

2018 METALCORP GROUP HALF-YEAR REPORT





METALCORP GROUP CONTENT

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METALCORP GROUP KEY DATA

REVENUES
HY 2018

331 M€

GROSS PROFIT
HY 2018

24 M€

OPERATING
PROFIT
HY 2018

15 M€

EQUITY
HY 2018

147 M€

EBITDA
HY 2018

15 M€



METALCORP GROUP AT A GLANCE

**+ 50
YEARS**

**+ 300
EMPLOYEES**

**+ 18
COUNTRIES**

Metalcorp Group is a diversified metals and minerals group with activities that span production and processing, to marketing and trading.

Our business is organised within two divisions:
Ferrous and Non-Ferrous Metals.

FERROUS METALS DIVISION

STEEL TRADING & MARKETING



STEELCOM GROUP
Monaco, Vienna, Essen, Zug, Houston, São Paulo, Madrid, Dubai, Belgrade, Mumbai, Singapore and Beijing

**+60
years
in operation**

**12 Offices
4 Continents**

STEEL PRODUCTION



NIKOLAIDIS TH. BROS
Thessaloniki, Greece

**+50
years
in operation**

NON-FERROUS METALS DIVISION

NON-FERROUS TRADING & MARKETING



TENNANT METALS GROUP
Monaco, Sydney, Johannesburg

**+ 60
years
in operation**

**3 Offices
3 Continents**

ALUMINIUM PRODUCTION



**BAGR BERLINER
ALUMINIUMWERK**
Berlin, Germany

STOCKACH ALU
Stockach, Germany

**+ 20
years
in operation**

**+10
years
in operation**

BAUXITE & ALUMINA MINING & PRODUCTION



SOCIÉTÉ DES BAUXITES DE GUINÉE
Conakry, Guinea

**300
million tons
of bauxite**

COPPER PRODUCTION



CABLE RECYCLING INDUSTRIES
Bilbao, Spain

**+10
years
in operation**

BUSINESS PERFORMANCE HALF-YEAR 2018

The table below provides a segmented overview of the Revenue and Gross profit ("GM") of the Company:

EUR 1,000	Revenue		GM		Profit Before Tax	
	HY 2018	HY 2017	HY 2018	HY 2017	HY 2018	HY 2017
Ferrous	126 609	101 086	3 879	5 236	1 338	1 909
Non-ferrous and Other	204 348	211 802	19 792	15 157	7 099	7 599
Total	330 957	312 888	23 671	20 393	8 437	9 508

Half Year Revenue was EUR 330 957 thousand compared to EUR 312 888 thousand.

The multi-year offtake agreements for non-ferrous trading in specific market segments such as ferrochrome is continuing to grow despite lower market prices.

On the production side, the aluminium production has grown both organically (BAGR) as well as a result of acquisitions (Stockach). An increase in the nominal GM is realised, as it increased from EUR 20.393 thousand in the first half of 2017 to EUR 23.671 thousand in the first half of 2018.

The solvency (total group equity divided by the balance sheet total) at the balance sheet date is 31,7% at 30 June 2018 compared to 32,0% at 31 December 2017.

Furthermore, Trade Finance is utilised to finance the deals of the Trading division and lead to a corresponding increase in inventory and accounts receivable, which are both pledged to the Trade Finance Banks. When receivables are paid by our customers, our Company receives the profit made on these deals and the Trade Finance facility is repaid. The solvency excluding self-liquidating Trade Finance is 37,2% at 30 June 2018.

01 METALCORP GROUP OUTLOOK

OUTLOOK

GENERAL

The Company will further explore and develop niche markets as well in the ferrous and the non-ferrous area of products. Furthermore, the Company continues to explore distressed assets that become available due to the market circumstances.

Several assets are on the radar of the Company and it is expected that at least one plant will be added in the second half of 2018.

A major contribution is expected from the Company's industrial activities in the production of aluminium, copper granulates and the pipe and tube plant. The Company will continue to further develop the synergies between the different divisions and its global network.

