 being switched off during the quarter, which led to a 53.6% contraction in production tonnages;
- Results were negatively affected by higher unabsorbed fixed overheads;
- These factors hard-hit EBITDA which decreased further to EUR -5.5 (-1.8) million;
- Results were also negatively impacted by an impairment write-down on long term assets related to Mogale business of EUR 7.4 (6.5) million.

PERFORMANCE COMPARED TO FULL YEAR 2018/2019

- The adverse ferrochrome benchmark prices in 2019 and the contraction in sales volumes caused revenue to decline by 36.3%, to EUR 61.8 (97.0) million;
- During the second half of 2019, the processing plants at Mogale were not in full operation, as both furnaces P2 and P3 were switched off and an extended maintenance was carried out at furnace P1 for replacement of the roof;
- Such factors, together with market conditions, unsustainable energy costs and disruptive availability, higher unabsorbed costs due to lower production continued to negatively affect EBITDA where it decreased to EUR -23.6 (-8.1) million;
- Results during the year were negatively impacted by impairment write-down on goodwill and other long term assets related to Mogale business of EUR 32.0 (6.5) million, and inventory theft at Mogale EUR 2.1 million.

UNALLOCATED ITEMS

For the fourth quarter of 2019, the EBITDA from unallocated items was EUR -1.1 (-1.3) million. EBITDA included EUR -0.1 (-0.2) million, relating to net operating expenditure incurred by the Group in Magnohrom.

The full year EBITDA from unallocated items was EUR -7.0 (-5.5) million. The increase is mainly due to provision of EUR 1.5 million was accounted for a penalty payment imposed by FIN-FSA relating to a delay in opening an insider register and additional legal and professional fees incurred amounting to EUR 0.5 million higher than last year mainly due to the repurchase of own shares. EBITDA included EUR -0.9 (-0.6) million, relating to net operating expenditure incurred by the Group in Magnohrom.

BALANCE SHEET, CASH FLOW AND FINANCING

The Group's total assets on 31 December 2019 stood at EUR 223.6 (259.9) (30 September 2019: 242.7) million and net assets totalled EUR 74.5 (150.9) (30 September 2019: 93.3) million. During the quarter, the translation differences on conversion of foreign denominated subsidiaries decreased by EUR 3.0 (1.5) million. The Group's cash and cash equivalents, as at 31 December 2019, totalled EUR 5.4 (12.1) million (30 September 2019: 8.7). Operating cash flow in the fourth quarter was positive, standing at EUR 4.4 (4.3) million, this was achieved by management initiatives to continue reduce inventory during the quarter.

The equity ratio stood at 33.3% (58.3%) (30 September 2019: 38.4%). Afarak's gearing at the end of the fourth quarter increased to 74.0% (8.2%) (30 September 2019: 56.5%), driven by the increase in the interest-bearing debt to EUR 60.1 (24.4) (30 September 2019: 61.4) million.

On 31st July 2019, the Company completed the public tender offer of purchasing own shares. As a result of completing the offer equity of the Company decreased by EUR 26.4 million.

Major changes in Balance sheet during the year related to changes resulting from the impairment test reviews of South African minerals processing; a prepayment of USD 30.0 million in relation to an off-take agreement for chrome ore; and the acquisition of Synergy Africa.

INVESTMENTS, ACQUISITIONS AND DIVESTMENTS

Capital expenditure for the fourth quarter of 2019 totalled EUR 0.8 (1.8) million. Capital Expenditure was mainly incurred to sustain Group operations.

Capital expenditure for the full year of 2019 totalled EUR 5.0 (7.7) million, with the major part being in the Speciality Alloys segment, were TMS continued investing in the new fines tailing plant at Kavak mine, EWW refurbishment of the furnace feeding system and minor investments in the South African operational mines.

Afarak acquired 49% balance of Synergy Africa Ltd previously a joint venture. Afarak now holds 100% of Synergy Africa Ltd and the Joint Venture agreement was terminated. Afarak acquired full control over its mining assets and is now consolidating Synergy Africa as a subsidiary as from 1st April 2019.

The preliminary purchase price allocation of the acquisition is presented below. The figures on the table represent the 100% of the assets and liabilities of Synergy Africa which is consolidated into Afarak Group's financial statements.

EUR million	Book value	Fair Value adjustments	Fair Value
Non-current assets	7.6	69.7	77.3
Net working capital	-5.5	0.0	-5.5
Deferred tax	0.0	-19.5	-19.5
Provision	-6.8	0.0	-6.8
Loans	-37.2	0.0	-37.2
Non-controlling interest	3.0	-11.4	-8.4
Net Assets	**-38.8**	**38.8**	**0.0**
Cost of acquisition	0.0		
Net assets acquired	0.0		
Cash flow effect			
Cash consideration paid	0.0		
Cash acquired	0.7		
Net cash	**0.7**		

Intercompany Loans are now eliminated and external loans are now consolidated.

Fair valuation of former Synergy Africa joint venture resulted in a EUR 7.1 million accounting gain.

During the second quarter of 2019 Afarak acquired a further 23% of the shares in Zeerust Chrome Mine, in exchange for total consideration of two million shares in Afarak Group Plc. Afarak now holds 74% interest in the company.

