

Financial Statements

Q3 2019

TOUGH QUARTER FOR AFARAK

Bad market conditions, with the lowest benchmark price in 3 years and slow demand, resulted in a tough third quarter for Afarak with low sales volumes and weak revenues. Despite these difficult conditions, the Speciality Alloys segment performed well. The FerroAlloys segment remains challenging. The group is adapting to unfavourable South African business conditions with further cost cutting and capacity cut-backs.

Guy Konsbruck
CEO



A F A R A K

TOUGH QUARTER FOR AFARAK

Low market prices and slow demand cause further losses in the FerroAlloys segment while the Speciality Alloys segment performance was at the same level as last year.

| | | Q3/19 | Q3/18 | Q1-3/19 | Q1-3/18 | 2018 |
|---------------------------|-------------|-------|-------|---------|---------|-------|
| Revenue | EUR million | 33.6 | 42.6 | 116.3 | 147.0 | 194.0 |
| EBITDA | EUR million | -4.5 | -2.5 | -17.4 | -2.0 | -1.0 |
| EBIT | EUR million | -10.1 | -4.3 | -47.8 | -7.1 | -14.1 |
| Earnings before taxes | EUR million | -14.6 | -4.0 | -46.4 | -9.8 | -18.5 |
| Profit | EUR million | -16.3 | -2.8 | -45.5 | -7.4 | -18.6 |
| Earnings per share | EUR | -0.06 | -0.01 | -0.17 | -0.03 | -0.07 |
| EBITDA margin | % | -13.5 | -5.9 | -15.0 | -1.4 | -0.5 |
| EBIT margin | % | -29.9 | -10.0 | -41.1 | -4.8 | -7.3 |
| Earnings margin | % | -43.4 | -9.4 | -39.9 | -6.7 | -9.6 |
| Personnel (end of period) | | 1,011 | 942 | 1,011 | 942 | 942 |

QUARTER THREE 2019 HIGHLIGHTS

- Revenue for the third quarter of 2019 decreased by 21.1% to EUR 33.6 (Q3/2018: 42.6) million;
- Processed material sold decreased by 15.5%, to 21,554 (Q3/2018: 25,521) tonnes;
- Tonnage mined decreased by 40.6%, to 93,039 (Q3/2018: 156,518) tonnes;
- The Group's EBITDA was EUR -4.5 (Q3/2018: -2.5) million and the EBITDA margin was -13.5% (Q3/2018: -5.9%);
- EBIT was EUR -10.1 (Q3/2018: -4.3) million, with the EBIT margin at -29.9% (Q3/2018: -10.0%);
- Profit for the period totalled EUR -16.3 (Q3/2018: -2.8) million;
- Results negatively affected by a provision of EUR 1.5 million in relation to the FIN-FSA penalty payment ¹; higher cost of professional fees by EUR 0.5 million due to the repurchase of own shares; and an impairment write-down related to the Mogale business of EUR 4.5 million;
- Cash flow from operations stood at EUR 6.0 (Q3/2018: 2.3) million. Net interest-bearing debt increased to EUR 52.7 (30 September 2018: 9.9) (30 June 2019: 30.2) million;
- Cash and cash equivalents at 30 September totalled EUR 8.8 (30 September 2018: 5.8) (30 June 2019: 6.1) million.

QUARTER ONE TO QUARTER THREE 2019 HIGHLIGHTS

- Revenue in the Speciality Alloys segment decreased by 7.4%, to EUR 67.2 (Q1-Q3/2018: EUR 72.6) million;
- Revenue in the FerroAlloys segment decreased by 34.1%, to EUR 48.7 (Q1-Q3/2018: EUR 73.8) million;
- EBITDA in the Speciality Alloys segment was EUR 6.6 (Q1-Q3/2018: 8.6) million;
- EBITDA in the FerroAlloys segment was EUR -18.1 (Q1-Q3/2018: -6.3) million;
- Profit from quarter one to quarter three decreased to EUR -45.5 (Q1-Q3/2018: -7.4) million;
- Results negatively affected by a provision of EUR 1.5 million in relation to the FIN-FSA penalty payment; higher cost of professional fees by EUR 0.6 million due to the repurchase of own shares; and an impairment write-down related to the Mogale business of EUR 22.0 million.

¹ The Company is conducting an appeal against this fine

MARKET SENTIMENT FOR THE FOURTH QUARTER 2019

The market remains weak for the FerroAlloys segment as the charge chrome benchmark price, for quarter four dropped further from USD 104 c/lb in quarter three to USD 102 c/lb. Selling prices in the Speciality Alloys segment are expected to also be lower during the fourth quarter of 2019.

CEO GUY KONSBRUCK

“As previously anticipated the third quarter was another challenging quarter for Afarak.

The Speciality Alloys segment performed well during the quarter. The declining pricing environment constrained the financial performance, but by right-sizing of the production base, and improving our cost profile, the company succeeded to have a good performance, given the market circumstances.