FINANCING

The long-term financing and short-term bank facilities are in place and the relationships with these banks will be maintained. In order to further grow the trading activities, additional trade finance capacity is being developed with the group's current and new banking relationships.

EMPLOYEES

As over the last years, the Company will ensure that the organization remains lean in terms of headcount. Key management positions are filled in by personnel with the required experience, background, and the entrepreneurial spirit and drive to contribute to our growth and success. Additional personnel will only be employed when the growth in our activities requires so.

The Company has taken notice of article 166 and 279 Book 2 of the Netherlands Civil Code which requires the Company to consider the balanced composition between male and female members within a (Supervisory) Board. Together with the quality of the Directors and/or Supervisory Board member, this will be taken into consideration in every appointment.

01

METALCORP GROUP RISKS & UNCERTAINTIES

RISKS & UNCERTAINTIES

The presentation of financial statements requires the management to make estimations and assumptions which affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Actual results could differ from those estimates impacted by the following risks:

FLUCTUATION IN CURRENCY EXCHANGE RATES

The Company finds its suppliers and customers across the globe, while operations and operating costs are spread across several different countries and currencies. Fluctuation in exchange rates, in particular, movements in US dollar and Australian dollar against the euro, may have a material impact on the Company's financial results. Note that our business is mainly executed on a dollar basis on the purchasing, selling as well as the financing side. If currency is not naturally hedged through back-to-back deals, the exposure is hedged through adequate instruments.

FINANCING, CASH FLOWS AND LIQUIDITY

The trading activities are dependent on trade financing lines availability. We have significant uncommitted trade lines with major banks. These trade financing lines are uncommitted by nature and, therefore, no guarantee can be given that trades presented to these banks will be funded. However, all presented deals thus far are financed by the banks.

PRICE VOLATILITY

The market prices for the various base metals are volatile and cannot be influenced neither controlled. Inventories are therefore subject to valuation changes, which may have a material impact on the Company's financial results. However, the Company enters into back-to-back deals in which serves as a natural hedge that "locks" the market price, so that the Company is not exposed to price fluctuations. In cases where the Company is not covered by this natural hedge, the price risk is mitigated by applying adequate financial instruments.

COUNTRY RISKS, POLITICAL, COMMUNITY AND FISCAL INTERVENTION

The Company's operations and projects span numerous countries, some of which have more complex, less stable political or social climates and consequently higher country risk. Political risks include changes in laws, taxes or royalties, expropriation of assets, currency restrictions or renegotiation of, or changes to, mining leases and permits. Similarly, communities in certain regions may oppose mining activities for various reasons. Any of these factors could have an adverse impact on the Company's profitability in a certain geographic region or at certain operations. However, so far the Company has not experienced those problems.

OTHER RISKS

Other risks facing the Company include performance risk on offtake agreements; quality of commodities traded and produced, competition, environmental and insurance risks and uncertainty of additional financing. These risks and the mitigating measures are monitored and managed by the Company on a regular basis and appropriate action is taken whenever this is required.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(before appropriation of result)

EUR 1.000	Note	HY 2018	HY 2017
Continuing Operations			
Revenue	2	330 957	312 888
Cost of sales	2	-307 286	-292 495
Gross profit	2	23 671	20 393
Operating expenses			
Selling expenses	3	-2 893	-2 225
Administrative expenses	3	-5 913	-5 259
		-8 806	-7 484
Operating profit		14 865	12 909
Non-operating expenses			
Financial income and expense	4	-6 428	-3 401
Net finance cost		-6 428	-3 401
Profit before tax		8 437	9 508
Income tax expense	5	-1 763	- *
Profit from continuing operations		6 674	9 508
Profit		6 674	9 508
Profit attributable to:			
Equity holders of Metalcorp Group B.V.		6 080	9 237
Non-controlling interests		595	271
		6 674	9 508

* Tax has to be presented also on a half-year basis according to a change to IFRS therefore no comparative figure for 2017 is available.

Profit after tax for the full year of 2017 has been EUR 13,1 million.