IMPAIRMENT TESTING

With the prolonged negative trends affecting the South African FerroAlloys market, Afarak Group has updated the impairment test on long-term assets for the South African minerals processing business being Mogale Alloys as a cash generating unit.

During the fourth quarter of 2019 an impairment of EUR 7.4 million was recognised.

EUR million	**Q4/19**
Long-term assets and liabilities, net	21.2
Carrying amount	21.2
Recoverable amount	13.8
Impairment	7.4

The pre-tax discount rates applied in the impairment testing was of 19.2%.

Goodwill was fully impaired in Q2 2019, resulting in zero value in 2019.

Key background and assumptions used in the cash flow forecasts of the impairment testing process are summarised in the following table:

Cash generating unit	Sales volume	Sales prices	Costs
South African minerals processing	Metal alloys: 28,000 t in 2020 75,000 t/a as from 2021 Assumption made: P1 will operate throughout the period; P2 and P3 will start to operate as from 2021; P4 will not be operating during the period	Forecast based on Roskill nominal prices average adjusted for Rand devaluation For 2020 it was assumed that the Benchmark price will remain at the same level of 2019 benchmark price, that is $1.08/lb	Raw material costs generally change in line with sales price; Electricity cost was assumed to be higher than inflation, while other costs growing at inflation rate

Moreover, the USD/ZAR foreign exchange rate affects significantly the testing of the South African minerals business. The foreign exchange rate used in the test was 15.34 for the year 2020.

The Speciality Alloys segment and the other mining assets in South Africa were tested for impairment, however there are no indication of impairment.

GOING CONCERN

The company is prepared for a longer period of subdued markets. We have cut maximum cost in the loss-making assets in South Africa and will do all that is necessary to achieve a break-even point. We have reduced headcount in both Stellite and Mogale. We have temporarily discontinued operations in the mines Mecklenburg, Zeerust and partially in Stellite. In Mogale only one furnace is currently operating. Market participants expect a higher benchmark in the foreseeable future. If this would not materialize, the company will assess the possibility of discontinuing charge chrome production temporarily.

The Specialty Alloys segment performance should generate adequate cash flows for the next 18 months to get us through the weak markets. We enjoy a much greater flexibility in this segment, when it comes to right-sizing production output and matching it with market requirements.

We are in the process of restructuring a short-term commercial debt into a longer-term arrangement and securing further short-term facilities.

The recent developments with the Corona-Virus epidemic could create further damage that cannot be forecasted at this moment. The company is presently doing all efforts to manage the situation.

PERSONNEL

At the end of the fourth quarter 2019, Afarak had 905 (942) employees. The average number of employees during the fourth quarter of 2019 was 1,022 (932).

PLEDGES AND CONTINGENT LIABILTIES

On 31 December 2019, the Group had loans from financial institutions totalling EUR 15.0 (16.7) million. The Group has provided real estate mortgages and other assets as collateral, and corporate guarantees for a combined total carrying value of EUR 25.3 (23.6) million.

SUSTAINABILITY

The health and safety of our employees across business units continues to be our key central focus. No fatalities were recorded during the quarter under review.

Despite the operational changes during the last year needed to adjust to the weak and variable market conditions, the local management at Mogale has managed to keep health and safety level and it has led to tangible improvements as no injuries were reported during the fourth quarter.

We continued our efforts with local communities including the subvention of funds to support local projects and infrastructural development. Our aim remains to improve the daily lives of the communities where our investments resides. Our community relationship team continues with its mission to invest directly in such communities.

The TMS management has continued to focus on improving health and safety practices in their mines in Turkey and has succeeded to implement the previous year's expansion in terms of employees and assets. Our investments in the plants in Turkey in terms of water conservation and management, have increased our ability to improve the protection of the environment.

SHARES & SHAREHOLDERS

On 31 December 2019, the registered number of Afarak Group Plc shares was 252,041,814 (263,040,695) and the share capital was EUR 23,642,049.60 (23,642,049.60).

On 31 December 2019, the Company had 13,677,599 (2,854,161) own shares in treasury, which was equivalent to 5.43% (1.09%) of the issued shares. The total number of shares outstanding, excluding the treasury shares held by the Company on 31 December 2019, was 238,364,215 (260,186,534).

At the beginning of the period under review as at September 2019, the Company's share price was EUR 0.64 on NASDAQ Helsinki and GBP 0.58 on the London Stock Exchange. At the end of the review period as at December 2019, the share price was EUR 0.53 and GBP 0.38 respectively. During the fourth quarter of 2019, the Company's share price on NASDAQ Helsinki ranged from EUR 0.40 to 0.67 per share and the market capitalisation, as at 31 December 2019, was EUR 133.83 (1 January 2019: 191.0) million. For the same period on the London Stock Exchange, the share ranged from GBP 0.38 to 0.58 per share and the market capitalisation was GBP 94.52 (1 January 2019: 190.7) million, as at 31 December 2019.

Based on the resolution at the AGM on 25 Jun 2019, the Board is authorised to buy-back up to a maximum of 15,000,000 of its own shares. The authorisation replaces all previous authorisations and it is valid for 18 months from the decision at the Annual General Meeting.