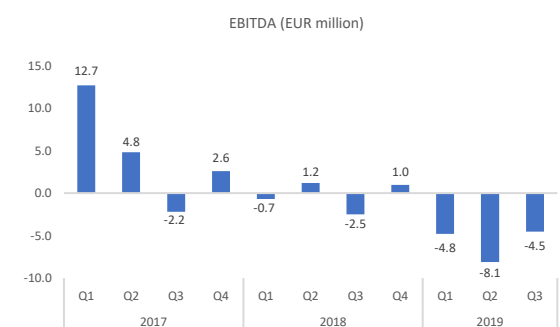
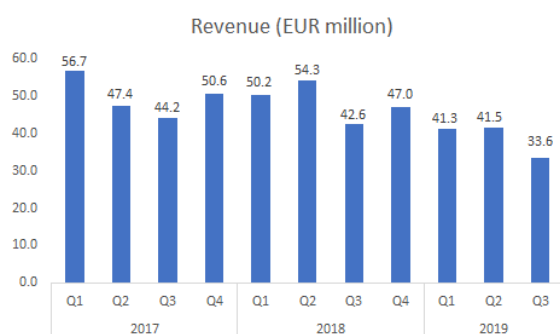
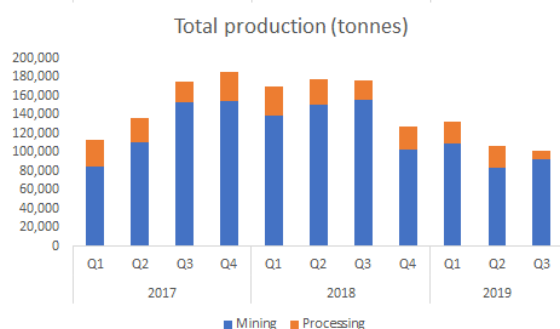
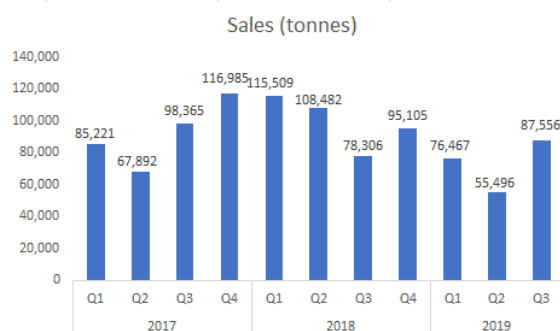
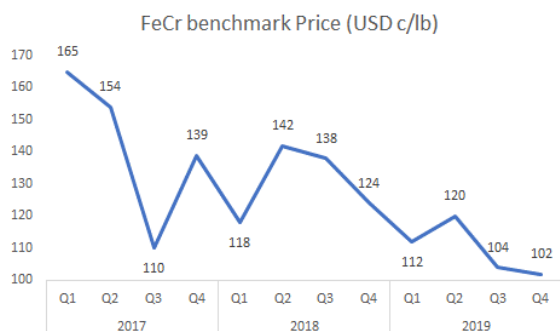
In the FerroAlloys segment, we adapted to an even worse slowdown in demand and declining pricing environment, by further reducing our output. Unfortunately, a generally negative short-term trend in the stainless steel industry, combined with over-supply situation of both chrome ore and ferrochrome has been delaying a possible turnaround. The company continues its focus on cost reduction and cash preservation throughout the group, during this soft market phase.

The long-term prospects for stainless steel and also the ferrochrome industry remain solid. All South African and other ferrochrome producers are today under serious pressure and many have already reacted, like Afarak, with production cutbacks, which eventually should lead to a resolution of the over-supply situation. The business environment in South Africa remains challenging and Afarak, together with other smelting and mining companies, continues to seek support from the government to reduce energy cost; improve energy availability; and provide protection from low-cost producers via duties on chrome ore exports. A quick improvement is not to be expected so far.

In our Serbian Magnesite Asset, we have completed the refurbishment of the ore beneficiation plant. The restart of the rotary kiln is delayed to the end of 2020, due to some unexpected technical setbacks.”

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

The benchmark level further decreased to USD 1.04/lb in Q3 2019 and even USD 1.02/lb in Q4 2019. Chrome Ore prices in China remain low and inventories are high. The market is expected to remain soft in the short to medium term.

Q3 2019 COMPARED TO Q3 2018

Afarak Group revenue decreased during the quarter by 21.1% to EUR 33.6 (42.6) million on account of lower selling prices in both Speciality Alloys and FerroAlloys segment and due to lower sales volumes in the FerroAlloys segment. The Group production volumes were significantly lower than the comparable quarter by 42.2%, which led to unabsorbed overheads negatively affecting profitability. Despite the seasonal shutdown and temporary shutdown of the plant at EWW, the Speciality Alloys segment improved its result with an EBITDA of EUR 2.5 (2.0) million, while the FerroAlloys segment EBITDA further decreased to EUR -4.1 (-3.0) million. Profitability was also negatively impacted by an impairment write-down on long term assets related to Mogale business of EUR 4.5 million and inventory theft at Mogale of EUR 0.9 million. During the quarter a provision of EUR 1.5 million was accounted for in relation to the penalty payment imposed by FIN-FSA for a delay in opening an insider register. Furthermore, legal and professional fees were EUR 0.5 million higher than same period last year mainly due to the repurchase of own shares, as well as to the other information requested from the regulatory bodies.

NINE MONTHS 2019 COMPARED TO NINE MONTHS 2018

The Group revenue reduced by 20.9% and EBITDA dropped to EUR -17.4 (-2.0) million during 2019, which is mainly driven by the FerroAlloys segment negative performance. The downward trend of ferrochrome benchmark prices together with the contraction of production and sales volumes of processed material impacted the results. Profitability during the year was negatively impacted by impairment write-down on goodwill and other long term assets related to Mogale business EUR 22.0 million, inventory theft at Mogale EUR 2.1 million, which was partly offset by the accounting gain on acquisition of Synergy Africa Ltd EUR 6.5 million. Furthermore, legal and professional fees were EUR 0.6 million higher than same period last year mainly due to the repurchase of own shares, as well as to the other information requested from the regulatory bodies.

