

AMAG
AUSTRIA METALL



AMAG AUSTRIA METALL AG

FINANCIAL REPORT

1st HALF YEAR 2021

KEY FIGURES FOR THE GROUP IN EUR MILLION	Q2/2021	Q2/2020	Change in %	H1/2021	H1/2020	Change in %
Shipments total in tons	127,600	103,600	23.2 %	226,100	203,200	11.3 %
External shipments in tons	121,900	94,500	29.0 %	214,500	188,100	14.0 %
Revenue Group	343.9	217.5	58.1 %	595.1	463.8	28.3 %
EBITDA	63.3	22.9	176.5 %	93.6	59.3	57.7 %
EBITDA margin	18.4 %	10.5 %		15.7 %	12.8 %	
Operating result (EBIT)	42.6	2.1	>1,000 %	51.9	17.6	194.7 %
EBIT margin	12.4 %	1.0 %		8.7 %	3.8 %	
Earnings before taxes (EBT)	39.9	0.2	>1,000 %	47.0	14.8	217.6 %
Net income after taxes	29.8	0.9	>1,000 %	35.0	12.4	181.2 %
Cash flow from operating activities	46.5	55.7	-16.5 %	50.2	70.6	-28.9 %
Cash flow from investing activities	-9.9	-9.8	-1.8 %	-25.8	-24.8	-4.1 %
Employees 1)	2,143	1,967	8.9 %	2,127	1,980	7.5 %

1) Average number of employees (full-time equivalents), including contract workers and excluding apprentices. Includes the 20 % share of personnel from the interest in the Alouette smelter as well as the personnel of Aircraft Philipp.

BALANCE KEY FIGURES FOR THE GROUP IN EUR MILLION	June 30, 2021	December 31, 2020*	Change in %
Total assets	1,597.3	1,548.3	3.2 %
Equity	605.4	602.7	0.5 %
Equity ratio	37.9 %	38.9 %	
Working capital employed	398.5	321.6	23.9 %
Net financial debt	303.3	314.3	-3.5 %
Gearing	50.1 %	52.2 %	

The totalling of rounded amounts and percentages can create rounding differences.

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures.

HIGHLIGHTS OF THE FIRST HALF OF 2021

- AMAG emerged well prepared from the crisis and exploited the positive demand trend to increase shipment volumes across all divisions
- Stable production with very good performance in occupational safety (TRIFR*: 0.28)
- Revenue and earnings figures significantly above pre-crisis level
- Revenue increased to EUR 595.1 million due to price and volume factors (H1/2020: EUR 463.8 million)
- Record half-year EBITDA of EUR 93.6 million (H1/2020: EUR 59.3 million)
- Net income after taxes of EUR 35.0 million clearly above the levels of 2020 and 2019 (H1/2020: EUR 12.4 million; H1/2019: EUR 18.9 million)
- Outlook for 2021: Full-year EBITDA between EUR 155 million and EUR 175 million after EUR 108.2 million in the previous year and EUR 143.0 million in FY 2019

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*Total Recordable Injury Frequency Rate, based on 200,000 working hours

ECONOMIC ENVIRONMENT

ECONOMIC TRENDS

While the economic environment at the start of the year was still noticeably determined by the COVID-19 pandemic, a rapid rebound in economic activity became apparent as the year progressed. The industrial economy, which was already showing improvements at the end of the previous year, performed very well.¹

Overall, current economic activity and confidence indicators also reflect the rapid rebound in economic activity.² A look to the Purchasing Managers' Index³ shows a positive trend in evidence since the fourth quarter of 2020, with a steady improvement over the course of the first six months of the year under review. This positive trend was also reflected in numerous sales markets of the AMAG Group.

According to the latest estimates of the International Monetary Fund (IMF)⁴ on overall economic performance for 2021, growth is expected to be partially strong across countries in some cases. Economic output is expected to more than offset the previous year's negative trend; after a decrease of 3.3 % in 2020, global GDP is expected to rise by 6.0 % in 2021 on a full-year basis. According to the IMF, however, not all economies will be able to compensate for the previous year's economic losses. Among other factors, this is due to the individual economic dependencies of the sectors affected by COVID-19 (e.g. tourism), as well as to varying progress in vaccination rollout. Further developments in the COVID-19 pandemic, particularly with regard to any mutations and the effectiveness of current vaccines, may have a significant bearing on the IMF's forecast of the expected economic upturn. The IMF also points to the dependence on economic policy mitigation measures, commodity price trends, and economic institutions' ability to adapt.

As far as country-specific GDP forecasts for 2021 are concerned, a significant increase is evident in industrialised nations, especially in the USA with +6.4 % growth (2020: -3.5 %).

The Eurozone is unable to fully compensate for the previous year's decrease of 6.6 %, and is expected to expand by 4.4 % in the current economic year, according to the IMF. While an increase of 3.6 %

is forecast for Germany, economic growth in Italy (+4.2 %), France (+5.8 %) and Spain (+6.4 %) is expected to be somewhat stronger this year, following significantly higher losses in the previous year. According to current forecasts by the Austrian Institute of Economic Research,⁵ real GDP growth of 4.0 % is anticipated for Austria in 2021 (2020 -6.3 %). This growth is primarily driven by the rapid progress in COVID-19 vaccination and the associated resumption of economic activities. This will lead to bolster private consumption, accelerate investment momentum and lead to a marked expansion of exports.

According to current estimates by the IMF,⁶ the economy in the group of emerging and developing countries will report the highest economic growth in 2021, with growth averaging 6.7 % (2020: -2.2 %). In particular, a high level of GDP expansion in China (+8.4 %) is contributing to this positive trend (2020: +2.3 %).

¹ See WIFO, WIFO Economic Forecast, June 2021

² See WIFO, Current Economic Report, June 2021, and WIFO Economic Forecast, June 2021

³ See Bloomberg

⁴ See IMF, World Economic Outlook, April 2021

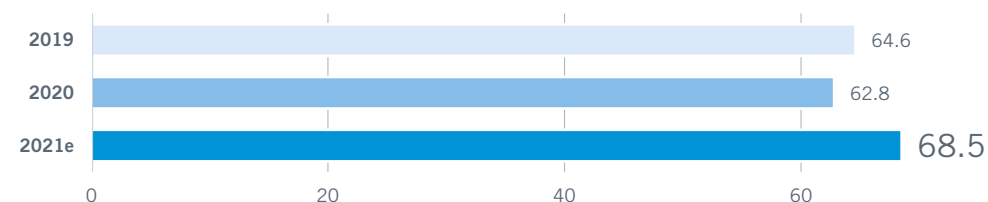
⁵ See WIFO Economic Forecast, June 2021

⁶ See IMF, World Economic Outlook, April 2021

DEMAND FOR ALUMINIUM PRODUCTS

The development of the Metal segment is influenced by global market developments. The global demand trend for primary aluminium represents a key factor, therefore. The Rolling Division generated approximately 75 % of its revenue in Europe in the first half of 2021. The remaining volumes of aluminium rolled products are supplied to AMAG customers worldwide, with the global demand trend for this product area thereby also representing a significant factor.

Global demand for primary aluminium in millions of tonnes⁷



Global demand for aluminium rolled products in millions of tonnes⁸



⁷ See CRU Aluminium Market Outlook, April 2021

⁸ See CRU Aluminium Rolled Products Market Outlook, May 2021

⁹ See CRU Aluminium Rolled Products Market Outlook, May 2021

Aluminium is a material which is used and processed in various sectors due to its numerous positive properties (weight, stability, formability, etc.). After COVID-19 led to subdued demand for primary aluminium and aluminium rolled products in the previous year, the Commodity Research Unit (CRU)⁹ expects significant increases in 2021, to well above the pre-crisis levels seen in 2019.

Specifically, the CRU expects global demand for aluminium rolled products to reach an all-time high of 29.3 million tonnes in 2021. The main application areas for rolled products are in the transport, packaging, construction and engineering industries. The main driver of the increase in demand of 8.8 % – or 2.4 million tonnes on average compared to 2020 – is the transport sector. This sector is expected to grow by around 0.7 million tonnes, or by around 19 %, compared to previous year, which was affected by COVID-19. Demand for aluminium rolled products in the mechanical engineering industry and in the construction sector is also forecast to rise by +9.0 % (+0.2 million tonnes) and +6.5 % (+0.2 million tonnes) respectively. Demand in the packaging industry is also currently expected to expand by 6.9 % (+1.0 million tonnes) after a relatively stable trend in the previous year.

In AMAG's Casting Division, the cast alloys business features as a regional business with a focus on Western and Central Europe. In this context, the automotive industry ranks as the most important client sector, to which this division delivers round 60 % of its shipment volumes, whether directly or indirectly. European automotive industry trends are the main drivers of the Casting Division. This sector was considerably affected by COVID-19, particularly in the second quarter of the previous year, although it recovered noticeably over the further course of the year. The latest figures from the German Association of the Automotive Industry (VDA)¹⁰ reflect this recovery: from January and up to and including June 2021, around 15 % more passenger cars were newly registered in Germany than in the same period in 2020.

When looking at new car registrations in the European Union, the marked recovery in the automotive industry is equally clear. With an increase of 25.2 % in the first half of 2021, a total of 5.4 million passenger cars newly registered. Nevertheless, new registrations are well below the pre-corona level. In China, there was a half-year growth of 27.3 %, while registrations in the USA increased by 29.3 % to 8.3 million units in the first half of 2021.¹¹

¹⁰ See VDA, Figures and Data, Monthly Figures Production January to June 2021

¹¹ See VDA, press release of July 16, 2021

PRICE TRENDS OF ALUMINIUM AND RAW MATERIALS

In the primary aluminium area, AMAG is exposed to aluminium price fluctuations in the context of its direct 20 % interest in the Canadian smelter Aluminerie Alouette (Metal Division). In order to ensure stable net income flows from the Group's interest in the Alouette smelter, the selling price for a portion of output is hedged on the stock exchange, in some cases for several years, deploying forwards and options. With regard to the Casting and Rolling divisions at the Ranshofen site, aluminium price fluctuations are almost fully hedged. In these two divisions, fluctuations in the aluminium price are reflected in both revenue and the cost of sales, with a largely neutral effect on profit or loss.

The aluminium price (3-month LME) rose steadily during the first half of 2021, trading in a range between 1,958 USD/t (January 19, 2021) and 2,577 USD/t (May 10, 2021). The average for the first half of 2021 amounted to 2,256 USD/t, thereby up by 39 % well above the previous year's comparable figure of 1,622 USD/t. At the end of the first half of the year, the price of aluminium stood at 2,535 USD/t (June 30, 2020: 1,622 USD/t).

The premiums charged in addition to the aluminium price also reflect a positive trend compared with the previous year. The premium for deliveries to the USA has risen significantly. This was not only due to the positive demand outlook for aluminium, but also to effects from the US import duty, as well as higher transport and logistics costs. Premiums in the European region also rose appreciably.

Market prices for alumina, petroleum coke and pitch were at comparatively low levels during the course of the first half of 2021. Prices for aluminium scrap were up year-on-year.