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

EUR 1.000	HY 2018	HY 2017
Profit	6 674	9 508
Other comprehensive income		
Impairment/revaluation of receivables	-150	-
Revaluation of securities	30	-
Translation differences foreign associated companies	14	-
Total comprehensive income	6 569	9 508
Total comprehensive income attributable to:		
Equity holders of Metalcorp Group B.V.	5 974	9 237
Non-controlling interests	595	271
Total result	6 569	9 508

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(before appropriation of result)

EUR 1.000	Note	30/06/2018	31/12/2017
Assets			
Non-current assets			
Property plant and equipment	6	130 759	127 017
Intangible fixed assets	7	34 989	35 124
Financial fixed assets	8	191	48
Total non-current assets		165 939	162 189
Current assets			
Inventories	9	42 223	36 180
Receivables, prepayments and accrued income	10	234 958	180 654
Securities	11	6 055	6 025
Cash and cash equivalents	12	15 569	49 694
Total current assets		298 805	272 553
Total assets		464 745	434 742
Equity and liabilities			
Equity			
Share capital		70 000	70 000
Reserves and retained earnings		48 981	41 592
Equity attributable to the owners of the company	13	118 981	111 592
Non-controlling interest	13	28 373	27 440
Total equity		147 353	139 032
Non-current liabilities			
Loans and borrowings	14	153 190	115 611
Deferred tax liabilities	5	3 356	3 327
Total non-current liabilities		156 546	118 938
Current liabilities and accruals	14	160 845	176 774
Total current liabilities		160 845	176 774
Total equity and liabilities		464 745	434 742

CONSOLIDATED STATEMENT OF CASH FLOWS

(before appropriation of result)

EUR 1.000	HY 2018	FY 2017
Operating profit	14 865	31 108
Adjustments for:		
- Depreciation (and other changes in value)	593	1 071
	593	1 071
Working capital changes		
- Movements trade receivables	-41 275	6 233
- Movements inventories	-6 043	-2 304
- Movements on loans receivable	-8 372	-8 063
- Movements trade payables	12 163	3 744
- Movements other payables and liabilities	7 833	1 806
- Movements trade finance	<u>17 354</u>	<u>-14 965</u>
	-18 340	-13 549
Corporate income tax expense on operating activities	<u>-3 598</u>	<u>-5 207</u>
	-3 598	-5 207
Cash flow from operating activities	-6 480	13 422
Investments in intangible fixed assets		
Investments in property plant and equipment	-4 766	-11 839
Disposals of property plant and equipment	480	5 757
Disposals of other financial fixed assets	-	4 220
Acquisition of non-controlling interests	-	4 314
Cash flow from investment activities	-2 677	2 452
Receipt of long-term liabilities	-5 141	83 166
Repayment of short term liabilities	-13 399	-3 472
Movements on loans receivable	-	-42 489
Other finance income	3 554	6 900
Other finance expense	-1 422	-6 761
Interest received	1 150	2 899
Interest paid	-9 710	-17 397
Cash flow from financing activities	-24 968	22 846
Net cash flow		
Exchange rate and translation differences on movements in cash	-	190
Movements in cash	-34 125	38 910

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(before appropriation of result)

EUR 1.000	Issued share capital	Share premium	Revaluation reserve	Translation reserve	Other reserves	Result for the year	Legal entity share in group equity	Third-party share in group equity	Group Equity
2017									
Opening Balance	70 000	9 628	-	114	9 909	8 353	98 004	23 590	121 594
Total comprehensive income and expense for the period									
Profit/(loss) for the period	-	-	-	-	-	13 753	13 753	-628	13 125
Foreign currency translation differences	-	-	-	-165	-	-	-165	300	135
Total comprehensive income and expense for the period	-	-	-	-165	-	13 753	13 588	-328	13 260
Other movements in equity									
Allocation of prior year result	-	-	-	-	8 353	-8 353	-	-	-
Acquisitions	-	-	-	-	-	-	-	4 314	4 314
Disposals and other	-	-	-	-	-	-	-	-136	-136
Total other movements in equity	-	-	-	-	8 353	-8 353	-	4 178	4 178
Total	70 000	9 628	-	-51	18 262	13 753	111 592	27 440	139 032
2018									
Opening Balance	70 000	9 628	-	-51	18 262	13 753	111 592	27 440	139 032
Total comprehensive income and expense for the period									
Profit/(loss) for the period	-	-	-	-	-	6 080	6 080	595	6 674
Revaluations	-	-	-120	-	-	-	-120	-	-120
Foreign currency translation differences	-	-	-	14	-	-	14	-	14
Total comprehensive income and expense for the period	-	-	-120	14	-	6 080	5 974	595	6 569
Other movements in equity									
Allocation of prior year result	-	-	-	-	13 753	-13 753	-	-	-
Other movements in equity	-	-	-	-	1 415	-	1 415	338	1 753
Total other movements in equity	-	-	-	-	15 168	-13 753	1 415	338	1 753
Total	70 000	9 628	-120	-37	33 430	6 080	118 981	28 373	147 353