SEGMENT PERFORMANCE

SPECIALITY ALLOYS BUSINESS

The Speciality Alloys business consists of Türk Maden 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

| | | Q3/19 | Q3/18 | Q1-3/19 | Q1-3/18 | 2018 |
|------------------|-------------|--------|--------|---------|---------|--------|
| Revenue | EUR million | 20.1 | 21.3 | 67.2 | 72.6 | 96.1 |
| EBITDA | EUR million | 2.5 | 2.0 | 6.6 | 8.6 | 12.6 |
| EBIT | EUR million | 1.8 | 1.3 | 4.8 | 7.0 | 10.8 |
| EBITDA margin | % | 12.4 | 9.3 | 9.9 | 11.8 | 13.1 |
| EBIT margin | % | 9.1 | 6.2 | 7.1 | 9.7 | 11.2 |
| Sales | Tonnes | 6,530 | 6,447 | 21,531 | 22,337 | 29,467 |
| Total production | Tonnes | 25,228 | 23,387 | 75,230 | 71,521 | 95,388 |
| Mining | Tonnes | 19,635 | 16,696 | 54,322 | 48,036 | 64,461 |
| Processing | Tonnes | 5,593 | 6,691 | 20,908 | 23,485 | 30,927 |
| Personnel | | 540 | 524 | 540 | 524 | 526 |

PERFORMANCE COMPARED TO QUARTER THREE 2018

- Revenue decreased by 5.6% in the third quarter of 2019, despite a marginal 1.3% increase in sales volumes of processed material, revenue was impacted by lower selling prices of low carbon ferrochrome;
- Profitability improved when compared to last year EBITDA to EUR 2.5 (2.0) million, this was mainly driven by the improved cost of production during the quarter;
- During the quarter additional shutdown efforts were made to manage inventory levels. Temporary shutdown caused higher unabsorbed fixed overheads in the quarter, such impact on profitability was mitigated by other cost reductions. A solid production and cash management adapted to the prevailing market demand led the segment to register positive results;
- Substantially higher mining activity than in the comparable period at both Turkish mines was registered;
- The planned maintenance shutdown in July 2019 together with an additional shutdown in the last week of September 2019, resulted in a lower production of processed material by 16.4%.

YEAR TO DATE PERFORMANCE COMPARED 2018/2019

- The downward trend of low carbon ferrochrome selling prices during the second quarter, which continued during the third quarter, together with lower sales volumes resulted in decrease in revenue of 7.4%;
- 2019 saw a substantially higher mining activity at both Turkish mines compared to the same period last year due to the investment in the new fine tailings plant at Kavak mine;
- Production of processed material decreased by 11.0% due to various temporary shutdowns during the year as opposed to same period of last year, in order to manage inventory levels;
- The above factors resulted in lower margins from Speciality Alloys material which led EBITDA to decrease to EUR 6.6 (8.6) million. However, it must be noted that this result is satisfactory in tough market conditions.

FERROALLOYS BUSINESS

The FerroAlloys business consists of the processing plant Mogale Alloys (“Mogale”), Vlakpoort mine, the 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

| | | Q3/19 | Q3/18 | Q1-3/19 | Q1-3/18 | 2018 |
|------------------|-------------|--------|---------|---------|---------|---------|
| Revenue | EUR million | 13.2 | 21.1 | 48.7 | 73.8 | 97.0 |
| EBITDA | EUR million | -4.1 | -3.0 | -18.1 | -6.3 | -8.1 |
| EBIT | EUR million | -8.9 | -4.2 | -46.6 | -9.9 | -19.3 |
| EBITDA margin | % | -31.0 | -14.4 | -37.2 | -8.6 | -8.4 |
| EBIT margin | % | -67.8 | -19.7 | -95.7 | -13.4 | -19.9 |
| Sales | Tonnes | 15,024 | 19,074 | 43,357 | 52,397 | 71,100 |
| Total production | Tonnes | 76,991 | 153,591 | 266,029 | 453,016 | 556,142 |
| Mining | Tonnes | 73,404 | 139,822 | 230,214 | 398,812 | 484,949 |
| Processing | Tonnes | 3,587 | 13,769 | 35,815 | 54,204 | 71,193 |
| Personnel | | 384 | 329 | 384 | 329 | 324 |

PERFORMANCE COMPARED TO QUARTER THREE 2018

- Revenue during the third quarter of 2019 dropped by 37.5% to EUR 13.2 (21.1) million, due to significantly lower benchmark and lower sales volumes;
- The mines in South Africa reported a loss during the quarter due to higher unabsorbed overheads as a result of no mining activity at Mecklenburg mine and significantly lower mining activity at Stellite mine;
- Production of processed material decreased significantly by 73.9% in the third quarter of 2019, as opposed to prior year, furnace P2 and P3 were switched off as from June 2019 and an extended maintenance at the furnace P1 for replacement of the roof;
- These factors hit EBITDA which further decreased to EUR -4.1 (-3.0) million;
- Increased electricity cost in South Africa put substantial pressure on our profitability;
- Profitability was also negatively impacted by an impairment write-down on long term assets related to Mogale business of EUR 4.5 million and inventory theft at Mogale of EUR 0.9 million.