CURRENCY MARKET TRENDS

Aluminium is traded in US dollars on the London Metal Exchange (LME). US dollars are also the transaction currency used to purchase raw materials required for primary metal production. Moreover, trends in the Canadian dollar are important due to the production site in Canada.

During the first half of 2021, the US dollar (USD) was significantly weaker against the euro compared to the same period of the previous year. In the first half of the year, the average EUR/USD exchange rate rose from 1.10 to 1.21 year-on-year. Compared to the rate of 1.23 as of December 31, 2020, the EUR was weaker against the USD, standing at 1.19 as of the end of June 2021. The Canadian dollar (CAD) appreciated significantly against the US dollar in a half-year comparison. In the first half

of the year the average USD/CAD exchange rate stood at 1.25, compared with 1.36 in the previous year. As of June 30, 2021, the rate was recorded at 1.24 (December 31, 2020: 1.27).

Aluminium price trend in USD/tonne



BUSINESS PERFORMANCE

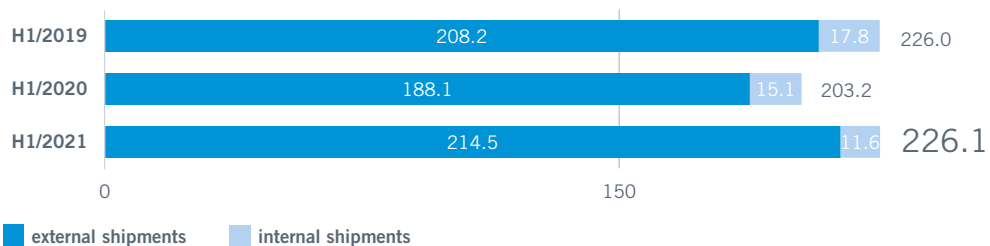
REVENUE AND EARNINGS TRENDS

Half-year comparison

General demand for primary aluminium and aluminium rolled products reported a positive trend in the first half of 2021. Consequently, a half-year comparison reflects a pleasing performance in the AMAG Group's shipment volume, although the share of aircraft products continues to be impacted negatively by COVID-19. With total shipments of 203,200 tonnes, the previous year's first six months were clearly affected by the drop in demand due to the COVID-19 pandemic. With shipments of 226,100 tonnes, the half-year under review reflects the significantly improved market environment. The AMAG Group's external shipments volumes also report an increase of 14.0 % to 214,500 tonnes.

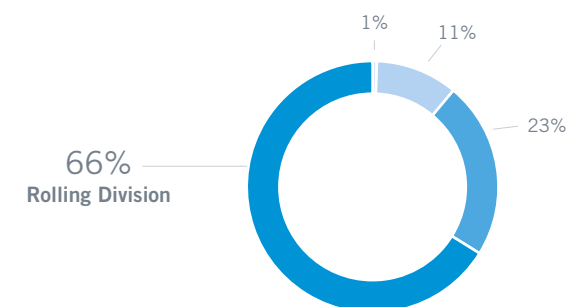
The increase in volumes, as well as a noticeably higher aluminium price level compared to the first half of the previous year, had a positive impact on the AMAG Group's revenue performance. Revenue in the first half of 2021 increased by 28.3 % to EUR 595.1 million (H1/2020: EUR 463.8 million).

Shipments in thousands of tonnes



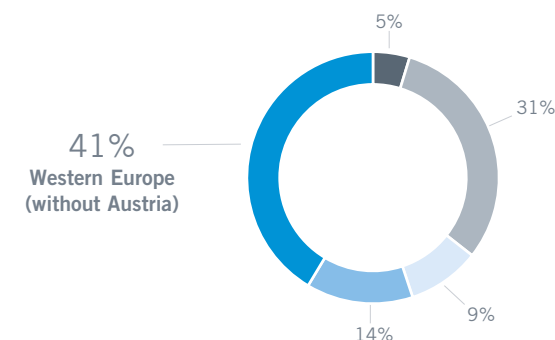
Group revenue by division in %

- Service Division
- Casting Division
- Metal Division
- Rolling Division



Group revenue by regions in %

- Western Europe (without Austria)
- Austria
- Rest of Europe
- North America
- Asia, Oceania and other



The cost of sales was up from EUR 395.6 million to EUR 480.5 million, mainly as a consequence of higher shipment volumes and the higher aluminium price. Selling and distribution expenses rose by 13.7 % to EUR 33.7 million, particularly due to the volume growth and a higher level of logistics costs. Administrative expenses in the current half-year amount to EUR 19.4 million, compared with EUR 15.3 million in the previous year, partly due to the integration of Aircraft Philipp. The Expenses for Research and development were increased by 13.5 % to EUR 8.4 million.

The AMAG Group's earnings before interest, tax, depreciation and amortisation (EBITDA) grew by 57.7 % in the first half of 2021 compared with the same period of 2020. Overall, EBITDA thereby stood at EUR 93.6 million, compared with EUR 59.3 million in the previous year. The growth mainly reflects the economic recovery. A significantly higher aluminium price coupled with attractive raw material costs and a higher premium level had a positive effect, especially in the Metal Division. Shipment volumes were higher for both primary aluminium as well as for aluminium rolled products and recycled cast alloys. In the past six months, we have also successfully implemented measures to ensure an adequate supply of primary materials and associated risk-mitigating measures (e.g. early inventory accumulation of certain raw materials, alternative suppliers).

EBITDA in EUR million



Depreciation and amortisation of EUR 41.7 million during the first the half of 2021 are identical to the previous year's level.

Consolidated earnings before interest and taxes (EBIT) stood at EUR 51.9 million during the first half of 2021, which is EUR 34.3 million above the EUR 17.6 million result in the previous year's comparable period.

The net financial result in the first half of 2021 amounted to EUR -4.9 million, compared with EUR -2.8 million in the previous year. This variance especially reflects valuation effects. Furthermore, one-off interest income had a positive impact on the net financial result in the first half of 2020.

Earnings before taxes (EBT) in the first half of 2021 amounted to EUR 47.0 million (2020 comparable period: EUR 14.8 million). Income taxes amounted to EUR 12.0 million, compared with EUR 2.4 million in the previous year's equivalent period. Net income after taxes in the first half of

2021 amounted to EUR 35.0 million, 181.2 % above the result of EUR 12.4 million in the comparable period of 2020.

Earnings per share during the first half of 2021 stood at EUR 1.01 (H1/2020: EUR 0.35).

Quarterly comparison

At 121,900 tonnes, external shipment volumes reported a significant increase of 29.0 % compared with the second quarter of 2020. Production at the Canadian interest continued to run at a stable level. At the end of March this year, the departure of a vessel in Canada was delayed, which had an additional positive impact of approximately 11,000 tonnes on shipments in the second quarter of 2021. Early delivery of a quantity planned for July increased shipments by a further 2,400 tonnes. The Rolling and Casting divisions participated in the positive market environment. An upward trend in demand was reported in almost all sectors relevant to AMAG. As expected, demand for rolled products in the aircraft industry was low. The total shipment volume (external and internal) of the AMAG Group increased quarter-on-quarter from 103,600 tonnes to 127,600 tonnes.

The revenue of the AMAG Group amounted to EUR 343.9 million in the second quarter of 2021, reflecting a marked 58.1 % increase on the previous year's level (Q2/2020: EUR 217.5 million). This was mainly due to a significantly higher aluminium price level (increase of 57.9 % to 2,407 USD/t) as well as higher premiums and higher shipment volumes.

At EUR 270.2 million, the cost of sales was above the previous year's level (Q2/2020: EUR 189.0 million), primarily due to the higher aluminium price. Selling and distribution expenses rose by 16.8 % to EUR 17.2 million, mainly due to the higher shipment volume. Administrative expenses in the second quarter of 2021 amounted to EUR 9.7 million, up on the previous year's level of EUR 7.1 million, partly due to the integration of Aircraft Philipp in autumn 2020. Research and development expenses amounted to EUR 4.4 million, compared with EUR 3.4 million in the previous year's corresponding quarter.

At EUR 63.3 million, EBITDA was well above the comparable figure for the previous year of EUR 22.9 million. The pleasing demand trend in almost all industrial sectors relevant to AMAG, as well as a solid aluminium price coupled with low raw material costs, are the main reasons for this growth. Shipment volumes in all three divisions (Metal, Rolling and Casting) increased significantly compared with the second quarter of the previous year.

Depreciation and amortisation of EUR 20.7 million in the second quarter of 2021 was EUR 0.1 million above the level in the comparable period of 2020.

Consolidated earnings before interest and tax (EBIT) stood at EUR 42.6 million during the second quarter of the current year, EUR 40.5 million above the EUR 2.1 million result in the previous year's comparable period.

At EUR 29.8 million, net income after taxes reflects the positive trends in the second quarter of 2021, and was significantly above the level of the previous year (2020 comparative period: EUR 0.9 million). Earnings per share during the second quarter of 2021 stood at EUR 0.85 (2020 comparable period: EUR 0.03).

FINANCIAL POSITION AND NET DEBT

Equity

Owing to higher retained earnings and valuation effects, among other factors, the AMAG Group's equity stood at EUR 605.4 million at the end of June 2021, slightly above the 2020 year-end level of EUR 602.7 million. The equity ratio was stable at 37.9 % as of the current balance sheet date (December 31, 2020: 38.9 %).

Cash flow

Cash flow from operating activities continues to report a positive trend and amounted to EUR 50.2 million in the first six months of 2021, compared with EUR 70.6 million in the same period of the previous year. With EUR -25.8 million, the Cash flow from investing activities is approximately at the level of the previous year (EUR -24.8 million). Free cash flow of EUR 24.4 million was achieved as a consequence (H1/2020: EUR 45.8 million).

Net financial debt

Net financial debt decreased from EUR 314.3 million at the end of 2020 to EUR 303.3 million at the end of June 2021. Gearing amounted to 50.1 % (December 31, 2020: 52.2 %).

In detail, financial liabilities were repaid, whereby cash and cash equivalents reduced from EUR 304.9 million at the end of the previous year to EUR 251.9 million at the end of June 2021 and financial liabilities reduced from EUR 619.5 million to EUR 555.5 million.

INVESTMENTS

Following COVID-19-related reductions in the previous year, the AMAG Group's capital expenditure increased again in the first six months of 2021, and amounted to EUR 27.4 million (2020 comparable period: EUR 19.5 million).

EMPLOYEES

The headcount rose in a half-year comparison mainly due to the acquisition of Aircraft Philipp in autumn 2020. The AMAG Group employed an average of 2,127 employees (full-time equivalents) in 1st half-year of 2021, compared with 1,980 in the equivalent period of 2020. The COVID-19-related short-time work was ended on December 31, 2020 and the protection requirements for the workforce were continuously adapted to the changed requirements. This ensured the prerequisites for stable production.