The board resolved on 29 May 2019, based on authorisation granted by the EGM held on 12 November 2018, that the Company repurchases 26 million of its own shares at a price of EUR 1.015 by means of voluntary public tender offer made to all shareholders. On 31 July 2019, the Company completed the public tender offer of purchasing own shares amounting to 25,998,881 shares. Such shares were then cancelled by Afarak on 8 August 2019. On 26 August 2019, the Company announced an issue of 15,000,000 new shares.

As at 31 December 2019, the Company had 2,238,343 shares pending to be transferred to the subscribers, which related to the acquisition of additional ownership in South African mining assets.

RISKS & UNCERTAINTIES

Afarak´s financial performance is dependent on the general market conditions of the mining, smelting and minerals processing business. Global stainless-steel demand also carries direct influence on the company. In particular, the chrome ore prices as well as the benchmark settlements have been extremely volatile in the past. This situation is likely to continue going forward.

Changes in foreign exchange rates, if adverse, could have a negative impact on the Group's profitability, in particular changes in US Dollar/South African Rand. To better manage its foreign exchange US Dollar/South African Rand exposure, the Group constantly evaluates its current and potential exposures and the need to enter into forward contract arrangements. The Group continuously assesses its working capital to minimise the time during which the Group is exposed to exchange movements and to ensure that it has sufficient funds to meet its liabilities.

Afarak's processing operations in Germany and South Africa are intensive users of energy, primarily electricity. Fuel and energy prices globally have been characterised by volatility and cost inflation. In South Africa the majority of the electricity supply, price and availability are controlled by one entity, Eskom. Increased electricity prices and/or reduced, or uncertain electricity supply, or allocation have had a negative impact on Afarak's current operations. If this situation is not remedied quickly, it could lead to a discontinuation of our smelting activity in South Africa.

CORPORATE GOVERNANCE

ANNUAL GENERAL MEETING

The Company's Annual General Meeting ("AGM') was held on 25 June 2019. The AGM adopted the financial statements and the consolidated financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial period 2018.

The AGM resolved that no dividend would be paid for 2018.

The AGM resolved that all Board members shall be paid EUR 3,500 per month, and will receive additional Eur 1,500 for the committee work. Chairman of the Audit and Risk Management Committee shall receive in addition EUR 500 a month while chairman of the board will receive additional Eur 2,000 a month. Those members of the Board of Directors that are executives of the Company are not entitled to receive any remuneration for Board membership or Board Committee work. Board Members shall be compensated for travel and accommodation expenses as well as other costs directly related to Board and Committee work in accordance with the company's travel rules.

The AGM resolved that the Board of Directors would comprise of five members: Dr Jelena Manojlovic, Mr Barry Rourke, Mr Thorstein Abrahamsen and Mr Guy Konsbruck were re-elected and Yolanda Bolleurs was elected as a new Board member.

The AGM resolved that authorised public accountant firm Ernst & Young Oy is re-elected as the Auditor of the Company for the year 2019.

The AGM resolved to authorize the Board of Directors to issue shares and stock options and other special rights that entitle to shares in one or more tranches up to a maximum of 25,000,000 new shares or shares owned by the Company. The authorisation replaces all previous authorisations and is valid for two (2) years from the decision of the AGM.

The AGM decided to direct a share issuance without payment to the company itself. The share issuance consists of 15,000,000 new shares. The new shares will be registered into the Trade Register without undue delay after which the company will apply for the shares to be publicly traded on Nasdaq Helsinki Oy.

The AGM decided to change the company´s company form from a public limited company (Oyj) into a European company (SE) in accordance with the conversion plan signed by the Board of Directors of the company on 17 May 2019 and registered into the Trade Register on 22 May 2019.

The AGM authorised the Board of Directors to resolve upon acquiring a maximum of 15,000,000 of the Company's own shares. The authorisation replaces all previous authorisations and it is valid for 18 months from the decision of the Annual General Meeting.

BOARD OF DIRECTORS

On 25 June 2019, the Board of Directors would comprise of five (5) members: Dr Jelena Manojlovic (UK citizen), Mr Barry Rourke (UK citizen), Mr Thorstein Abrahamsen (Norwegian citizen) and Mr Guy Konsbruck (Luxembourg citizen) were re-elected and Yolanda Bolleurs (Dutch citizen) was elected as a new Board member.

Audit and Risk Management Committee
Yolanda Bolleurs (Chair) and Thorstein Abrahamsen
Nomination and Remuneration Committee
Dr Jelena Manojlovic (Chair) and Thorstein Abrahamsen
Safety, Health and Environment Committee
Thorstein Abrahamsen (Chair) and members of Management

Following the AGM, the Board of Directors held a meeting in which Barry Rourke was unanimously appointed as the Chairperson.

On 11 November 2019, Afarak announced that Mr Barry Rourke and Mrs Yolanda Bolleurs have submitted their resignations from the Board of Directors, furthermore Mr Thorstein Abrahamsen has been named Chairman of the Board of Directors and the whole Board took over the work of different Committees.

REPORTING

EVENTS DURING THE REVIEW PERIOD

On 11 January 2019, the Board of Directors announced that Melvin Grima was appointed as the Group's Chief Financial Officer.