YEAR TO DATE PERFORMANCE COMPARED 2018/2019

- Revenue during 2019 decreased by 34.1% to EUR 48.7 (73.8) million as a result of lower sales volumes and lower ferrochrome benchmark prices;
- Production decreased by 41.3%, to 266,029 (453,016) tonnes, when compared to same period last year due to lower mining activity, particularly at Mecklenburg mine with no mining activity (temporarily), as well as Mogale plant, where, unlike in the previous year, we are not in full operation;
- Market conditions together with higher unabsorbed cost due to lower production resulted in EBITDA of EUR -18.1 (-6.3) million;
- Profitability during the year was negatively impacted by impairment write-down on goodwill and other long term assets related to Mogale business EUR 22.0 million, inventory theft at Mogale EUR 2.1 million.

UNALLOCATED ITEMS

For the third quarter of 2019, the EBITDA from unallocated items was EUR -2.9 (-1.4) million. EBITDA included EUR -0.1 (-0.3) million, relating to net operating expenditure incurred by the Group in Magnohrom.

A 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. During the quarter the company also incurred additional legal and professional fees of EUR 0.5 million higher than same period last year mainly due to the repurchase of own shares, as well as to the other information requested from the regulatory bodies.

During 2019 to date, the EBITDA from unallocated items was EUR -6.0 (-4.2) million. Mainly driven by higher costs incurred during the third quarter of 2019.

BALANCE SHEET, CASH FLOW AND FINANCING

The Group's total assets on 30 September 2019 stood at EUR 242.7 (252.3) (30 June 2019: 253.3) million and net assets totalled EUR 93.3 (161.2) (30 June 2019: 131.6) million. During the quarter, the translation differences on conversion of foreign denominated subsidiaries improved by EUR 3.7 (-1.6) million. The Group's cash and cash equivalents, as at 30 September 2019, totalled EUR 8.7 (5.8) million (30 June 2019: 6.1). Operating cash flow in the third quarter was positive, standing at EUR 6.0 (2.3) million, this was achieved by management initiatives to reduce inventory during the quarter.

The equity ratio stood at 38.4% (63.9%) (30 June 2019: 51.9%). Afarak's gearing at the end of the third quarter increased to 56.5% (6.2%) (30 June 2019: 23.0%), driven by the increase in the interest-bearing debt to EUR 61.4 (15.8) (30 June 2019: 36.4) million.

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

Major changes in Balance sheet during the quarter relate to changes resulting from the updated impairment test review of South African minerals processing. Afarak has received a prepayment of USD 30.0 million in relation to an off-take agreement for chrome ore. Other major changes in Balance sheet relate to the acquisition of Synergy Africa and changes resulting from the impairment test review of South African minerals processing during the second quarter of 2019.

INVESTMENTS, ACQUISITIONS AND DIVESTMENTS

Capital expenditure for the third quarter of 2019 totalled EUR 1.9 (2.6) million. In the Speciality Alloys segment TMS continued the construction of the new fines tailing plant at Kavak mine and EWW refurbishment of the feeding system of Low Carbon Ferrochrome furnace. Minor investments were made in South African operational mines.

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 third quarter of 2019 an impairment of EUR 4.5 million was recognised, of which EUR 3.9 million was impairment and EUR 0.6 million was a reversal of the deferred tax asset related to purchase price allocation.

| | |
|---------------------------------------|--------------|
| EUR million | Q3/19 |
| Long-term assets and liabilities, net | <u>23.2</u> |
| Carrying amount | 23.2 |
| Recoverable amount | <u>18.7</u> |
| Impairment | <u>4.5</u> |

The pre-tax discount rates applied in the impairment testing was of 20.7%.

Goodwill was fully impaired in Q2 2019, resulting in zero value in Q3 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 | <p>Metal alloys: 28,000 t in 2020 91,000 t/a as from 2021</p> <p>Assumption made: P1 will operate throughout the period; P2 and P3 will start to operate as from Q4 2020; P4 will not be operating during the period</p> | <p>Forecast based on 10-year price average adjusted for inflation</p> <p>For 2020 it was assumed that the Benchmark price will remain at the same level of Q4 2019 benchmark price, that is \$1.02/lb</p> | <p>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</p> |

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 14.80.

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 are in the process of reducing headcount in both Stellite and Mogale by end of 2019. We have temporarily discontinued operations in the mines Mecklenburg, Zeerust and partially in Stellite. In Mogale only one furnace is currently operating. The specialty segment performance should generate sufficient 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. The group is also finalizing a substantial new financing facility which will be signed shortly. Additionally, the management is confident in its ability to secure further short-term facilities, in case

of need. The management believes in a market improvement in the course of 2020 and will be ready to rapidly put back on stream operations in order to take advantage of an eventual recovery.

PERSONNEL

At the end of the third quarter 2019 Afarak had 1,011 (942) employees. The average number of employees during the third quarter of 2019 was 1,049 (944). The increase in workforce is mainly due to the acquisition of Synergy Africa, adding by 98 employees.

SUSTAINABILITY

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

The improvement process that was spearheaded by local management at Mogale is continuing and has led to tangible improvements as no injuries were reported during the quarter. The management continues to focus on improving health and safety practices in the TMS mines in Turkey, given the fast expansion of the unit in terms of employees and assets.

Our efforts with local communities continue also this quarter, with 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.

From the environmental perspective, investments were made in the plants in Turkey in terms of water conservation and management.