METAL DIVISION

ECONOMIC ENVIRONMENT

Demand for primary aluminium recovered noticeably last year following COVID-19-related losses. According to estimates by the CRU¹² market research institute, demand for the full 2021 year will increase by 5.7 million tonnes to 68.5 million tonnes. China, the largest customer country, further expanded its share of the total market to almost 60 %. This corresponds to primary aluminium demand of around 40.4 million tonnes and an increase of just under 7 % compared with 2020. In the rest of the world, demand is currently expected to rise by just under 13 % to 28.2 million tonnes, following a decrease in the previous year.

On the production side, the CRU expects a worldwide increase of almost 6 % to 68.6 million tonnes of primary aluminium. Production in China is expected to expand by 2.7 million tonnes, or by around 7 %, while the rest of the world is anticipated to increase by 1.1 million tonnes, or 4 %. Overall, the CRU consequently expects a market equilibrium in terms of global production and demand for the full 2021 year. Global stocks are also forecast to be unchanged from the previous year at 12.6 million tonnes. Stocks of primary aluminium in LME-registered warehouses are expected to increase slightly year-on-year to 1.6 million tonnes in 2021, up from 1.3 million tonnes at the end of last year.

The average aluminium price during 1st half-year of 2021 stood at 2,256 USD/t, reflecting a considerable increase of 39.1 % on the level during the previous year's comparable period of 1,622 USD/t. The aluminium price in euros quoted at 1,872 EUR/t on average during the first half of 2021, 27.2 % above the average for the previous year's equivalent period.

The premiums added to the price of aluminium for deliveries to the USA were significantly higher than in the previous year. This was due not only to the positive demand outlook for aluminium but also to effects from the US import duty, as well as higher transport and logistics costs. Premiums in the European region have also risen appreciably.

¹² See CRU Aluminium Market Outlook, April 2021

EARNINGS TRENDS

The Metal Division's shipment volumes increased from 59,200 tonnes to 65,400 tonnes compared to the first half of 2020. This is particularly due to stable production at the Canadian Alouette interest, and early shipment of around 2,400 tonnes as of the end of June 2021. Shipment volumes in the second quarter of 2021 amounted to 44,800 tonnes and, in addition to this early shipment, were also positively impacted by a delayed departure of a transport ship in Canada of approximately 11,000 tonnes as of the end of March 2021. In the quarterly comparison, the weather-related delivery delay from March 2020 must also be taken into account. Shipments in the same quarter of the previous year amounted to 36,800 tonnes.

As a consequence of the higher aluminium price and higher premiums, revenue rose by 31.3 % from EUR 312.3 million to EUR 410.0 million in the first half of 2021. The second quarter of 2021 also showed an increase in revenue from EUR 151.0 million in the COVID-19-affected previous year to currently EUR 248.3 million.

EBITDA in the Metal Division reported a very positive trend in the first half of 2021 and amounted to EUR 45.1 million, compared to EUR 20.1 million in the same period of the previous year. In particular, an attractive aluminium price and premium level combined with solid shipment volumes represented key factors. The price for alumina has stood at a comparatively very low level over the past six months. Currency effects between USD-CAD have a negative impact. A quarterly comparison shows a noticeable increase in EBITDA from EUR 6.7 million in the previous year to currently EUR 34.9 million.

EMPLOYEES

In the first half of 2021, the average number of employees in the Metal Division stood at 183, compared with 179 in the previous year.

INVESTMENTS

In the Metal Division, capital expenditure during the first six months of the year of EUR 7.0 million stood significantly above the previous year's comparable amount of EUR 2.7 million. The variance is primarily explained by the state-mandated investment reductions in the prior year due to COVID-19. A government investment grant was also capitalised in the second quarter of the previous year. In the second quarter of 2021, asset additions amount to EUR 3.5 million compared to EUR -0.9 million in the previous year.

KEY FIGURES FOR THE METAL DIVISION IN EUR MILLION	Q2/2021	Q2/2020	Change in %	H1/2021	H1/2020	Change in %
Shipments in tonnes 1)	44,800	36,800	21.7 %	65,400	59,200	10.5 %
of which internal shipments	0	0		0	0	
Revenue	248.3	151.0	64.4 %	410.0	312.3	31.3 %
of which internal revenue	149.5	94.9	57.5 %	274.6	218.0	26.0 %
EBITDA	34.9	6.7	416.7 %	45.1	20.1	124.1 %
EBIT	29.3	0.6	>1,000 %	33.9	7.9	331.6 %
Employees FTE (excluding apprentices)	186	179	4.0 %	183	179	2.3 %

1) Shipment volumes and internal shipment relate exclusively to the AMAG interest in the Alouette smelter

CASTING DIVISION

ECONOMIC ENVIRONMENT

The Casting Division's key geographical markets comprise Western and Central Europe. The automotive sector (including the supply industry) ranks as the largest customer for the division, accounting for around 60 % of shipments. Consequently, the health of the European automotive industry has a strong bearing on divisional performance.

Following significant decreases in the second quarter of the previous year, demand for automobiles in the European Union picked up significantly by the end of 2020. This positive trend continued in the year under review, which is also reflected in the key figures for new passenger car registrations worldwide. While only 4.3 million units were newly registered in the European Union in the first half of 2020 due to COVID-19, an increase of 25.2 % was recorded in the current reporting period with 5.4 million passenger cars. Nevertheless, the European car market is still noticeably below the pre-COVID level. In the USA, the pre-crisis level for new registrations of "light vehicles" was slightly exceeded. At total of 8.3 million units were newly registered, which corresponds to an increase of 29.3 % compared to 2020. The Chinese new car market has already recovered rapidly over the past year and shows 9.8 million new passenger cars registered in the first half of 2021, representing a rise of 27.3 % compared to 2020.¹³

The worldwide growth in demand is also reflected to a considerable extent in production figures; car production in Germany in the first half of 2021 rose by 16 % year-on-year.¹⁴ This growth is negatively impacted by the limited availability of semiconductors since the start of the year. According to a study by the "Center Automotive Research", in 2021 around 5 million fewer vehicles will be produced worldwide due to the related chip shortage.¹⁵

EARNINGS TRENDS

The positive trends in the economic environment are also reflected in the performance of total shipments of the Casting Division. At 46,000 tonnes, significantly more tonnes were shipped in the

first half of 2021 than in the first half of 2020 (38,200 tonnes). In the second quarter of 2021, the total shipment volume of 22,400 tonnes was also significantly above the previous year's level (comparative period: 17,000 tons).

Particularly due to the increase in shipment volumes and a higher aluminium price, revenue in the Casting Division was up from EUR 38.3 million to EUR 67.2 million in the first half of 2021. While the first quarter of the previous year was largely unaffected by COVID-19, a comparison of the second quarter of 2021 with the same period of the previous year clearly shows the impact of the pandemic: revenues from April to June this year of EUR 33.7 million more than doubled compared with the second quarter of 2020 (14.4 million).

Higher demand for recycled cast alloys in the first half of 2021 is also reflected in the Casting Division's EBITDA growth. This earnings figure increased from EUR 3.1 million in the previous year to EUR 6.7 million in the first six months of this year. A quarterly comparison shows EBITDA up from EUR 1.7 million to EUR 3.3 million in the second quarter of 2021.

The operating result (EBIT) grew to EUR 5.6 million in the first six months of the current year (2020 comparative period: EUR 1.8 million). In the second quarter of 2021, the company generated EUR 2.7 million of EBIT, compared with EUR 1.1 million in the previous year.

EMPLOYEES

The average number of employees of 117 in 1st half-year of 2021 was below compared to the previous year (124 employees).

INVESTMENTS

Capital expenditures on property, plant and equipment amounted to EUR 0.6 million between January and June of the current year, compared with EUR 0.5 million in the previous year.

¹³ See VDA, press releases of July 16, 2021

¹⁴ See VDA, Figures and Data, Monthly Figures Production January to June 2021

¹⁵ See study by the Center Automotive Research of July 2021

KEY FIGURES FOR THE CASTING DIVISION IN EUR MILLION	Q2/2021	Q2/2020	Change in %	H1/2021	H1/2020	Change in %
Shipments in tonnes	22,400	17,000	31.8 %	46,000	38,200	20.4 %
of which internal shipments	5,700	9,000	-36.7 %	11,600	15,100	-23.2 %
Revenue	33.7	14.4	134.9 %	67.2	38.3	75.4 %
of which internal revenues	2.1	3.4	-39.0 %	4.5	5.7	-21.6 %
EBITDA	3.3	1.7	96.1 %	6.7	3.1	119.8 %
EBIT	2.7	1.1	157.0 %	5.6	1.8	205.1 %
Employees FTE (excluding apprentices)	116	123	-5.8 %	117	124	-5.6 %

ROLLING DIVISION

ECONOMIC ENVIRONMENT

Demand for aluminium rolled products showed favourable developments in the first half of 2021 and is forecast to remain positive in the second half of the year. While demand decreased last year due to the COVID-19 pandemic, the market research institute CRU¹⁶ expects demand for aluminium rolled products to reach a new all-time high of 29.3 million tonnes this year (2020: 26.9 million tonnes).

The CRU identifies high growth potential especially in the transport sector, and expects growth of almost 19 % to 4.5 million tonnes compared to the previous year. One positive factor here is the substitution of steel by aluminium for sheet metal in outer skin applications for engine hoods, doors and fenders. Lightweight construction solutions deploying aluminium can reduce weight and thereby also automobile fuel consumption, as well as CO₂ emissions. In the mechanical engineering sector, an increase of around 9 % to 2.2 million tonnes is expected. The packaging and construction sectors are each forecast to grow by almost 7 % to 15.9 million tonnes and 3.7 million tonnes respectively.

In terms of regions, the CRU expects demand in Western Europe to expand by 9 % to 4.2 million tonnes. In North America, an even stronger increase of almost 12 % to 6.1 million tonnes is forecast. In the Asian region, CRU expects growth of around 8 % to 16.0 million tonnes. For China, demand for aluminium rolled products is forecast to expand by more than 8 % to 11.4 million tonnes.

EARNINGS TRENDS

The rapid increase in economic activity had a positive effect on the Rolling Division's shipment trends. Positive developments were recorded in almost all shipment segments. Aluminium demand in the aircraft industry remained low in the first half of 2021. Overall, the Rolling Division shipped 114,700 tonnes in the first six months of this year, a significant increase of 8.4 % compared to the previous year (105,800 tonnes). Shipment volumes in the second quarter 2021 were also clearly above the previous year's level at 60,400 tonnes, representing an increase of 21.3 %.

¹⁶ See CRU Aluminium Rolled Products Market Outlook, May 2021

Higher shipment volumes and higher aluminium prices and premiums boosted revenue by 15.0 % in the first six months of this year. After EUR 371.8 million in the previous year, revenue in the first half of 2021 amounted to EUR 427.6 million. The positive impact derives particularly from the trend during the second quarter of 2021; while revenue in the previous year amounted to EUR 165.5 million, revenue from April to June 2021 improved significantly to EUR 230.7 million.