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1. ACCOUNTING POLICIES

1.1 Corporate information

The activities of Metalcorp Group B.V. ("Metalcorp Group" or "the Company") and its group companies primarily consist of the trading and production of metals, ores, alloys and related services. The Company has its legal seat at Orlyplein 10, 1043 DP Amsterdam, the Netherlands, and is registered with the chamber of commerce under number 34189604.

The Company was incorporated as a limited liability company under the laws of the Netherlands on 14 April 2003 for the purpose of establishing an industrial holding company in the Netherlands. Its ultimate shareholder is Cycorp First Investment Ltd.

The Company has its corporate headquarters in Amsterdam, which is also the head of the group of legal entities. The consolidated annual accounts comprise the financial information of the Company and of its investments in which it exercises a controlling interest. These investments are fully included in the consolidation

1.2 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and its interpretations adopted by the International Accounting Standards Board (IASB), and are in compliance with the provisions of the Dutch Civil Code, Book 2, Title 9. The above Standards and Interpretations are collectively referred to as "IFRS" in these financial statements. Metalcorp Group is exempted from its obligation to prepare consolidated financial statements as Cycorp First Investment Ltd. prepares and publishes consolidated statements. However the Group has voluntarily decided to prepare consolidated financial statements over the financial year 2018. The Company-only financial statements are prepared in accordance with Dutch accounting principles and are presented and published separately from the consolidated financial statements. This statutory company-only annual report of Metalcorp Group B.V. prevails over this annual report from a legal perspective. The objective of this report is to provide an overview of the activities of Metalcorp and its subsidiaries.

1.3 Basis of preparation

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting issued by the

International Accounting Standards Board (IASB) and interpretations of the IFRS Interpretations Committee (IFRIC), IAS 34 Interim Financial Reporting as adopted by the European Union (EU), and the Disclosure and Transparency Rules of the Financial Conduct Authority effective for Metalcorp's reporting for the six months ended 30 June 2018. These unaudited condensed interim consolidated financial statements should be read in conjunction with the financial statements and the notes thereto included in the audited 2017 Annual Report of Metalcorp B.V. and subsidiaries (2017 Annual Report) available at www.metalcorpgroup.com. These financial statements for the six months ended 30 June 2018 and 2017, and financial information for the year ended 31 December 2017 do not constitute statutory accounts. Certain financial information that is included in the audited annual financial statements but is not required for interim reporting purposes has been condensed or omitted.

The 2018 Half Year Report and audited financial statements for the year ended 31 December 2017 have been published at www.metalcorpgroup.com. Companies and the audit report on those financial statements was not qualified. The interim financial report for the six months ended 30 June 2018 has been prepared on a going concern basis as the directors believe there are no material uncertainties that lead to significant doubt that the Group can continue as a going concern in the foreseeable future, a period not less than 12 months from the date of this report. Further information is included in the Directors report. All amounts are expressed in thousands of Euro, unless otherwise stated, consistent with the predominant functional currency of Metalcorp's operations. The impact of seasonality or cyclicity on operations is not regarded as significant to the unaudited condensed interim consolidated financial statements.

1.4 Adoption of new and revised standards

These unaudited condensed interim consolidated financial statements are prepared using the same accounting policies as applied in the audited 2017 Annual Report, except for the adoption of a number of new and revised accounting pronouncements, that became effective as of 1 January 2018 and have been adopted by the Group.