On 12 January 2019, the Company announced that it had completed a share-based compensation to Guy Konsbruck as part of the CEO's contract.

On 20 February 2019, the Board of Directors issued a profit warning due to an impairment write-down of EUR 6.5 million on the goodwill of the Mogale business.

On 22 February 2019, the company published the financial statements release for 2018.

On 1 March 2019, the company was notified from the administration Court of Helsinki that made a decision related to FIN-FSA, that Mr Danko Koncar was obliged to make a tender on all shares of Afarak Group Plc.

On 28 March 2019, the board of directors announced an update on a buy-back shares of Afarak's own shares, after the EGM held on 12 November 2018.

On 29 March 2019, the board issued a notification correction on the announcement made on 28 March 2019 relating to some details.

On 29 March 2019, the company published the financial statements and Annual report for 2018.

On 1 April 2019, the company published the auditor's report for the annual financial statements for 2018.

On 3 April 2019, the board of directors announced that Afarak would acquire the 49% balance of Synergy Africa, after this transaction Afarak will hold 100% of Synergy Africa Ltd and the Joint Venture agreement will be terminated.

On 5 April 2019, the company announced that Afarak group completed the transaction relating to Synergy Africa Ltd.

On 2 May 2019, the company received notification of manager's transaction relating to the disposal of shares.

On 14 May 2019, the company issued a profit warning that it expected to post a negative EBITDA in the broad region of EUR -5 million for the first quarter, due to weaker demand for stainless steel in China that resulted in low benchmark prices.

On 17 May 2019, the company published the Interim Reports results for the first quarter of 2019.

On 20 May 2019, the board of directors proposed the conversion of Afarak into a European company.

On 29 May 2019, Afarak Group Plc signs two agreements whereby it acquires additional ownership in certain African mining assets.

On 29 May 2019, the company announced that Afarak made agreements regarding its funding for repurchase of shares

On 29 May 2019, the board of directors announced that the company would repurchase its own shares by means of voluntary public tender offer made to all shareholder, together with terms and conditions for the offer.

On 29 May 2019, Afarak Group plc, invited shareholders to the Annual General Meeting to be held on 25 June 2019.

On 7 June 2019, the company published a statement that the Regional State Administrative Agency had requested a special audit on Afarak Group Plc administration and accounts for the year 2015 to 2018 in order to clarify the business and legal transactions conducted by Mr Danko Koncar.

On 12 June 2019, the company published production guidance & operational update on Ferro-Alloy segment.

On 13 June 2019, the company published that changes occurring in the production do not affect the buy-back or its financing.

On 14 June 2019, the company published a supplement to the offer document regarding the public tender offer for own shares.

On 17 June 2019, Afarak Group plc, receives decision from FIN_FSA relating to Danko Koncar.

On 18 June 2019, the company published supplement to the offer document regarding the public tender offer for own shares.

On 24 June 2019, Afarak Group plc gave specifications relating to the invitation of the annual general meeting.

On 28 June 2019, Afarak Group extended the offer period of the tender offer regarding the acquisition of Afarak's own shares.

On 28 June 2019, the company published supplement to the offer document regarding the public tender offer for own shares.

On 1 July 2019, the company announced changes in Afarak group plc treasury shares, of two directed share issues.

On 12 July 2019, Afarak Group extended the offer period of the tender offer regarding the acquisition of Afarak's own shares.

On 16 July 2019, Afarak Group plc, announced changes in important dates relating to the tender offer.

On 30 July 2019, the company published preliminary result of Afarak Group Plc's public offer for own shares.

On 31 July 2019, the company published the final result of Afarak Group Plc's public offer for own shares.

On 7 August 2019, Afarak announced that the Company's financial performance will be adversely impacted by the challenges faced at Mogale.

On 8 August 2019, Afarak announced that the Company cancelled 25,998,881 of its own shares as a result of the completion of a voluntary public tender for the Company's shares.

On 23 August 2019, the company published the Interim Reports results for the second quarter of 2019.

On 26 August 2019, the company announced changes regarding Afarak Group Plc's shares and treasury shares, where a total of 15,000,000 new treasury shares were issued.

On 23 September 2019, Afarak Group published a directed share issue from Afarak Group Plc, to certain South African suppliers.

On 24 September 2019, FIN-FSA imposed penalty payment of EUR 1.5 million on Afarak Group plc for failures related to timely opening of inside information and maintenance of insider register.

On 17 October 2019, Afarak Group postpone the disclosure of the Interm Report for Q3 2019 as a later date

On 23 October 2019, Afarak Group appeals the FIN-FSA decision to the Helsinki administrative court.

On 11 November 2019, Afarak announced that Mr Barry Rourke and Mrs Yolanda Bolleurs have submitted their resignations from the Board of Directors, furthermore Mr Thorstein Abrahamsen has been named Chairman of the Board of Directors.

On 28 November 2019, the company announced changes regarding Afarak Group Plc’s treasury shares, where a total of 1,324,895 treasury shares has been transferred to subscribers.

On 29 November 2019, the company published the Interim Reports results for the third quarter of 2019.

On 9 December 2019, the company informs its shareholders that two of its South African subsidiaries, Afarak Mogale (Pty) Ltd and Ilitha Mining (Pty) Ltd, have issued a notice in terms of section 189 of the labour relations in order to have the possibility to retrench personnel.