In particular, the Rolling Division's higher shipment volume is crucial for EBITDA growth in a half-year comparison. With a product mix still noticeably affected by COVID-19, the company generated EUR 43.8 million in the first six months of the year under review, compared to EUR 37.0 million in the previous year. The significant improvement in the general economic situation is evident in the quarterly comparison. While EBITDA of EUR 14.8 million was achieved in the second quarter of 2020, this earnings figure was almost twice as high in the same quarter of 2021 at EUR 26.4 million.

As a consequence, the operating result (EBIT) also rose compared with the first six months of the previous year, by 52.3 % from EUR 11.3 million to EUR 17.3 million. In a comparison of quarters, EBIT of EUR 13.2 million stood markedly above the previous year's level (Q2/2020: EUR 2.1 million).

EMPLOYEES

Compared with the first half of 2020, the average number of employees in the Rolling Division was up from 1,504 to 1,653. This is partly due to the integration of Aircraft Philipp into the Rolling Division in the autumn of the previous year.

INVESTMENTS

Investments in property, plant and equipment and intangible assets amounted to EUR 16.7 million during the first half of 2021. These investments thereby were recorded somewhat below the previous year's level of EUR 14.4 million. Investments in the second quarter of 2021 amounted to EUR 7.6 million, compared with EUR 7.1 million in the equivalent prior-year period.

KEY FIGURES FOR THE ROLLING DIVISION IN EUR MILLION	Q2/2021	Q2/2020	Change in %	H1/2021	H1/2020	Change in %
Shipments in tonnes	60,400	49,800	21.3 %	114,700	105,800	8.4 %
Revenue	230.7	165.5	39.4 %	427.6	371.8	15.0 %
of which internal revenues	18.8	16.3	15.7 %	33.9	37.7	-10.0 %
EBITDA	26.4	14.8	78.3 %	43.8	37.0	18.6 %
EBIT	13.2	2.1	526.5 %	17.3	11.3	52.3 %
Employees FTE (excluding apprentices)	1,667	1,493	11.7 %	1,653	1,504	9.9 %

SERVICE DIVISION

EARNINGS TRENDS

Revenues from January to June of the current financial year show an increase from EUR 32.7 million in the previous year to EUR 39.0 million in the year under review. In the second quarter of 2021, revenue rose from EUR 14.3 million in 2020 to currently EUR 19.3 million. The growth is mainly due to higher energy consumption as a consequence of the higher production volume at the Ranshofen site, as well as higher energy prices.

EBITDA changed from EUR -0.8 million in the first half of 2020 to EUR -2.1 million in the current reporting period. The change is primarily due to higher energy and personnel expenses. EBITDA generated in the second quarter of 2021 amounts to EUR -1.3 million (comparative prior-year quarter: EUR -0.4 million).

The Service Division's operating result (EBIT) reduced year-on-year from EUR -3.4 million to EUR -4.9 million. The quarterly comparison shows a change in EBIT from EUR -1.7 million in the previous year to EUR -2.6 million in the second quarter of 2021.

KEY FIGURES FOR THE SERVICE DIVISION IN EUR MILLION

	Q2/2021	Q2/2020	Change in %	H1/2021	H1/2020	Change in %
Revenue	19.3	14.3	35.7 %	39.0	32.7	19.5 %
of which internal revenues	17.7	13.0	36.1 %	35.7	29.9	19.6 %
EBITDA	-1.3	-0.4	-259.2 %	-2.1	-0.8	-165.2 %
EBIT	-2.6	-1.7	-53.5 %	-4.9	-3.4	-42.7 %
Employees FTE (excluding apprentices)	174	173	0.8 %	175	174	0.7 %

EMPLOYEES

The average number of employees in the Service Division increased marginally in a half-year comparison from 174 to 175.

INVESTMENTS

Investments in the first half of the year amounting to EUR 3.2 million (same period of the previous year: EUR 1.9 million) related primarily to the areas of environment and safety as well as the expansion of warehouse space and projects to secure supplies at the Ranshofen site. In a quarter-on-quarter comparison, capital expenditure increased from EUR 0.5 million to EUR 2.3 million.

OUTLOOK

ECONOMIC OUTLOOK

According to estimates by the IMF¹⁷, global economic output is expected to increase significantly in 2021, putting in growth of around 6 %. This more than compensates for the previous year's COVID-19-related worldwide economic losses of -3.3 %. The IMF's current economic forecast is based on a number of assumptions and depends to a large extent on the further course of the COVID-19 pandemic. The current positive economic environment is also reflected in key economic and confidence indicators. An important indicator for the AMAG Group in this context is the purchasing managers' index for the manufacturing sector.¹⁸

For 2022, the IMF¹⁹ currently expects global economic growth of 4.4 %. Again, this forecast is based on some assumptions regarding the further course of the COVID-19 pandemic. The Eurozone is contributing to this increase with a rise of 3.8 %, while growth in the USA is forecast to be slightly lower at 3.5 %. Growth in emerging and developing countries is expected to amount to +5.0 %, thereby representing the main driver of average macroeconomic growth.

ALUMINIUM MARKET OUTLOOK

CRU forecasts²⁰, among other factors, were applied as an input for medium-term demand growth for primary aluminium and aluminium rolled products. After a COVID-19-related decrease in demand for primary aluminium and aluminium rolled products in the previous year, significant growth is expected in the current year. Demand for both primary aluminium and aluminium rolled products is forecast to grow by around 9 % to 68.5 and 29.3 million tonnes respectively. By the end of 2025, the CRU expects demand for primary aluminium to increase by an average of around 4 % p.a. compared with 2020 (corresponding to demand of around 74.9 million tonnes in 2025). With an anticipated average increase of around 5 % p.a., the CRU also sees demand for aluminium rolled products on a positive trend from 2020 to 2025 (corresponding to demand of around 34.3 million tonnes).

¹⁷⁾ See IMF, World Economic Outlook, April 2021

¹⁸⁾ See Bloomberg

¹⁹⁾ See IMF, World Economic Outlook, April 2021

European automotive industry trends are the main drivers of the Casting Division. Globally, vehicle production is expected to increase by over 11 % in 2021, according to estimates from IHS Markit.²¹ In Europe, with forecast production of 18.6 million units, growth is forecast to be around 12 %. China suffered noticeably lower production losses in the previous year and consequently started 2021 on a more positive note. Year-on-year growth is expected to slightly exceed 2019 pre-crisis levels at 5 %, to reach a level of 24.9 million units. A significant increase of around 16 % is expected in North America. Production is expected to rise to 15.1 million passenger cars. Looking ahead over the next five years, IHS expects worldwide annual production to increase by around 5 % to just over 96 million vehicles, starting in 2020.

BUSINESS TREND OUTLOOK FOR 2021

The positive outlook for the aluminium market provides a confident basis for a continued sound trend in the second half of 2021. In terms of the AMAG Group's individual divisions, the business development for 2021 is currently estimated as follows:

The Metal Division is currently benefiting from stable smelter operations in the Canadian plant "Alouette" as well as from attractive aluminium price and premium levels. The prices for key primary materials (particularly alumina) also stand at a comparatively very low level. Business developments in the second half of 2021 will be particularly influenced by the further price situation in the primary aluminium sector. The production of primary aluminium is forecast to remain stable for the remainder of the year 2021.

The order book position at the Ranshofen site has reached an all-time high in the last few weeks and leads to expect a high level of shipments over the coming months thanks to stable production, both in the Casting as well as in the Rolling divisions. Demand from the aircraft industry is gradually improving but still stands noticeably below pre-crisis levels. Uncertainties in earnings development in the second half of 2021 exist, among other things, in the further trend in price (e.g. for energy and freight). The current semiconductor and chip shortages may further affect demand from the automotive industry.

On a cross-divisional basis, the COVID-19 pandemic remains a significant risk to trends in the second half of 2021. In particular, any virus mutations can rapidly affect demand trends in key sales sectors

²⁰⁾ See CRU, Aluminium Market Outlook, April 2021, and Rolled Products Market Outlook, May 2021

²¹⁾ See IHS Markit, Global Light Vehicle Production Summary, June 2021

of the AMAG Group. Experience has shown that the aluminium price and premiums can be very volatile, and will also be affected by the further course of the COVID-19 pandemic.

The Management Board expects an EBITDA of between EUR 155 million and EUR 175 million for the full 2021 year, compared with EUR 108.2 million in the previous year and EUR 143.0 million in the 2019 financial year.

RISK AND OPPORTUNITY REPORT

A formalised risk management system designed to identify, assess and manage all of the significant risk exposures as well as opportunities for AMAG Group and its environment forms an integral element of the AMAG Group's business activities. We aim to identify risks at an early juncture and proactively counter them where possible, in order to limit them to the greatest extent. Furthermore, we aim to exploit business opportunities on a targeted basis. A balanced approach to opportunity and risk management is one of our Group's key success factors. The COVID-19 pandemic and the market environment it influences were taken into account accordingly for the identification and assessment of risks.

RISK MANAGEMENT SYSTEM

Risk management is geared to ensuring a sustained positive trend in our financial position and performance as well as long-term growth in the AMAG Group's value, and to minimising negative influences on the environment. This system relies primarily on:

- › Groupwide standards and instructions to regulate operational processes with a view to identifying, analysing, assessing and communicating risks, and actively managing risks and opportunities,
 - › active hedging of specific risks (volatility in the aluminium price and in exchange rates),
 - › covering certain risks under a comprehensive insurance strategy.
-

Risks are managed based on these standards and instructions, and concern all levels of the management hierarchy. Strategic and operative risks are reviewed annually, and any requisite business policy adjustments are implemented as part of an institutionalised process. Moreover, the standards and instructions, and the scope and amount of insurance cover, are subject to ongoing review and updated whenever necessary.

In addition, external auditors conduct evaluations on a case-by-case basis in selected corporate areas to determine the effectiveness of the internal control system.

INTERNAL CONTROL SYSTEM

Both the AMAG Group's internal control as well as its risk management systems are based on the Internal Control and Enterprise Risk Managing Frameworks – internationally recognised standards established by the Committee of Sponsoring Organisations (COSO) of the Treadway Commission – and ISO 31000:2010). The objective is for the relevant managers to identify and manage potential risks.

FURTHER INFORMATION

For a detailed description of the Group's risk exposures, and its risk management and internal control systems, please refer to the AMAG Austria Metall AG 2020 annual report and the Investor Relations area of our website at www.amag-al4u.com.

RELATED PARTY DISCLOSURES

Please refer to the interim consolidated financial statements for information about business relationships with related companies and individuals.