SHARES & SHAREHOLDERS

On 30 September 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 30 September 2019, the Company had 15,002,494 (2,854,161) own shares in treasury, which was equivalent to 5.95% (1.09%) of the issued share capital. The total number of shares outstanding, excluding the treasury shares held by the Company on 30 September 2019, was 237,039,320 (260,186,534).

At the beginning of the period under review, the Company's share price was EUR 0.73 on NASDAQ Helsinki and GBP 0.73 on the London Stock Exchange. At the end of the review period, the share price was EUR 0.64 and GBP 0.58 respectively. During the third quarter of 2019, the Company's share price on NASDAQ Helsinki ranged from EUR 0.61 to 0.97 per share and the market capitalisation, as at 30 September 2019, was EUR 160.55 (1 January 2019: 191.0) million. For the same period on the London Stock Exchange, the share ranged from GBP 0.58 to 0.78 per share and the market capitalisation was GBP 144.92 (1 January 2019: 190.7) million, as at 30 September 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. This authorisation is valid until 29 November 2019 and has not been exercised during the third quarter of 2019.

The board resolved on 29 May 2019, based on authorization granted by the EGM held on 12 November 2018, that the Company repurchases 26 millions of its own shares at a price of EUR 1.015 by means of voluntary public tender offer made to all shareholders. On 31st 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 8th August 2019. On 26th August 2019, the Company announced an issue of 15,000,000 new shares and as a result the number of Afarak Group Plc's shares as at 30 September 2019 were 252,041,814 of which 15,002,494 were treasury shares.

As at end of 30 September 2019, the Company had 3,563,328 shares pending to be transferred to the subscribers. These related to the acquisition of additional ownership in South African mining assets that amounts to 2,238,343 shares, and 1,324,985 shares in relation to settlement of certain South African suppliers.

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 may negatively impact Afarak's current operations, which could have an impact on the Group's financial performance.

REPORTING

EVENTS DURING THE REVIEW PERIOD

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

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

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

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

On 31 Jul 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.

EVENTS SINCE THE END OF REVIEW PERIOD

On 17 October 2019, Afarak Group postpones the disclosure of the interim report for Q3 2019 for a later date.

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

On 11 November 2019, Mr Barry Rourke and Mrs Yolanda Bolleurs submitted their resignations from the Board of Directors. Mr. Thorstein Abrahamsen was named Chairman of the Board of Directors. The whole Board has taken over the work of different Committees.

On 28 November 2019, further to the release dated 23 September 2019 regarding the share issues to certain South African suppliers, Afarak announced that it has executed the transfer of such shares to the subscribers.

FLAGGING NOTIFICATIONS

On 8 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

| Q1-Q3/2019 9 months EUR '000 | Speciality Alloys | Ferro Alloys | Unallocated items | Eliminations | Group total |
|---|----------------------|-----------------|----------------------|--------------|----------------|
| Revenue | 67,197 | 48,675 | 1,678 | -1,207 | 116,343 |
| EBITDA | 6,639 | -18,125 | -5,955 | 0 | -17,441 |
| EBIT | 4,774 | -46,606 | -5,958 | 0 | -47,790 |
| Segment's assets | 176,899 | 121,246 | 17,405 | -72,797 | 242,753 |
| Segment's liabilities | 87,571 | 99,888 | 34,091 | -72,088 | 149,462 |

| Q1-Q3/2018 9 months EUR '000 | Speciality Alloys | Ferro Alloys | Unallocated items | Eliminations | Group total |
|---|----------------------|-----------------|----------------------|--------------|----------------|
| Revenue | 72,572 | 73,831 | 2,476 | -1,875 | 147,004 |
| EBITDA | 8,562 | -6,337 | -4,216 | 0 | -1,991 |
| EBIT | 7,010 | -9,873 | -4,231 | 0 | -7,094 |
| Segment's assets | 128,064 | 124,578 | 15,506 | -15,835 | 252,313 |
| Segment's liabilities | 56,895 | 58,958 | 4,282 | -28,978 | 91,157 |

| 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 | 65,832 | 5,853 | -33,650 | 107,766 |

RESULTS DEVELOPMENT

| | Q3/17 | Q4/17 | Q1/18 | Q2/18 | Q3/18 | Q4/18 | Q1/19 | Q2/19 | Q3/19 |
|-----------------------|---------------|----------------|----------------|----------------|---------------|---------------|---------------|---------------|---------------|
| Sales (tons) | | | | | | | | | |
| Mining | 67,339 | 85,698 | 85,289 | 79,646 | 50,099 | 66,316 | 51,351 | 53,661 | 62,958 |
| Processing | 27,538 | 25,371 | 23,284 | 25,929 | 25,521 | 25,833 | 22,252 | 21,082 | 21,554 |
| Trading | 3,488 | 5,916 | 6,936 | 3,006 | 2,686 | 2,956 | 2,864 | 1,636 | 3,044 |
| Total | 98,365 | 116,985 | 115,509 | 108,581 | 78,306 | 95,105 | 76,467 | 76,379 | 87,556 |
| Average rates* | | | | | | | | | |
| EUR/USD | 1.114 | 1.130 | 1.229 | 1.191 | 1.163 | 1.141 | 1.136 | 1.124 | 1.111 |
| EUR/ZAR | 14.706 | 15.049 | 14.710 | 15.072 | 16.363 | 16.295 | 15.921 | 16.168 | 16.299 |
| Euro (million) | Q3/17 | Q4/17 | Q1/18 | Q2/18 | Q3/18 | Q4/18 | Q1/19 | Q2/19 | Q3/19 |
| Revenue | 44.2 | 50.6 | 50.2 | 54.3 | 42.6 | 47.0 | 41.3 | 41.5 | 33.6 |
| EBITDA | -2.2 | 2.6 | -0.7 | 1.2 | -2.5 | 1.0 | -4.8 | -8.1 | -4.5 |
| EBITDA margin | -4.9% | 5.2% | -1.4% | 2.2% | -5.9% | 2.1% | -11.6% | -19.6% | -13.5% |
| EBIT | -4.2 | 1.2 | -2.4 | -0.4 | -4.3 | -7.0 | -6.6 | -31.1 | -10.1 |
| EBIT margin | -9.4% | 2.3% | -4.7% | -0.8% | -10.0% | -14.9% | -16.1% | -74.9% | -29.9% |