On 30 December 2019, the Company published the financial calendar for 2020.

EVENTS SINCE THE END OF THE REVIEW PERIOD

On 28 January 2020, the company announced changes regarding Afarak Group Plc’s treasury shares, where a total of 115,000 treasury shares has been transferred to subscribers.

On 30 January 2020, Afarak Group announced that it has received a notification of managers transactions in connection with pledging of Afarak shares.

On 26 February 2020, the company announced that EBITDA for the fourth quarter is weaker than expected.

FLAGGING NOTIFICATIONS

On 7 May 2019, Afarak received a flagging notification in accordance with Chapter 9, Section 5 of the Finnish Securities Markets Act from Atkey Ltd, a company incorporated and existing under the laws of Malta, regarding the shares of Afarak Group Oyj. In accordance with the flagging notification, Atkey Ltd has completed a sale of shares in Afarak Group and the transaction has resulted in Atkey decreasing its shareholding in the Company to under 25 per cent and becoming a 23.62% per cent holder of the shares and voting rights in Afarak.

On 7 August 2019, Afarak received from Joensuun Kauppa ja Kone Oy, Esa Hukkanen, Markku Kankaala, Kari Kakkonen, Timo Kankaala, Juhani Lemmetti, Antti Kivimaa, Juha Halttunen, AJ Elite Value Hedge and Veikko Karhulahti (together the “Flagging Notifies”) a flagging notification pursuant to Chapter 9, Section 5 and Section 6 of the Finnish Securities Markets Act, according to which the Flagging Notifiers aggregate portion of the Company’s shares and votes has gone below the threshold of 10 per cent. According to the notification the Flagging Notifies have agreed to use the voting rights of Afarak together in consensus.

According to the notification, the Flagging Notifies holds together 13,768,809 shares in Afarak, which corresponds to approximately 5.81 % of the shares and voting rights in Afarak as a result of the transaction that was executed on 2 August 2019 whereby Afarak purchased its own shares.

FINANCIAL INFORMATION

FINANCIAL TABLES

FINANCIAL DEVELOPMENT AND ASSETS AND LIABILITIES BY SEGMENT

FY 2019 12 months EUR '000	Speciality Alloys	Ferro Alloys	Unallocated items	Eliminations	Group total
Revenue	82,464	61,809	2,124	-1,479	144,918
EBITDA	6,846	-23,581	-7,020	0	-23,754
EBIT	4,478	-60,342	-7,290	0	-63,154
Segment's assets	166,670	115,023	17,409	-75,504	223,597
Segment's liabilities	82,786	107,856	33,403	-74,984	149,061

FY 2018 12 months EUR '000	Speciality Alloys	Ferro Alloys	Unallocated items	Eliminations	Group total
Revenue	96,148	97,046	3,318	-2,499	194,013
EBITDA	12,605	-8,114	-5,508	0	-1,017
EBIT	10,771	-19,323	-5,540	0	-14,092
Segment's assets	156,874	118,706	16,480	-33,446	258,614
Segment's liabilities	69,731	65,504	5,853	-33,322	107,766

RESULTS DEVELOPMENT

	Q4/17	**Q1/18**	**Q2/18**	**Q3/18**	**Q4/18**	**Q1/19**	**Q2/19**	**Q3/19**	**Q4/19**
Sales (tons)									
Mining	85,698	85,289	79,547	50,099	66,316	51,351	53,661	62,958	65,693
Processing	25,371	23,284	25,929	25,521	25,833	22,252	21,082	21,554	16,914
Trading	5,916	6,936	3,006	2,686	2,956	2,864	1,636	3,044	1,777
Total	**116,985**	**115,509**	**108,482**	**78,306**	**95,105**	**76,467**	**76,379**	**87,556**	**84,384**
Average rates *									
EUR/USD	1.177	1.229	1.192	1.163	1.141	1.136	1.124	1.111	1.1071
EUR/ZAR	16.096	14.710	15.072	16.363	16.295	15.921	16.168	16.299	16.3062
Euro (million)	**Q4/17**	**Q1/18**	**Q2/18**	**Q3/18**	**Q4/18**	**Q1/19**	**Q2/19**	**Q3/19**	**Q4/19**
Revenue	50.6	50.2	54.3	42.6	47.0	41.3	41.5	33.6	28.6
EBITDA	2.6	-0.7	1.2	-2.5	1.0	-4.8	-8.1	-4.5	-6.3
EBITDA margin	5.2%	-1.4%	2.2%	-5.9%	2.1%	-11.6%	-19. 6%	-13.5%	-22.1%
EBIT	1.2	-2.4	-0.4	-4.3	-7.0	-6.6	-31.1	-10.1	-15.4
EBIT margin	2.3%	-4.7%	-0.8%	-10.0%	-14.9%	-16.1%	-74.9%	-29.9%	-53.8%