CONSOLIDATED BALANCE SHEET

ASSETS IN EUR THOUSAND	June 30, 2021	December 31, 2020 restated*	EQUITY AND LIABILITIES IN EUR THOUSAND	June 30, 2021	December 31, 2020 restated*
Intangible assets and goodwill	13,940	13,401	Share capital	35,264	35,264
Property, plant and equipment	711,095	723,099	Capital reserves	377,661	377,661
Equity accounted investments	1,933	1,891	Retained earnings	192,516	189,460
Other non-current assets and financial assets	42,444	34,580	Equity attributable to owners of the company	605,441	602,385
Deferred tax assets	21,480	10,987	Non-controlling interests	0	314
Non-current assets	790,892	783,958	Equity	605,441	602,698
Inventories	323,719	261,647	Non-current provisions	99,624	116,560
Trade receivables	153,671	113,357	Interest-bearing non-current financial liabilities	422,454	515,216
Current tax assets	61	801	Other non-current liabilities and grants	71,642	46,016
Other current assets	75,758	81,839	Deferred tax liabilities	3	172
Contract assets	1,287	1,788	Non-current liabilities	593,724	677,964
Cash and cash equivalents	251,919	304,899	Current provisions	13,357	12,914
Current assets	806,416	764,331	Interest-bearing current financial liabilities	133,003	104,262
TOTAL ASSETS	1,597,308	1,548,289	Trade payables	84,255	59,111
			Current tax liabilities	14,419	3,728
			Other current liabilities and grants	153,109	87,613
			Current liabilities	398,144	267,627
			TOTAL EQUITY AND LIABILITIES	1,597,308	1,548,289

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures.

CONSOLIDATED INCOME STATEMENT

ACC. TO THE COST OF SALES METHOD IN EUR THOUSAND	Q2/2021	Q2/2020	H1/2021	H1/2020	2020 restated*
Revenue	343,864	217,455	595,081	463,831	904,167
Cost of sales	-270,241	-188,988	-480,547	-395,592	-780,101
Gross profit	73,624	28,467	114,534	68,239	124,066
Other income	2,836	216	5,246	4,977	7,999
Selling and distribution expenses	-17,242	-14,760	-33,653	-29,601	-54,427
Administrative expenses	-9,737	-7,078	-19,366	-15,318	-30,741
Research and development expenses	-4,360	-3,415	-8,438	-7,436	-14,645
Other expenses	-2,568	-1,326	-6,465	-3,288	-7,605
Share of profit of equity-accounted investments	26	22	42	40	123
Earnings before interest and taxes (EBIT)	42,578	2,125	51,901	17,613	24,769
Net interest result	-2,850	-878	-5,543	-3,063	-8,197
Other financial result	132	-1,066	661	256	-994
Net financial income (expenses)	-2,718	-1,945	-4,882	-2,807	-9,191
Earnings before taxes (EBT)	39,860	180	47,018	14,806	15,578
Current taxes	-9,858	-328	-15,423	-5,300	-6,493
Deferred taxes	-160	1,093	3,379	2,930	1,974
Income taxes	-10,018	765	-12,044	-2,370	-4,519
Net income after taxes	29,842	946	34,974	12,435	11,059
thereof attributable to the equity holders of the parent	30,126	946	35,638	12,435	11,033
thereof attributable to non-controlling interests	-284	0	-664	0	26
Total number of nil par value shares	35,264,000	35,264,000	35,264,000	35,264,000	35,264,000
Earnings per share	0.85	0.03	1.01	0.35	0.31

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

IN EUR THOUSAND	Q2/2021	Q2/2020	H1/2021	H1/2020	2020 restated*
Net income after taxes	29,842	946	34,974	12,435	11,059
Items that are or may be reclassified to profit or loss:					
Currency translation differences	-2,119	-3,798	5,566	434	-14,711
Changes in the hedging reserve					
Recognized (expenses) and income during the financial year	-28,224	8,225	-52,488	-497	6,172
Reclassifications of amounts that have been recognized in the statement of profit or loss	6,493	4,573	7,264	6,592	8,396
Deferred taxes relating thereto	5,664	-3,268	11,712	-1,632	-3,299
Currency translation differences relating thereto	38	97	-487	-112	593
Changes in fair value reserve	306	48	-1,439	52	-324
Deferred taxes relating thereto	-77	-12	360	-13	81
Items that will never be reclassified to profit or loss:					
Changes in revaluation reserve	68	192	68	192	193
Deferred taxes relating thereto	-17	-48	-17	-48	-48
Remeasurement of defined benefit plans	5,904	19,346	19,044	7,138	-10,660
Deferred taxes relating thereto	-1,551	-5,033	-4,992	-1,856	2,814
Currency translation differences relating thereto	218	292	-461	-102	1,664
Share of other comprehensive income of associates	0	0	0	0	1
Deferred taxes relating thereto	0	0	0	0	0
Other comprehensive income for the year net of tax	-13,297	20,613	-15,870	10,148	-9,129
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	16,545	21,559	19,104	22,584	1,930
thereof attributable to the equity holders of the parent	16,829	21,559	19,768	22,584	1,904
thereof attributable to non-controlling interests	-284	0	-664	0	26

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures.

CONSOLIDATED STATEMENT OF CASH FLOWS

IN EUR THOUSAND	Q2/2021	Q2/2020	H1/2021	H1/2020	2020 restated*
Earnings before taxes (EBT)	39,860	180	47,018	14,806	15,578
Net interest result	2,850	878	5,543	3,063	8,197
Share of profit of associates	-26	-22	-42	-40	-123
Depreciation on non-current assets	20,707	20,763	41,661	41,734	83,451
Losses/gains from the disposal of non-current assets	305	-3	347	-28	-86
Other non-cash expenses/income	236	650	426	-795	376
Changes in inventories	-14,009	16,074	-61,271	3,820	1,672
Changes in trade receivables	-23,650	10,804	-40,319	3,585	11,175
Changes in trade payables	3,580	-11,458	24,962	-8,675	-11,788
Changes in provisions	380	-732	322	-986	-1,615
Changes in derivatives	-14,979	1,773	2,957	-5,255	17,764
Changes in contract assets	792	0	500	0	322
Changes in other receivables and liabilities	33,796	14,804	35,225	21,384	1,053
	49,842	53,711	57,328	72,611	125,976
Tax payments	-1,726	1,585	-4,176	-1,591	-13,400
Interest received	51	1,672	122	1,991	2,576
Interest paid	-1,656	-1,245	-3,101	-2,421	-7,865
Cashflow from operating activities	46,510	55,724	50,175	70,589	107,287

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures.

IN EUR THOUSAND	Q2/2021	Q2/2020	H1/2021	H1/2020	2020 restated*
Cashflow from operating activities	46,510	55,724	50,175	70,589	107,287
Proceeds from disposals of non-current assets	152	63	312	176	561
Payments for investments in property, plant and equipment and intangible assets	-11,940	-10,244	-27,954	-25,759	-58,224
Proceeds from grants for investments	639	407	654	805	1,026
Acquisition of subsidiary, net of cash acquired	1,200	0	1,200	0	-1,328
Receivable from purchase price refund	0	0	0	0	-4,200
Cash flow from investing activities	-9,949	-9,774	-25,788	-24,777	-62,165
Repayments of borrowings	-82,195	-255	-86,067	-1,758	-108,440
Proceeds from borrowings	742	90,303	22,851	90,369	126,673
Dividends paid	-17,632	0	-17,632	0	-17,632
Cash flow from financing activities	-99,084	90,048	-80,848	88,611	601
Change in cash and cash equivalents	-62,523	135,998	-56,462	134,423	45,723
Cash and cash equivalents at the beginning of the period	315,459	267,595	304,899	267,322	267,322
Effect of exchange rate changes on cash and cash equivalents	-1,016	-1,803	3,482	45	-8,145
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	251,919	401,789	251,919	401,789	304,899

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

IN EUR THOUSAND	Share capital	Capital reserves	Hedging reserve	Fair value reserve	Revaluation reserve	Revaluation of defined benefit plans	Exchange differences	Retained earnings	Equity attributable to owners of the company	Non-controlling interests	Equity
Balance as of December 31, 2019	35,264	377,661	-17,449	-43	661	-36,930	47,017	213,112	619,293	0	619,293
Net income after taxes								12,435	12,435		12,435
Other comprehensive income for the year net of tax			4,351	39	144	5,180	434		10,148		10,148
Total comprehensive income for the year			4,351	39	144	5,180	434	12,435	22,584		22,584
Balance as of June 30, 2020	35,264	377,661	-13,098	-4	805	-31,750	47,450	225,547	641,876	0	641,876
Balance as of December 31, 2020 restated*	35,264	377,661	-5,587	-286	806	-43,112	32,306	205,332	602,385	314	602,698
Net income after taxes								35,638	35,638	-664	34,974
Other comprehensive income for the year net of tax			-33,999	-1,079	51	13,591	5,566		-15,870		-15,870
Total comprehensive income for the year			-33,999	-1,079	51	13,591	5,566	35,638	19,768	-664	19,104
Changes in ownership structure								920	920	350	1,270
Dividend distributions								-17,632	-17,632		-17,632
BALANCE AS OF JUNE 30, 2021	35,264	377,661	-39,586	-1,365	858	-29,521	37,872	224,258	605,441	0	605,441

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures.

GENERAL

AMAG Austria Metall AG, (Lamprechtshausener Strasse 61, 5282 Ranshofen, Austria, registered under commercial register number 310593f at the Ried District Court), is an Austrian holding company whose corporate purpose is to produce, process and sell aluminium, and aluminium wrought and cast products.

As an Austrian holding company, AMAG Austria Metall AG is registered in the companies register at Ried im Innkreis District Court, and its headquarters are located in 5282 Ranshofen, Lamprechtshausener Strasse 61, Austria. The company prepares consolidated financial statements as the ultimate parent company of the AMAG Group. The shares of AMAG Austria Metall AG have been listed on the Prime Market of the Vienna Stock Exchange since April 8, 2011. The companies of the AMAG Group are included in the consolidated financial statements of B&C Holding Österreich GmbH. B&C Privatstiftung, Vienna, Austria, is the ultimate parent company of B&C Holding Österreich, and consequently of the company.

BASIS OF PREPARATION

The interim consolidated financial statements for the January 1 to June 30, 2021 accounting period have been prepared in accordance with International Financial Reporting Standards (IFRS), as formulated by the International Accounting Standards Board (IASB) and adopted by the European Union, and as applicable for interim financial statements (IAS 34), as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRS-IC), which require application in 2021. The interim consolidated financial statements do not contain all of the information and disclosures provided in the consolidated annual financial statements for the year ended December 31, 2020, and should be read in conjunction with the latter.

The accounting and valuation methods are consistent with those applied in the consolidated financial statements as of December 31, 2020.

The consolidated interim financial statements are presented in thousands of euros. The totalling of rounded amounts and percentages may lead to rounding differences due to the application of

automated calculations. Unless otherwise stated, the comparative disclosures refer to the first half of the 2020 financial year of AMAG Austria Metall AG (June 30, 2020 reporting date).

The Management Board of AMAG Austria Metall AG is satisfied that the Group interim statements in all material respects gives a true and fair view of the Group's financial position and performance.

These consolidated interim financial statements as of June 30, 2021 were neither subjected to a full audit nor were they reviewed by an auditor.

ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

The annual report on the financial year ending December 31, 2020 includes information about assumptions and uncertainties relating to estimates which can generate a considerable risk that necessitates a significant adjustment during the following financial year.