*Average rates in the respective quarters

CONSOLIDATED INCOME STATEMENT, SUMMARY

| EUR '000 | Q3/19 | Q3/18 | Q1-Q3/19 | Q1-Q3/18 | FY2018 |
|---|----------------|---------------|----------------|----------------|----------------|
| Revenue | 33,580 | 42,551 | 116,343 | 147,004 | 194,013 |
| Other operating income | 183 | 1,389 | 1,394 | 2,933 | 4,624 |
| Operating expenses | -38,303 | -46,017 | -134,310 | -150,139 | -196,960 |
| Depreciation and amortisation | -1,734 | -1,783 | -5,815 | -5,103 | -6,532 |
| Impairment | -3,783 | 0 | -24,534 | 0 | -6,543 |
| Share of profit from joint ventures* | 0 | -416 | -868 | -1,789 | -2,694 |
| Operating profit | -10,057 | -4,276 | -47,790 | -7,094 | -14,092 |
| Gain on acquisition of Synergy Group | -559 | 0 | 6,510 | 0 | 0 |
| Financial income and expense | -3,959 | 277 | -5,127 | -2,738 | -4,449 |
| Profit before tax | -14,575 | -3,999 | -46,407 | -9,832 | -18,541 |
| Income tax | <u>-1,733</u> | <u>1,162</u> | <u>915</u> | <u>2,390</u> | <u>-42</u> |
| Profit for the period from continuing operations | -16,308 | -2,837 | -45,492 | -7,442 | -18,583 |
| Profit for the period | -16,308 | -2,837 | -45,492 | -7,442 | -18,583 |
| Profit attributable to: | | | | | |
| Owners of the parent | -15,966 | -2,748 | -44,426 | -7,094 | -18,056 |
| Non-controlling interests | <u>-342</u> | <u>-89</u> | <u>-1,066</u> | <u>-348</u> | <u>-527</u> |
| Total | -16,308 | -2,837 | -45,492 | -7,442 | -18,583 |
| Earnings per share for profit attributable to the shareholders of the parent company, EUR | | | | | |
| Basic earnings per share, EUR | -0.06 | -0.01 | -0.17 | -0.03 | -0.07 |
| Diluted earnings per share, EUR | -0.06 | -0.01 | -0.17 | -0.03 | -0.07 |

* The joint venture has been acquired and the results are being consolidated as from Q2 2019

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

| EUR '000 | Q3/19 | Q3/18 | Q1-Q3/19 | Q1-Q3/18 | FY2018 |
|---|----------------|---------------|----------------|----------------|----------------|
| Profit for the period | -16,308 | -2,837 | -45,492 | -7,442 | -18,583 |
| Other comprehensive income | | | | | |
| Remeasurement of defined benefit pension plans | 0 | 0 | 0 | 0 | -577 |
| Exchange differences on translating foreign operations – Group | 3,676 | -1,552 | 5,437 | -3,538 | -2,208 |
| Exchange differences on translating foreign operations – Associate and JV | 0 | -97 | -174 | -523 | -340 |
| Other comprehensive income, net of tax | 3,676 | -1,649 | 5,263 | -4,061 | -3,125 |
| Total comprehensive income for the period | -12,632 | -4,486 | -40,229 | -11,503 | -21,708 |
| Total comprehensive income attributable to: | | | | | |
| Owners of the parent | -12,309 | -4,378 | -39,186 | -11,080 | -21,111 |
| Non-controlling interests | -323 | -108 | -1,043 | -423 | -597 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION, SUMMARY