* Average rates in the respective quarters

CONSOLIDATED INCOME STATEMENT, SUMMARY

EUR '000	**Q4/19**	**Q4/18**	**FY2019**	**FY2018**
Revenue	**28,575**	**47,008**	**144,918**	**194,013**
Other operating income	984	1,692	2,378	4,624
Operating expenses	-35,872	-46,821	-170,182	-196,961
Depreciation and amortisation	-1,634	-1,429	-7,449	-6,532
Impairment	-7,417	-6,543	-31,951	-6,543
Share of profit from joint ventures	0	-904	-868	-2,693
Operating profit/(loss)	**-15,364**	**-6,997**	**-63,154**	**-14,092**
Acquisition of Synergy Africa	0	0	7,069	0
Financial income and expense	630	-1,711	-4,497	-4,449
Profit/(loss) before tax	**-14,734**	**-8,708**	**-60,582**	**-18,541**
Income tax	790	-2,432	1,705	-42
Profit/(loss) for the period	**-13,944**	**-11,140**	**-58,877**	**-18,583**
Profit/(loss) attributable to:				
Owners of the parent	-13,709	-10,961	-57,576	-18,056
Non-controlling interests	-235	-179	-1,301	-527
Total	-13,944	-11,140	-58,877	-18,583
Earnings per share for profit/(loss) attributable to the shareholders of the parent company, EUR				
Basic earnings per share, EUR	-0.06	-0.04	-0.23	-0.07
Diluted earnings per share, EUR	-0.05	-0.04	-0.23	-0.07

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR ‘000	**Q4/19**	**Q4/18**	**FY2019**	**FY2018**
Profit/(loss) for the period	**-13,944**	**-11,140**	**-58,877**	**-18,583**
Other comprehensive income				
Remeasurement of defined benefit pension plans	-2,740	-577	-2,740	-577
Exchange differences on translating foreign operations – Group	-3,097	1,330	2,166	-2,208
Exchange differences on translating foreign operations – Associate and JV	0	183	0	-340
Other comprehensive income, net of tax	**-5,837**	**936**	**-574**	**-3,125**
Total comprehensive income for the period	**-19,781**	**-10,204**	**-59,451**	**-21,708**
Total comprehensive income attributable to:				
Owners of the parent	-19,496	-10,030	-58,123	-21,111
Non-controlling interests	-285	-174	-1,328	-597

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, SUMMARY

EUR '000	**31.12.2019**	**31.12.2018**
ASSETS		
Non-current assets		
Goodwill	45,414	56,245
Other intangible assets	7,010	13,475
Property, plant and equipment	110,798	44,984
Deferred tax asset	3,419	3,935
Other non-current assets	1,047	22,703
Non-current assets total	**167,688**	**141,342**
Current assets		
Inventories	29,964	56,965
Trade receivables	12,378	27,223
Other receivables	8,178	20,952
Cash and cash equivalents	5,389	12,132
Current assets total	**55,909**	**117,272**
Total assets	**223,597**	**258,614**
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	23,642	23,642
Share premium reserve	25,740	25,740
Paid-up unrestricted equity reserve	207,850	231,292
Legal Reserve	89	98
Translation reserves	-19,618	-21,811
Retained earnings	-170,397	-108,485
Equity attributable to owners of the parent	**67,306**	**150,476**
Non-controlling interests	**7,230**	**372**
Total equity	**74,536**	**150,848**
Liabilities		
Non-current liabilities		
Deferred tax liabilities	21,573	3,435
Provisions	19,052	8,876
Share of joint ventures' losses	0	16,871
Pension liabilities	22,475	20,106
Financial liabilities	20,958	4,783
Non-current liabilities total	**84,058**	**54,071**
Current liabilities		
Trade payables	12,538	20,512
Other current liabilities	52,465	33,183
Current liabilities total	**65,003**	**53,695**
Total liabilities	**149,061**	**107,766**
Total equity and liabilities	**223,597**	**258,614**

SUMMARY OF CASH, INTEREST-BEARING RECEIVABLES AND INTEREST-BEARING LIABILITIES

EUR '000	**31.12.2019**	**31.12.2018**
Cash and cash equivalents	**5,389**	**12,132**
Interest-bearing receivables		
Current	0	10,786
Non-current	372	19,198
Interest-bearing receivables	**372**	**29,984**
Interest-bearing liabilities		
Current	42,220	22,330
Non-current	17,884	2,103
Interest-bearing liabilities	**60,104**	**24,433**
NET TOTAL	**-54,343**	**17,683**

SUMMARY OF GROUP’S PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

EUR '000	**Property, plant and equipment**	**Intangible assets**
Acquisition cost 1.1.2019	82,556	213,169
Additions	4,510	459
Business combination	82,598	3,958
Right-of-use assets (IFRS 16)	458	0
Disposals	-490	-19
Reclass between items	262	0
Effect of movements in exchange rates	850	-12
Acquisition cost 31.12.2019	170,744	217,555
Acquisition cost 1.1.2018	84,219	220,845
Additions	9,348	442
Business combination	-2,262	-1
Disposals	602	398
Reclass between items	641	0
Effect of movements in exchange rates	-9,992	-8,515
Acquisition cost 31.12.2018	82,556	213,169