COVID-19 pandemic

Significant estimation uncertainties arose due to the current COVID-19 pandemic. This has already had a bearing on individual estimates in the consolidated financial statements as of December 31, 2020 of AMAG Austria Metall AG. The effects on the half-year financial statements are summarised below:

- **Asset impairment tests:**
No indications of possible impairment (triggering events) were identified for the recoverability of the assets. For this reason, no impairment tests were required as of June 30, 2021.
- **Credit risks relating to trade receivables:**
The assessment of future developments as part of estimating the need for loss allowances on trade receivables was evaluated in light of the COVID-19 pandemic, with adjustments being applied in the previous year. This assessment is still valid and valuations are made accordingly. As of June 30, 2021, this led to EUR 1,469 thousand (previous year: EUR 928 thousand) of loss allowances.

- **Probability of occurrence of transactions (hedge accounting):**

In the case of cash flow hedges, hedge accounting can be applied if the underlying transaction is highly likely to occur. For existing hedges, this assessment is evaluated quarterly. As a consequence, the probability of occurrence of individual commodity transactions could no longer be classified as high. However, it had no material impact.

- **Financial liabilities:**

No deferrals or suspensions of financial liabilities occurred.

Information on the economic impact of the COVID-19 pandemic on the AMAG Group and on its key financial figures is contained in the management report.

Embedded derivative

Accounting for the embedded derivative also required estimates to be made, including the expected term. It was assumed for the consolidated financial statements as of December 31, 2020 that the electricity supply contract will be renegotiated and will run until December 31, 2024. Based on current information and negotiations, it is assumed that a change in the existing electricity contract is not to be expected. This led to an extension of the term by five years to the end of the contractual term and, as a consequence, to an increase in the derivative of USD 33,395 thousand (EUR 28,101 thousand) without effect on profit or loss.

Going concern

No indications exist that necessitate divergence from the going concern assumption. The Group has equity capital of EUR 605.4 million as of June 30, 2021. Furthermore, the Group reports positive cash flow (see consolidated cash flow statement) as well as a cash and cash equivalents position of EUR 251.9 million.

CHANGES IN THE SCOPE OF CONSOLIDATION

In June 2021, a shareholders' agreement led to the economic attribution of the remaining 30 % interest of Aircraft Philipp to AMAG. For this reason, an acquisition of non-controlling interests is to be recognised as of June 30, 2021.

In addition, the newly established sales company Alüminyum Ticaret Limited Şirketi was included in the scope of consolidation on June 30, 2021.

SEASONAL AND CYCLICAL FACTORS

The progression of business at the AMAG Group is generally not subject to significant seasonal fluctuation. In 2021, too, scheduled annual maintenance measures at the Ranshofen site will continue to be predominantly conducted during the second half of the year (August and December). As a consequence, lower production volumes are assumed for the fourth quarter of 2021 compared with previous quarters.

ADJUSTMENTS PURSUANT TO IAS 8

In 2020, the AMAG Group acquired a 70 % interest in Aircraft Philipp, consisting of Aircraft Philipp Übersee GmbH and Aircraft Philipp Karlsruhe GmbH. The first-time inclusion in the AMAG Group was realised on November 1, 2020.

In the course of plausibility checks during the first half of 2021, errors were identified which had an impact on strategic corporate planning for the years 2021-2025. This led to a claim under a guarantee clause in the purchase agreement and thereby to a retrospective purchase price adjustment of EUR 4.2 million.

For this part of the purchase price, already settled in 2020, a receivable from purchase price refund was recognised towards the seller in other current assets. In the current financial year a settlement of this receivable was made by a repayment of the receivable of EUR 1,200 thousand as well as a transmission of the loan against Aircraft Philipp of EUR 3,000 thousand.

In the present half-year financial statements, the consolidated financial statements were corrected retrospectively to December 31, 2020 in accordance with IAS 8 as a consequence of these circumstances. A retrospectively corrected purchase price allocation and retrospective adjustments to property plant and equipment EUR 280 thousand and to deferred taxes amounting to EUR 1,700 thousand were applied. The non-controlling interests also had to be adjusted accordingly.

The purchase price allocation on the basis of the fair values changed as follows as of the acquisition date:

ASSETS ACQUIRED AND LIABILITIES ASSUMED IN EUR THOUSAND

		October 31, 2020	
	Fair value before restatement	Fair value restated	Change
Non-current assets	24,121	22,232	-1,889
Current assets	21,761	21,761	0
Non-current liabilities	20,162	20,253	91
Current liabilities	22,781	22,781	0
NET ASSETS	2,939	959	-1,980

CONSIDERATION TRANSFERRED IN EUR THOUSAND

		October 31, 2020	
	before restatement	restated	Change
Purchase price	9,946	5,746	-4,200
Proportionate net assets of non-controlling interests	882	288	-594
SUBTOTAL	10,828	6,034	-4,794
Net assets	-2,939	-959	1,980
GOODWILL	7,889	5,075	-2,814

Furthermore, a revaluation of the seller's put option on the remaining 30 % interest from EUR 3,620 thousand to EUR 1,180 thousand had to be performed, as this valuation was also based on the planning.

The goodwill impairment test conducted as of December 31, 2020 was performed again, taking into account the change in strategic corporate planning. This led to an additional retrospective impairment loss of EUR 560 thousand.

Adjustments were applied to the following balance sheet items:

BALANCE SHEET ITEMS IN EUR THOUSAND	December 31, 2020		Change
	before restatement	restated	
Intangible assets and goodwill	16,775	13,401	-3,374
Property, plant and equipment	723,379	723,099	-280
Deferred tax assets	12,530	10,987	-1,543
Other current assets	77,639	81,839	4,200
TOTAL ASSETS	1,549,287	1,548,289	-997
Retained earnings	187,580	189,460	1,880
Equity attributable to owners of the company	600,505	602,385	1,880
Non-controlling interests	908	314	-594
Equity	601,412	602,698	1,286
Interest-bearing non-current financial liabilities	517,656	515,216	-2,440
Deferred tax liabilities	16	172	157
TOTAL EQUITY AND LIABILITIES	1,549,287	1,548,289	-997

The income statement has been restated as follows:

INCOME STATEMENT IN EUR THOUSAND	2020		Change
	before restatement	restated	
Depreciation and amortisation	-82,891	-83,451	-560
Earnings before taxes (EBT)	16,138	15,578	-560
Net income after taxes	11,619	11,059	-560
Earnings per share	0.33	0.31	-0.02

Goodwill amortisation is included in other expenses in the consolidated income statement.

In the cash flow statement, because of the retrospective correction only a shift occurs within the cash flow from operating activities and cash flow from investing activities:

CASH FLOW STATEMENT IN EUR THOUSAND	2020		Change
	before restatement	restated	
Earnings before taxes (EBT)	16,138	15,578	-560
Depreciation on non-current assets	82,891	83,451	560
Cash flow from operating activities	107,287	107,287	0
Acquisition of subsidiary, net of cash acquired	-5,528	-1,328	4,200
Receivable from purchase price refund	0	-4,200	-4,200
Cash flow from investing activities	-62,165	-62,165	0

Impact in the 2021 financial year:

The seller has stepped down from the management team of Aircraft Philipp. Consequently, the conditions for the put option as well as for the retention premium recognised in accordance with IAS 19 no longer apply. As a consequence, these had to be derecognised without affecting profit or loss. Moreover the transfer of the 30% interest in ACP to AMAG for EUR 1 was agreed at the end of financial year 2021. For this reason, AMAG is to be regarded as the economic owner of the entire AMAG Group already from the time when the agreement became valid, and the previously reported non-controlling interests in the amount of EUR 350 thousand are consequently to be attributed to AMAG.

BUSINESS DIVISIONS

H1/2021 IN EUR THOUSAND	Metal	Casting	Rolling	Service	Consolidation	Group
Revenue						
External	135,345	62,754	393,698	3,284	0	595,081
Internal	274,622	4,457	33,891	35,732	-348,702	0
	409,967	67,211	427,589	39,016	-348,702	595,081
EBITDA	45,125	6,712	43,838	-2,113	0	93,562
EBIT	33,882	5,620	17,289	-4,891	0	51,901
Net financial income (expenses)	-776	-32	-4,172	97	0	-4,882
Earnings before taxes (EBT)	33,106	5,589	13,118	-4,795	0	47,018

H1/2020 IN EUR THOUSAND	Metal	Casting	Rolling	Service	Consolidation	Group
Revenue						
External	94,287	32,621	334,136	2,786	0	463,831
Internal	218,022	5,687	37,651	29,873	-291,232	0
	312,309	38,308	371,787	32,659	-291,232	463,831
EBITDA	20,133	3,053	36,957	-797	0	59,347
EBIT	7,851	1,842	11,349	-3,429	0	17,613
Net financial income (expenses)	557	-61	-2,607	-697	0	-2,807
Earnings before taxes (EBT)	8,408	1,781	8,742	-4,125	0	14,806

NOTES TO THE CONSOLIDATED BALANCE SHEET

Property, plant and equipment reduced from EUR 723.1 million as of the end of 2020 to EUR 711.1 million as of the end of June 2021. This decrease is predominately attributable to the depreciation of the expansion project in Ranshofen, which had been capitalised. Obligations arising from investments in plant amounted to EUR 31.7 thousand as of June 30, 2021 (2020 year-end: EUR 27.4 thousand).

Trade receivables increased from EUR 113.4 million at the 2020 year-end to EUR 153.7 million at the end June 2021, due to the higher level of revenue.

Cash and cash equivalents decreased from EUR 304.9 million at the end of December 2020 to EUR 251.9 million at the end of June 2021.

The equity of the AMAG Group amounted to EUR 605.4 million as of the end of June 2021 and was thereby EUR 2.7 million above the level reported in the 2020 annual financial statements (EUR 602.7 million). The change mainly reflects the net income after taxes for the first six months of 2021 of EUR 35.0 million, the change in the hedging reserve (IFRS 9) of EUR -34.0 million, and the revaluation of defined benefit pension plans of EUR +13.6 million, as well as an increase in currency translation differences of EUR +5.6 million. This half-year 2021 also included a dividend payment of EUR -17.6 million.

Since the balance sheet date, the interest rates relevant for the measurement of defined benefit pension plans and anniversary bonus provisions in Austria at the end of May – derived from the discount rates for IFRS valuations as published by MERCER Germany – have increased to 1.40 % (December 31, 2020: 1.00 %) for severance payments and anniversary bonus provisions, and to 1.30 % (December 31, 2020: 0.90 %) for pension provisions. In Canada, the relevant interest rates have also risen, and according to the “Fiera Capitals CIA Method Accounting Discount Rate Curve” amount to 3.50 % for the pension provision (December 31, 2020: 2.60 %), and to 3.40 % for the provision for medical care benefits (December 31, 2020: 2.50 %). This leads to net actuarial gains of EUR 19.0 million carried directly to other comprehensive income, and EUR 0.7 million recognised in profit or loss.

Non-current interest-bearing financial liabilities decreased from EUR 515.2 million in last year's consolidated financial statements to EUR 422.5 million as of June 30, 2021.

Due to the current situation, the assurances relating to AMAG's long-term financial liabilities (with the exception of a committed line) were amended as follows until December 31, 2022, as explained below: reduction of the equity ratio required to terminate the loan agreement from the current 30 % to 20 % and suspension of the net debt/EBITDA ratio.