| EUR '000 | 30.9.2019 | 30.9.2018 | 31.12.2018 |
|--|----------------|----------------|----------------|
| ASSETS | | | |
| Non-current assets | | | |
| Goodwill | 45,943 | 62,567 | 56,245 |
| Other intangible assets | 6,691 | 14,024 | 13,475 |
| Property, plant and equipment | 114,434 | 44,113 | 44,984 |
| Deferred tax asset | 2,550 | 0 | 3,935 |
| Other non-current assets | 1,026 | 28,039 | 22,703 |
| Non-current assets total | 170,644 | 148,743 | 141,342 |
| Current assets | | | |
| Inventories | 39,054 | 53,859 | 56,965 |
| Trade receivables | 16,491 | 24,575 | 27,223 |
| Other receivables | 7,801 | 19,290 | 20,952 |
| Cash and cash equivalents | 8,763 | 5,846 | 12,132 |
| Current assets total | 72,109 | 103,570 | 117,272 |
| Total assets | 242,753 | 252,313 | 258,614 |
| EQUITY AND LIABILITIES | | | |
| Equity attributable to owners of the parent | | | |
| Share capital | 23,642 | 23,642 | 23,642 |
| Share premium reserve | 25,740 | 25,740 | 25,740 |
| Paid-up unrestricted equity reserve | 207,693 | 231,174 | 231,292 |
| Legal Reserve | 97 | 86 | 98 |
| Translation reserves | -16,571 | -23,320 | -21,811 |
| Retained earnings | -154,432 | -96,712 | -108,485 |
| Equity attributable to owners of the parent | 86,169 | 160,610 | 150,476 |
| Non-controlling interests | 7,122 | 546 | 372 |
| Total equity | 93,291 | 161,156 | 150,848 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Deferred tax liabilities | 20,525 | 3,588 | 3,435 |
| Provisions | 17,854 | 8,579 | 8,876 |
| Share of joint ventures' losses | 0 | 16,154 | 16,871 |
| Pension liabilities | 19,825 | 19,634 | 20,106 |
| Financial liabilities | 19,988 | 5,056 | 4,783 |
| Non-current liabilities total | 78,192 | 53,011 | 54,071 |
| Current liabilities | | | |
| Trade payables | 15,904 | 15,231 | 20,512 |
| Other current liabilities | 55,366 | 22,915 | 33,183 |
| Current liabilities total | 71,270 | 38,146 | 53,695 |
| Total liabilities | 149,462 | 91,157 | 107,766 |
| Total equity and liabilities | 242,753 | 252,313 | 258,614 |

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

| EUR '000 | 30.9.2019 | 30.9.2018 | 31.12.2018 |
|-------------------------------------|----------------|---------------|---------------|
| Cash and cash equivalents | 8,763 | 5,846 | 12,132 |
| Interest-bearing receivables | | | |
| Current | 0 | 10,878 | 10,786 |
| Non-current | 256 | 18,843 | 19,198 |
| Interest-bearing receivables | 256 | 29,721 | 29,984 |
| Interest-bearing liabilities | | | |
| Current | 44,021 | 13,439 | 22,330 |
| Non-current | 17,416 | 2,344 | 2,103 |
| Interest-bearing liabilities | 61,437 | 15,783 | 24,433 |
| NET TOTAL | -52,418 | 19,784 | 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 | 3,805 | 350 |
| Disposals | -371 | -9 |
| Business combinations | 78,706 | 3,772 |
| Reclass between items | 154 | 0 |
| Effect of movements in exchange rates | -642 | -1,313 |
| Acquisition cost 30.09.2019 | 164,208 | 215,969 |
| Acquisition cost 1.1.2018 | 84,219 | 220,845 |
| Additions | 9,348 | 442 |
| Disposals | -2,262 | -1 |
| Business combinations | 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 | Q1-Q3/19 | Q1-Q3/18 | FY2018 |
|---|---------------|---------------|---------------|
| Profit for the period | -45,492 | -7,442 | -18,583 |
| Adjustments to profit for the period | 24,254 | 7,139 | 19,048 |
| Changes in working capital | 22,096 | -938 | 2,604 |
| Net cash from operating activities | 858 | -1,241 | 3,069 |
| Acquisition of subsidiaries and associates, net | 684 | -1,003 | -1,003 |
| Acquisition of non-controlling interest | -283 | -348 | -457 |
| Capital expenditure on non-current assets, net | -3,374 | -6,616 | -7,497 |
| Other investments, net | -49 | 168 | 141 |
| Proceeds from repayments of loans and loans given | 419 | -752 | -1,139 |
| Net cash used in investing activities | -2,603 | -8,551 | -9,955 |
| Acquisition of own shares | -26,389 | 0 | 0 |
| Proceeds from borrowings | 31,684 | 4,988 | 7,787 |
| Repayment of borrowings, and other financing activities | -5,671 | -4,020 | -6,327 |
| Movement in short-term financing activities* | -1,573 | 3,925 | 6,518 |
| Net cash used in financing activities | -1,949 | 4,893 | 7,978 |
| Net increase in cash and cash equivalents | -3,694 | -4,899 | 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 for the period 1-9/2018 + comprehensive income | | | | -3,463 | -7,094 | | -10,557 | -348 | -10,905 |
| Share of OCI in associates and JV | | | | -523 | | | -523 | | -523 |
| Translation differences | | | | | | | | -75 | -75 |
| Share-based payments | | | 339 | | | | 339 | | 339 |
| Other changes in equity | | | | | | -45 | -45 | | -45 |
| Equity at 30.9.2018 | 23,642 | 25,740 | 231,174 | -23,320 | -96,712 | 86 | 160,610 | 546 | 161,156 |
| Profit for the period 10-12/2018 + comprehensive income | | | | 1326 | -10,962 | | -9,636 | -179 | -9,815 |
| Share of OCI in associates and JV | | | | 183 | | | 183 | | 183 |
| Translation differences | | | | | | | | 5 | 5 |
| Share-based payments | | | 118 | | -234 | | -116 | | -116 |
| Remeasurements of defined benefit pension plans | | | | | -577 | | -577 | | -577 |
| Other changes in equity | | | | | | 12 | 12 | | 12 |
| Equity at 31.12.2018 | 23,642 | 25,740 | 231,292 | -21,811 | -108,485 | 98 | 150,476 | 372 | 150,848 |
| Profit for the period 1-9/2019 + comprehensive income | | | | 5,414 | -44,426 | | -39,012 | -1,066 | -40,078 |
| Share of OCI in associates and JV | | | | -174 | | | -174 | | -174 |
| Translation differences | | | | | | | | 23 | 23 |
| Share-based payments | | | 448 | | | | 448 | | 448 |
| Share Issue | | | 783 | | | | 783 | | 783 |
| Acquisition of own shares | | | -26,389 | | | | -26,389 | | -26,389 |
| Acquisition of non-controlling interest | | | 1,559 | | -1,521 | | 38 | 7,793 | 7,831 |
| Other changes in equity | | | | | | -1 | -1 | | -1 |
| Equity at 30.09.2019 | 23,642 | 25,740 | 207,693 | -16,571 | -154,432 | 97 | 86,169 | 7,122 | 93,291 |