CONSOLIDATED STATEMENT OF CASH FLOWS, SUMMARY

EUR '000	**FY2019**	**FY2018**
Profit for the period	-58,877	-18,583
Adjustments to profit for the period	24,196	19,048
Changes in working capital	32,573	2,604
Net cash used in operating activities	**-2,108**	**3,069**
Acquisition of subsidiaries and associates, net	684	-1,003
Acquisition of non-controlling interest	-398	-457
Capital expenditure on non-current assets, net	-2,068	-7,497
Other investments, net	-193	141
Proceeds from repayments of loans and loans given	398	-1,139
Net cash used in investing activities	**-1,577**	**-9,955**
Acquisition of own shares	-26,389	0
Proceeds from borrowings	33,440	7,787
Repayment of borrowings, and other financing activities	-7,203	-6,327
Movement in short-term financing activities*	-3,088	6,518
Net cash used in financing activities	**-3,240**	**7,978**
Net increase/(decrease) in cash and cash equivalents	**-6,925**	**1,092**

*This includes bank overdrafts, factoring and other trade receivable facilities.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A = Share capital
B = Share premium reserve
C = Paid-up unrestricted equity reserve
D = Translation reserve
E = Retained earnings
F = Legal reserve
G = Equity attributable to owners of the parent, total
H = Non-controlling interests
I = Total equity

EUR '000	A	B	C	D	E	F	G	H	I
Equity at 31.12.2017	**23,642**	**25,740**	**230,835**	**-19,334**	**-89,618**	**131**	**171,396**	**969**	**172,365**
Profit/(loss) for the period 1-12/2017 + comprehensive income				-2,137	-18,056		-20,193	-527	-20,720
Share of OCI* in associates and JV				-340			-340		-340
Translation differences								-70	-70
Share-based payments			457		-234		223		223
Capital redemption									
Remeasurements of defined benefit pension plans					-577		-577		-577
Other changes in equity						-33	-33		-33
Equity at 31.12.2018	**23,642**	**25,740**	**231,292**	**-21,811**	**-108,485**	**98**	**150,476**	**372**	**150,848**
Profit/(loss) for the period 1-12/2019 + comprehensive income				2,193	-57,576		-55,383	-1,301	-56,684
Translation differences							0	-27	-27
Share-based payments			605				605		605
Share Issue			783				783		783
Acquisition of own shares			-26,389				-26,389		-26,389
Acquisition of non-controlling interest			1,559		-1,596		-37	8,186	8,149
Remeasurements of defined benefit pension plans					-2,740		-2,740		-2,740
Other changes in equity						-9	-9		-9
Equity at 31.12.2019	**23,642**	**25,740**	**207,850**	**-19,618**	**-170,397**	**89**	**67,306**	**7,230**	**74,536**

*Other comprehensive income

RELATED PARTY TRANSACTIONS DURING THE REVIEW PERIOD

EUR '000	**FY2019**	**FY2018**
Sales to joint ventures	122	1,190
Sales to other related parties	18	286
Purchases from joint ventures	-1,333	-18,411
Purchases from other related parties	0	-562
Financing income from joint ventures	115	964
Financing expense to other related parties	0	0
Loan receivables from joint ventures	0	26,269
Loan receivables from other related parties	0	3,508
Trade and other receivables from joint ventures	0	7,280
Trade and other receivables from other related parties	82	77
Loan payable from other related party	12,660	0
Trade and other payables to joint ventures	0	1,105

FINANCIAL INDICATORS

	FY2019	**FY2018**
Return on equity, % p.a.	-52.2%	-11.5%
Return on capital employed, % p.a.	-33.0%	-6.0%
Equity ratio, %	33.3%	58.3%
Gearing, %	74.0%	8.2%
Personnel at the end of the period	905	942

EXCHANGE RATES

The balance sheet date rate is based on exchange rate published by the European Central Bank for the closing date. The average exchange rate is calculated as an average of daily rates from the European Central Bank during the year.

The key exchange rates applied in the accounts:

Average rates

	FY2019	**FY2018**
TRY	6.3578	5.7077
USD	1.1195	1.1810
ZAR	16.1757	15.6186

Balance sheet rates

	31.12.2019	**31.12.2018**
TRY	6.6843	6.0588
USD	1.1234	1.1450
ZAR	15.7773	16.4594

FORMULAS FOR FINANCIAL INDICATORS

Financial ratios and indicators have been calculated with the same principles as applied in the 2018 financial statements. These principles are presented below.

Return on equity, % = Profit for the period / Total equity (average for the period) * 100

Return on capital employed, % = (Profit before taxes + financing expenses) / (Total assets - interest-free liabilities) average * 100

Equity ratio, % = Total equity / (Total assets - prepayments received) * 100

Gearing, % = (Interest-bearing debt - liquid funds) / Total equity * 100

Net interest-bearing debt = Interest-bearing debt - liquid funds

Earnings per share, basic, EUR = Profit attributable to owners of the parent company / Average number of shares during the period

Earnings per share, diluted, EUR = Profit attributable to owners of the parent company / Average number of shares during the period, diluted

Operating profit (EBIT) = Operating profit is the net of revenue plus other operating income, plus gain/loss on finished goods inventory change, minus employee benefits expense, minus depreciation, amortisation and impairment and minus other operating expense. Foreign exchange gains or losses are included in operating profit when generated from ordinary activities. Exchange gains or losses related to financing activities are recognised as financial income or expense.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) = Operating profit + depreciation + amortisation + impairment losses

ACCOUNTING POLICIES

This Interim Report is prepared in accordance with IAS 34 ‘Interim Financial Reporting’ and should be read in conjunction with Afarak’s financial statements for 2018. Afarak has applied the same accounting principles in the preparation of this Interim Report as in its financial statements for 2018, except for the adoption of new standards and interpretations that become effective in 2019. The changes did not have material impact on the Interim Report.