In the case of a committed line, the net debt/EBITDA is now staggered over time: > 7.5 up to and including June 30, 2021; > 5.5 up to June 30, 2022; > 4.75 up to and including December 31, 2022; > 4 from January 1, 2023. In the event of a shortfall within the specified period, the contract will be terminated. The required equity ratio is also reduced to 20 %.

All assurances to financing partners were complied with both in relation to the respective cut-off dates as well as during the course of the year.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

The AMAG Group recognises revenue from the sale of primary aluminium (Metal Division), aluminium rolled products (Rolling Division), aluminium cast alloys (Casting Division) and from services connected with building and space management, works services etc. at its Ranshofen site (Service Division), whereby external revenue generated from services plays a subordinate role (0.47% of total revenue, 1st half-year of 2020: 0.56%).

Between January and June 2021, the revenue of the AMAG Group amounted to EUR 595.1 million, representing a 28.3 % increase compared with the EUR 463.8 million generated in the prior-year comparable period.

Revenues are comprised as follows:

ALLOCATION OF REVENUE IN EUR THOUSAND	Q2/2021	Q2/2020	H1/2021	H1/2020	2020
Revenue third parties	348,535	222,067	599,957	470,630	911,923
Revenue from services	1,600	1,219	3,284	2,786	5,761
Result derivatives	-6,271	-5,832	-8,160	-9,585	-13,517
	343,864	217,455	595,081	463,831	904,167

The AMAG Group recognises revenue in the following regions:

REVENUE BY REGIONS IN EUR THOUSAND

	Metal	Casting	Rolling	Service	Group
Western Europe (without Austria)	18,331	42,444	185,479	2	246,256
Austria	0	15,805	62,519	3,281	81,606
Rest of Europe	0	4,505	50,871	0	55,376
North America	117,014	0	66,674	0	183,688
Asia, Oceania and other	0	0	28,155	0	28,155
	135,345	62,754	393,698	3,284	595,081

The AMAG Group's earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to EUR 93.6 million in 1st half-year of 2021, and were thereby EUR 34.2 million above the previous year's level (1st half-year of 2020: 59.3 million).

Consolidated earnings before interest and taxes (EBIT) amounted to EUR 51.9 million in the first six months of 2021, compared with EUR 17.6 million in the previous-year equivalent period.

Net income after taxes stood at EUR 35.0 million in the first half of 2021 (prior-year comparable figure: EUR 12.4 million).

NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Cash flow from operating activities amounted to EUR 50.2 million during the first six months of the financial year under review, thereby EUR -20.4 million below the level for corresponding previous-year period (EUR 70.6 million), which is especially attributable to higher working capital requirements. Cash flow from investing activities stood at EUR -25.8 million in the 1st half-year of 2021 (1st half-year of 2020: EUR -24.8 million). Cash flow from financing activities was negative in the 1st half-year of 2021 at EUR -80.8 million (1st half-year of 2020: EUR 88.6 million), due to loan repayments of EUR -85.8 million.

NOTES ON FINANCIAL INSTRUMENTS

Additional disclosures about financial instruments pursuant to IFRS 7:

2021 FINANCIAL INSTRUMENTS PURSUANT TO IFRS 7 IN EUR THOUSAND	Fair Value Hedge	Cashflow Hedge	Mandatorily at fair value through profit or loss	Fair value through other comprehensive income (equity instruments)	At amortised cost	Not a financial instrument	Book value June 30, 2021	Fair value June 30, 2021
Assets								
Other non-current assets and financial assets	0	36,391	104	1,597	4,353	0	42,444	42,444
Trade receivables	0	0	0	0	153,671	0	153,671	153,671
Current tax assets	0	0	0	0	0	61	61	61
Other current assets	5,291	4,463	34,289	0	15,745	15,969	75,758	75,758
Contract assets	0	0	0	0	1,287	0	1,287	1,287
Cash and cash equivalents	0	0	0	0	251,919	0	251,919	251,919
Liabilities								
Interest-bearing non-current financial liabilities (without leases)	0	0	0	0	416,060	0	416,060	428,761
Non-current lease liabilities	0	0	0	0	6,394	0	6,394	6,394
Other non-current liabilities and grants	0	6,891	2,016	0	1,364	61,371	71,642	71,642
Interest-bearing current financial liabilities (without leases)	0	0	0	0	130,824	0	130,824	133,500
Current lease liabilities	0	0	0	0	2,179	0	2,179	2,179
Trade payables	0	0	0	0	84,255	0	84,255	84,255
Current tax liabilities	0	0	0	0	0	14,419	14,419	14,419
Other current liabilities and grants	7,423	18,671	67,354	0	3,786	55,874	153,108	153,108

2020 FINANCIAL INSTRUMENTS PURSUANT TO IFRS 7 IN EUR THOUSAND	Fair Value Hedge	Cashflow Hedge	Mandatorily at fair value through profit or loss	Fair value through other comprehensive income (equity instruments)	At amortised cost restated*	Not a financial instrument	Book value December 31, 2020 restated*	Fair value December 31, 2020 restated*
Assets								
Other non-current assets and financial assets	0	29,942	91	1,528	3,018	0	34,580	34,580
Trade receivables	0	0	0	0	113,357	0	113,357	113,357
Current tax assets	0	0	0	0	0	801	801	801
Other current assets	7,117	16,682	22,937	0	18,843	16,260	81,839	81,839
Contract assets	0	0	0	0	1,788	0	1,788	1,788
Cash and cash equivalents	0	0	0	0	304,899	0	304,899	304,899
Liabilities								
Interest-bearing non-current financial liabilities (without leases)	0	0	0	0	508,467	0	508,467	520,693
Non-current lease liabilities	0	0	0	0	6,749	0	6,749	6,749
Other non-current liabilities and grants	0	3,016	2,933	0	1,474	38,593	46,016	46,016
Interest-bearing current financial liabilities (without leases)	0	0	0	0	102,074	0	102,074	103,882
Current lease liabilities	0	0	0	0	2,188	0	2,188	2,188
Trade payables	0	0	0	0	59,111	0	59,111	59,111
Current tax liabilities	0	0	0	0	0	3,728	3,728	3,728
Other current liabilities and grants	653	3,513	40,030	0	3,614	39,804	87,613	87,613

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures.

Cash and cash equivalents, financial instruments, as well as trade receivables and other assets generally have short terms. For this reason, the carrying amounts for these items are approximately the same as the respective fair value. Financial instruments not categorised in accordance with IFRS 7 include financial assets and liabilities measured at fair value as well as those recognised at amortised cost.

In general, trade payables and other current liabilities have terms of less than one year, and the recognised values are approximations of their respective fair value.

The fair values of bank borrowings and other financial liabilities are calculated as the present values of the related payments on the basis of the respective yield curve, taking account of the Group's credit risk exposure.

The measurement categories are as follows:

MEASUREMENT CATEGORIES IN EUR THOUSAND	June 30, 2021				December 31, 2020 restated*			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
ASSETS								
Other non-current assets and financial assets	0	2,130	35,961	38,091	0	2,187	29,374	31,561
Other current assets	0	43,185	857	44,043	0	36,796	9,940	46,735
LIABILITIES								
Interest-bearing non-current financial liabilities	0	428,761	0	428,761	0	519,513	1,180	520,693
Other non-current liabilities and grants	0	8,907	0	8,907	0	5,949	0	5,949
Interest-bearing current financial liabilities	0	133,500	0	133,500	0	103,882	0	103,882
Other current liabilities and grants	0	93,448	0	93,448	0	44,196	0	44,196

* A correction pursuant to IAS 8.41 requires a restatement of the previous year's figures.

No reclassifications between measurement classes occurred during the first six months of the year.

The Group applies the following hierarchy to determine and report the fair value of financial instruments for each valuation:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Methods in which all inputs that have a material effect on the reported fair value are directly or indirectly observable. The transactions outlined below are recognised at this level:

Forward currency transactions:

In forward currency transactions, a specified amount of a certain currency is exchanged for an amount in another currency at an agreed exchange rate on a particular date. Both of the cash flows arising at the maturity date are recognised at present value on the basis of the yield curve for each transaction currency. The present value of the forward currency transaction comprises the difference between the

two cash flows discounted to their present value and translated into the reporting currency applying the exchange rates. The exchange rates and the yield curve are applied as inputs.

Interest rate swap:

Interest rate swaps involve the exchange of a floating interest rate for a fixed rate. Measurement entails calculating the present value of the variable interest payments and the present value of the fixed interest payments. The present value of the interest rate swap is the difference between the two cash flows discounted to present value over the transaction term. The inputs comprise 3-month Euribor and the yield curve.

Commodity futures:

The value of these futures is the difference between the contract price and the aluminium price quoted on the London Metal Exchange (LME) at the maturity date of the transaction. The LME quoted aluminium price, including the term structure, and the currency forward structure curve (USD to EUR) comprise the inputs.

Commodity options:

The Black-Scholes model is applied in the valuation of commodity options. The key inputs are the closing price of aluminium as quoted on the London Metal Exchange (LME), including the term structure, the currency forward structure curve (USD to EUR), and aluminium price volatility data.

Alumina and premium derivatives:

The valuation of the alumina and premium business derives from the difference between the contract price and the final quotation of the alumina or premium price according to the broker on the respective due date of the transaction. The closing prices of the alumina or premium price according to the broker and the currency forward structure curve (USD to EUR) are applied as inputs.

Level 3: Methods based on input parameters that have a material effect on fair value and are not based on observable market data.

The measurement of the participating interests was not based on observable data, but instead on company estimates, and is consequently allocated to Level 3.

Assets measured at a fair value determined in accordance with Level 3 in the course of a subsequent measurement relate to the embedded derivative included in the electricity supply agreement for the Alouette smelter.

Electricity supply contract concluded by Aluminerie Alouette Inc.:

Alouette has an electricity contract with a state-owned utility that directly ties the rate to be paid by Alouette to the market price of aluminium under a contractual pricing formula.

The contract contains an embedded derivative due to the dependency of the electricity price on the LME price. This derivative is designated as a hedging instrument as part of cash flow hedges. The fair value of the derivative is measured on the basis of a model. Given the monopolistic electricity market in Canada, no liquid electricity market exists in the conventional sense (a mark-to-market price is not directly observable). A forward price model is consequently employed to value the

derivative, applying an electricity reference price, related yield curves, forward aluminium prices and forward foreign currency exchange rates.

In order to obtain a market-based valuation of the contract, the present value of future electricity payments is subsequently calculated applying forward aluminium prices plus a premium (Midwest premium) based on the expected term of the electricity contract, and compared with the present value of future electricity payments based on Alouette's reference electricity price taking into account USD to CAD forward structures. The difference calculated in this manner provides a model-based valuation of the embedded derivative.

The derivative's positive fair value on initial measurement was classified as a public subsidy (from the Government of Québec), and reported under other non-current and current liabilities accordingly. The subsidy is released through profit or loss in line with the expenses as expected according to the terms in the contract.