RELATED PARTY TRANSACTIONS DURING THE REVIEW PERIOD

| EUR '000 | Q1-Q3/19 | Q1-Q3/18 | FY2018 |
|--|----------|----------|---------|
| Sales to joint ventures | 123 | 875 | 1,302 |
| Sales to other related parties | 15 | 244 | 286 |
| Purchases from joint ventures | -1,337 | -14,166 | -18,411 |
| Purchases from other related parties | 0 | -556 | -562 |
| Financing income from joint ventures | 115 | 719 | 964 |
| Loan receivables from joint ventures | 0 | 26,165 | 26,269 |
| Loan receivables from other related parties | 0 | 3,508 | 3,508 |
| Trade and other receivables from joint ventures | 0 | 7,778 | 7,280 |
| Trade and other receivables from other related parties | 83 | 78 | 77 |
| Loan payables from other related parties | 15,326 | 0 | 0 |
| Trade and other payables to joint ventures | 0 | 2,933 | 0 |

FINANCIAL INDICATORS

| | Q1-Q3/19 | Q1-Q3/18 | FY2018 |
|------------------------------------|----------|----------|--------|
| Return on equity, % p.a. | -49.7% | -6.0% | -11.5% |
| Return on capital employed, % p.a. | -31.9% | -3.6% | -6.0% |
| Equity ratio, % | 38.4% | 63.9% | 58.3% |
| Gearing, % | 56.5% | 6.2% | 8.2% |
| Personnel at the end of the period | 1,011 | 942 | 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

| | Q1-Q3/19 | Q1-Q3/18 | FY2018 |
|-----|----------|----------|---------|
| TRY | 6.339 | 5.5098 | 5.7077 |
| USD | 1.1236 | 1.1942 | 1.1810 |
| ZAR | 16.132 | 15.3920 | 15.6186 |

Balance sheet rates

| | 30.9.2019 | 30.9.2018 | 31.12.2018 |
|-----|-----------|-----------|------------|
| TRY | 6.1491 | 6.9650 | 6.0588 |
| USD | 1.0889 | 1.1576 | 1.1450 |
| ZAR | 16.5576 | 16.4447 | 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 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 management's 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 are unaudited.

SHARE-RELATED KEY FIGURES

| | | Q3/19 | Q3/18 | Q1-Q3/19 | Q1-Q3/18 | FY2018 |
|---|-----------------|--------|-------|----------|----------|--------|
| Share price development in London Stock Exchange | | | | | | |
| Average share price* | EUR | 0.80 | 0.92 | 0.77 | 1.01 | 1.00 |
| | GBP | 0.70 | 0.81 | 0.68 | 0.89 | 0.89 |
| Lowest share price* | EUR | 0.65 | 0.88 | 0.62 | 0.82 | 0.82 |
| | GBP | 0.58 | 0.78 | 0.55 | 0.73 | 0.73 |
| Highest share price* | EUR | 0.88 | 0.99 | 0.88 | 1.05 | 1.05 |
| | GBP | 0.78 | 0.88 | 0.78 | 0.93 | 0.93 |
| Share price at the end of the period** | EUR | 0.65 | 0.87 | 0.65 | 0.87 | 0.81 |
| | GBP | 0.58 | 0.78 | 0.58 | 0.78 | 0.73 |
| Market capitalisation at the end of the period** | EUR million | 163.62 | 229.7 | 163.6 | 229.7 | 213.2 |
| | GBP million | 144.92 | 203.9 | 144.9 | 203.9 | 190.7 |
| Share trading development | | | | | | |
| Share turnover | thousand shares | 49 | 0 | 151 | 28 | 28 |
| Share turnover | EUR thousand | 640 | 0 | 717 | 28 | 28 |
| Share turnover | GBP thousand | 565 | 0 | 633 | 24 | 25 |
| Share turnover | % | 0.00 | 0.0 % | 0.1 % | 0.0 % | 0.0 % |
| Share price development in NASDAQ Helsinki | | | | | | |
| Average share price | EUR | 0.99 | 0.88 | 0.96 | 0.97 | 0.94 |
| Lowest share price | EUR | 0.61 | 0.77 | 0.61 | 0.77 | 0.67 |
| Highest share price | EUR | 0.97 | 1.04 | 0.97 | 1.20 | 1.20 |
| Share price at the end of the period | EUR | 0.64 | 0.86 | 0.64 | 0.86 | 0.73 |
| Market capitalisation at the end of the period | EUR million | 160.55 | 225.4 | 160.55 | 225.4 | 191.0 |
| Share trading development | | | | | | |
| Share turnover | thousand shares | 29,245 | 5,674 | 36,742 | 24,501 | 29,238 |
| Share turnover | EUR thousand | 28,830 | 4,975 | 35,171 | 23,731 | 27,594 |
| Share turnover | % | 12% | 2.2 % | 14.6 % | 9.3 % | 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.