The Group has adopted new IFRS 16 standard using modified retrospective approach and the comparative information has not been restated. The reclassifications and adjustments arising from the new accounting rules have been recognised in the opening balance sheet on January 1, 2019.

The Group leases mainly consist of offices and motor vehicles. Rental contracts are typically made for fixed periods from two to three years but may have extension options. The Group continues to treat leases of 12 months or less and leases of low-value assets as other leases.

Until year 2018 leases of property, plant and equipment were classified as operating leases. Payments made under operating leases were recognized in the income statement on a straight-line basis over the period of the lease.

From January 1, 2019 according to the new IFRS 16 Leases, leases are recognised in the balance sheet as a right-of-use asset and a corresponding lease liability at the date at which the lease asset is available for the use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is recognised in the income statement over the lease period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The lease liabilities were discounted at the borrowing rate as at January 1, 2019. The weighted average discount rate was 3.5 %.

The change in accounting policy affected the following items in the balance sheet on January 1, 2019:

- right-of-use asset – increase by EUR 0.5 million
- non-current liabilities – increase by EUR 0.5 million

The recognized leases in the balance sheet as at December 31, 2019 and in the income statement for the year 2019 are as follows:

Impact on statement of financial position increase / (decrease) as at 31 Dec 2019

	EUR million
Assets	
Property, plant and equipment (right-of-use assets) NBV	0.5
Liabilities	
Lease liabilities	0.5
Net impact on equity	**-0**

Impact on Income statement increase / (decrease) for 31 Dec 2019

	EUR million
Depreciation expense (increased on cost of sales)	0.1
Operating lease expenses	-0.1
Operating profit	0
Finance costs	0.0
Profit for the year	0

The preparation of the Interim Report in accordance with IFRS requires management to make estimates and assumptions that affect the valuation of the reported assets and liabilities and other information, such as contingent liabilities and the recognition of income and expenses in the income statement. Although the estimates are based on the managements' best knowledge of current events and actions, actual results may differ from the estimates.

The figures in the tables have been rounded off, which must be considered when calculating totals. Average exchange rates for the period have been used for income statement conversions, and period-end exchange rates for balance sheet.

The Interim Report data is unaudited.

SHARE-RELATED KEY FIGURES

		Q4/19	Q4/18	FY2019	FY2018
Share price development in London Stock Exchange					
Average share price*	EUR	0.55	0.89	0.72	1.00
	GBP	0.48	0.78	0.63	0.89
Lowest share price*	EUR	0.43	0.82	0.43	0.82
	GBP	0.38	0.73	0.38	0.73
Highest share price*	EUR	0.66	0.88	0.88	1.05
	GBP	0.58	0.78	0.78	0.93
Share price at the end of the period**	EUR	0.44	0.81	0.44	0.81
	GBP	0.38	0.73	0.38	0.73
Market capitalisation at the end of the period**	EUR million	111.1	213.2	111.1	213.2
	GBP million	94.5	190.7	94.5	190.7
Share trading development					
Share turnover	thousand shares	147	1	249	28
Share turnover	EUR thousand	90	1	167	28
Share turnover	GBP thousand	79	0	146	25
Share turnover	%	0.0%	0.0%	0.1 %	0.0%
Share price development in NASDAQ Helsinki					
Average share price	EUR	0.50	0.82	0.90	0.94
Lowest share price	EUR	0.40	0.67	0.40	0.67
Highest share price	EUR	0.67	0.92	0.97	1.20
Share price at the end of the period	EUR	0.53	0.73	0.53	0.73
Market capitalisation at the end of the period	EUR million	133.8	191.0	133.8	191.0
Share trading development					
Share turnover	thousand shares	5,563	4,737	42,305	29,238
Share turnover	EUR thousand	2,790	3,863	37,961	27,594
Share turnover	%	2.0%	1.8%	16.8%	11.1%

* Share prices have been calculated on the average EUR/GBP exchange rate published by Bank of Finland.

** Share price and market capitalisation at the end of the period have been calculated on the EUR/GBP exchange rate published by Bank of Finland at the end of the period.

Formulas for share-related key indicators

Average share price = Total value of shares traded in currency / Number of shares traded during the period

Market capitalisation, million = Number of shares * Share price at the end of the period

FORWARD LOOKING STATEMENTS

This report contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. By their nature, forward-looking statements involve uncertainty because they depend on future circumstances, and relate to events, not all of which are within the Company's control or can be predicted by the Company.

Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Actual results could differ materially from those set out in the forward-looking statements. Save as required by law (including the Finnish Securities Markets Acts (746/2012), as amended, or by the Listing Rules or the Disclosure and Transparency Rules of the UK Financial Services Authority), the Company undertakes no obligation to update any forward-looking statements in this report that may occur due to any changes in the Directors' expectations or to reflect events or circumstances after the date of this report.