As of June 30, 2021, a change occurred in the estimate of the expected term (see assumptions and estimation uncertainties).

The fair value of the embedded derivative of the Electricity supply contract concluded by Aluminerie Alouette Inc. is measured at a level 3 fair value. The change in the value of the embedded derivative is shown below:

IN EUR THOUSAND	June 30, 2021	June 30, 2020
As of January 1	37,786	45,200
Addition	28,101	10,311
Currency translation differences	774	145
Fair Value Changes	-27,892	9,587
Recycling	-3,547	-7,562
AS OF JUNE 30, 2021	35,222	57,681
Thereof current	857	15,288

The addition results due to an estimated extension of the duration of the electricity supply contract. For further information see assumptions and estimation uncertainties.

The impact of a change in the LME price on measurement as of June 30 is outlined below:

SENSITIVITY IN EUR THOUSAND	June 30, 2021		June 30, 2020	
	+10%	-10%	+10%	-10%
Other non-current assets and financial assets	-36,852	36,852	-14,654	14,654
Other current assets	-4,909	4,909	-3,081	3,081

RELATED PARTY DISCLOSURES

Outstanding balances and transactions between AMAG Austria Metall AG and its subsidiaries are eliminated in the preparation of the consolidated financial statements, and are not commented upon here.

The Group's operations give rise to related-party business relationships in the form of purchases or sales of goods and services, and rendering or receiving of services, to and from associates. These transactions are all performed on an arm's length basis.

The Group has business relations with Raiffeisen Landesbank Oberösterreich AG associated with financing, investment and foreign exchange transactions.

The composition of the Management Board is unchanged compared with the previous year.

No loans have been extended to members of the Management or Supervisory boards, and no guarantees have been given on their behalf. No other transactions – and, in particular, no purchase contracts involving assets of significant value – have been entered into with related parties.

Compared with the previous year's financial statements, no significant changes occurred to business relationships with related parties during the first half of 2021.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

No for the group material significant events occurred after the June 30, 2021 balance sheet date.

DECLARATION OF THE MANAGEMENT BOARD

We hereby declare that to the best of our knowledge the interim consolidated financial statements, prepared in accordance with the rules for interim financial reporting established by the International Financial Reporting Standards (IFRS), to the maximum possible extent give a true and fair view of the financial position and performance of AMAG Austria Metall AG.

We also confirm that to the best of our knowledge this Group interim report to the maximum possible extent gives a true and fair view of the financial position and performance of AMAG Austria Metall AG in respect of the significant events that occurred during the first six months of the financial year and their effect on the interim financial statements, and of the principal risks and uncertainties to which the Company will be exposed during the remaining six months of the financial year, as well as the mandatory related party disclosures.

Ranshofen, July 29, 2021

The Management Board



Mag. Gerald Mayer
Chief Executive Officer,
Chief Financial Officer



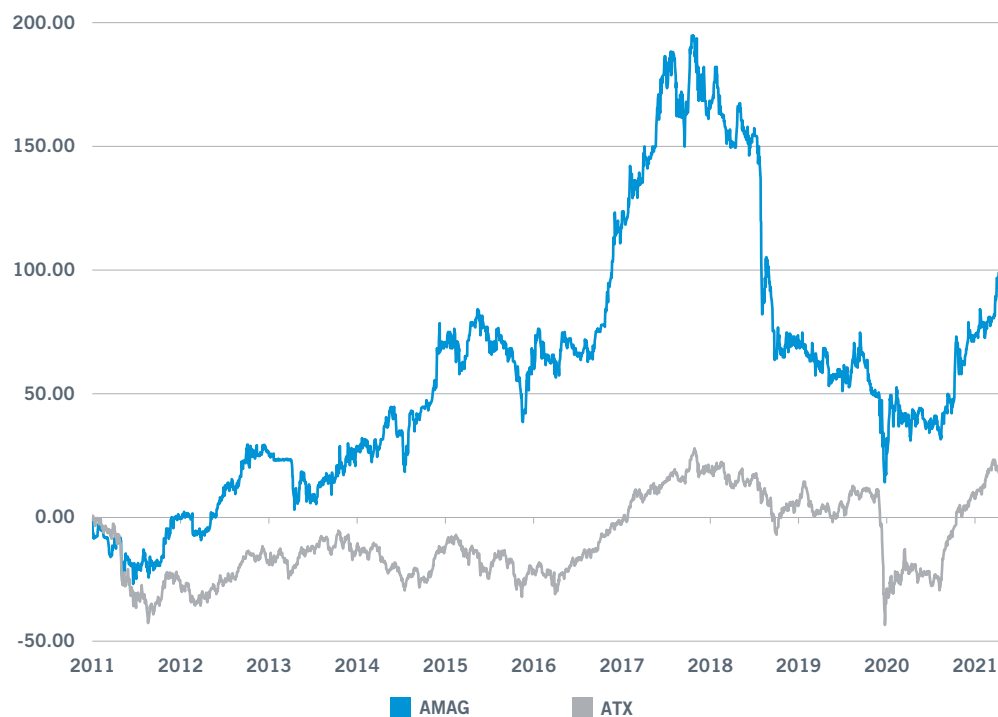
Priv. Doz. Dipl.-Ing.
Dr. Helmut Kaufmann
Chief Operating Officer



Victor Breguncci, MBA
Chief Sales Officer

AMAG SHARE PRICE PERFORMANCE

In the first half of 2021, the AMAG share traded in a range between EUR 28.60 and EUR 37.80. Compared with the end of 2020, the share price rose by 26.4 % to EUR 37.80 as of June 30, 2021. The total shareholder return, including the dividend of EUR 0.50 per share paid in April, was recorded at +28.1 % in the first half of the year. The Austrian benchmark index, the ATX, was up by 22.4 % to 3,402 points in the comparable period.



TRADING VOLUMES

Average daily trading volumes (double counting) in the share reduced to 3,747 shares in the period between January 4, 2021 and June 30, 2021, 20 % below the level for the first six months of 2020 (4,689 shares).

INVESTOR RELATIONS

The AMAG share is currently covered by five analysts at the following firms: Baader Bank (add, April 29, 2021), Erste Group (hold, April 29, 2021), Kepler Cheuvreux (reduce, February 25, 2021), Landesbank Baden-Württemberg (hold, March 9, 2021) and Raiffeisen Bank International (hold, April 29, 2021).

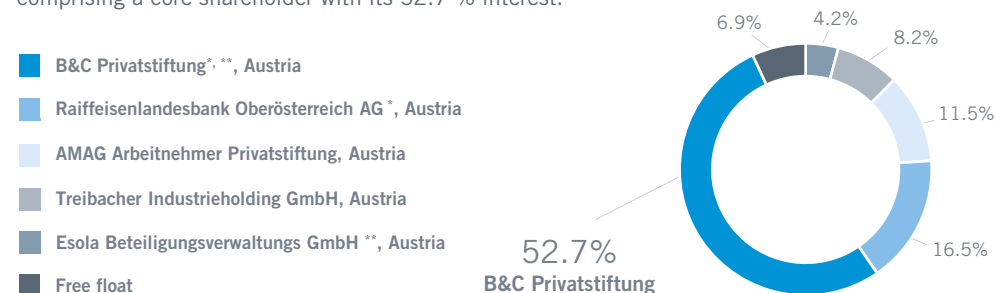
- › In order to raise AMAG's level of recognition in the capital market and to facilitate personal communication with investors, AMAG continued to be represented at various conferences during the first half of this year. Due to COVID-19, attendance occurred virtually.

ANNUAL GENERAL MEETING

AMAG Austria Metall AG held its tenth Ordinary Annual General Meeting as a virtual AGM at the company's headquarters in Ranshofen on April 13, 2021. All agenda items were addressed, and resolutions passed with large majorities, including approving the distribution of a dividend of EUR 0.50 per share. Further details of the agenda and the resolutions can be found in the Investor Relations section of our website at www.amag-al4u.com.

OWNERSHIP STRUCTURE

AMAG Austria Metall AG continues to enjoy a stable ownership structure with B&C Privatstiftung comprising a core shareholder with its 52.7 % interest.



*) B&C Industrieholding GmbH and Raiffeisenlandesbank Oberösterreich entered into an investment agreement on April 1, 2015.

**) B&C Industrieholding GmbH and Esola Beteiligungsverwaltungs GmbH entered into an investment agreement on February 14, 2019.

KEY SHARE PERFORMANCE INDICATORS (EUR)

	Q2/2021	Q2/2020	Change in %	H1/2021	H1/2020	Change in %	2020
Earnings per share	0.85	0.03	>1,000 %	1.01	0.35	186.6 %	0.31
Operating cash flow per share	1.32	1.58	-16.5 %	1.42	2.00	-28.9 %	3.04
Market capitalisation (EUR million)	1,332.98	892.18	49.4 %	1,332.98	892.18	49.4 %	1,128.45
Share price high	37.80	29.00	30.3 %	37.80	31.10	21.5 %	36.00
Share price low	31.70	24.80	27.8 %	28.60	19.60	45.9 %	26.93
Closing price	37.80	25.30	49.4 %	37.80	25.30	49.4 %	32.00
Average price (volume weighted)	34.39	26.74	28.6 %	32.78	26.35	24.4 %	31.58
Shares in issue	35,264,000	35,264,000	0.0 %	35,264,000	35,264,000	0.0 %	35,264,000

FINANCIAL CALENDER 2021

February 25, 2021	Publication of 2020 annual financial statements
April 3, 2021	Annual General Meeting (AGM) record date
April 13, 2021	Virtual AGM
April 16, 2021	Ex-dividend date
April 19, 2021	Dividend record date
April 20, 2021	Dividend payment date
April 29, 2021	Information on Q1/2021
July 29, 2021	H1/2021 report
October 28, 2021	Information on Q3/2021

INFORMATIONEN ABOUT THE AMAG SHARE

ISIN	AT00000AMAG3
Share class	Ordinary bearer shares
Ticker symbol: Vienna Stock Exchange	AMAG
Indices	ATX Prime, ATX BI, ATX GP, VÖNIX, WBI
Reuters	AMAG.VI
Bloomberg	AMAG AV
Trading segment	Official trading
Market segment	Prime Market
First trading day	April 8, 2011
Issue price per share in EUR	19.00
Number of shares in issue	35,264,000

NOTE

The forecasts, budgets and forward-looking assessments and statements contained in this report were compiled based on all information presently available to AMAG. In the event that the assumptions underlying these forecasts prove to be incorrect, targets be missed, or risks materialise, actual results may depart from those currently anticipated. We are not obligated to revise these forecasts in the light of new information or future events.

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AMAG Austria Metall AG
Lamprechtshausener Straße 61
5282 Ranshofen

CONTACT:

Mag. Christoph M. Gabriel, BSc
Head of Investor Relations
Phone: + 43 (0)7722 801 – 3821
Fax: Fax: + 43 (0)7722 801 – 8 3821
Email: investorrelations@amag.at

WWW.AMAG-AL4U.COM