(i) Amendments to IFRS 2 – Classification and measurement of share-based payment transactions The amendments to IFRS 2 Share-based payments clarify the classification and measurement of share-based payments transactions with respect to accounting for cash-settled share-based payment transactions that

NOTE 1.

include a performance obligation, the classification of share-based payment transactions with net settlement features and the accounting for modifications of share-based payment transactions from cash-settled to equity-settled. The adoption of this amendment has had no material impact on the Group.

(ii) IFRS 9 – Financial Instruments IFRS 9 supersedes IAS 39 "Financial Instruments: Recognition and Measurement" and covers classification and measurement of financial assets and financial liabilities, impairment of financial assets and hedge accounting. IFRS 9 modifies the classification and measurement of certain classes of financial assets and liabilities and required the Group to reassess classification of financial assets from four to three primary categories (amortised cost, fair value through profit and loss, fair value through other comprehensive income), reflecting the business model in which assets are managed and their cash flow characteristics. Financial liabilities continue to be measured at either fair value through profit and loss or amortised cost. In addition, IFRS 9 introduced an expected credit loss ("ECL") impairment model, which means that anticipated as opposed to incurred credit losses are recognised resulting in earlier recognition of impairments.

Changes in accounting policies resulting from IFRS 9 have been applied as at 1 January 2018, with no restatement of comparative information for prior year. Consequently, any difference between the carrying amount of financial instruments under IAS 39 and the carrying amount under IFRS 9 has been recognised in the opening retained earnings as at date of initial application.

The following summarises the impact from the adoption of IFRS 9:

- Presentational changes primarily in the other receivables (note 10), accounts receivable (note 10) note disclosures to reflect the business model and cash flow characteristics of these assets and liabilities and group them into their respective IFRS 9 category or other IFRS classification;
- Additional disclosure around classification and measurement of financial instruments (note 16); and
- An additional net credit loss allowance and fair value adjustments of EUR 150 thousand as at 1 January 2018, recognised against opening retained earnings. See Table 1: Summary of the change in classification and measurement of financial assets and liabilities under IFRS 9 and IAS 39 at the date of initial application, 1 January 2018:

Table showing Effects on receivables

EUR 1.000	Note	Measurement Attributes	Effect of IFRS 9 as at 1 January 2018
Financial assets at amortised cost			-
Other non-current receivables and loans	8	ECL is determined based on difference scenarios of probability of default and expected loss applicable to each specific loan.	-
Trade receivables and advances	10	ECL is estimated using a provision matrix based on reference to past default experience, adjusted as appropriate for current observable data.	-150
Receivables from associated companies	10	ECL is estimated using a provision matrix based on historical average default rates of similar credit quality counterparties.	-
Other receivables	10	ECL is determined based on different scenarios of probability of default and expected loss for each of the specific balances.	-
Financial assets and liabilities at fair value through profit and loss			-
Trade receivables containing provisional pricing features	10	Based on observable quoted commodity prices adjusted by a discount rate, which captures the time value of money and counterparty credit considerations.	-
Trade payables containing provisional pricing features	13		-
Total			-150

Changes in fair value of listed and unlisted securities are recognized through Other Comprehensive Income.

NOTE 1.

(iii) IFRS 15 – Revenue from Contracts with Customers IFRS 15 applies to revenue from contracts with customers and replaces all of the revenue standards and interpretations in IFRS. The standard outlines the principles an entity must apply to measure and recognise revenue and the related cash flows. The Group has undertaken a comprehensive analysis of the impact of the new standard based on a review of the contractual terms of its principal revenue streams with the primary focus being to understand whether the timing and amount of revenue recognised could differ under IFRS 15. Changes in accounting policies resulting from IFRS 15 have been applied using the

full retrospective method, with no restatement of comparative information for prior year in accordance with the practical expedient not to restate contracts that begin and end within the same annual reporting period or have been completed as at 1 January 2017. As the majority of the Group's revenue is derived from arrangements in which the transfer of risks and rewards coincides with the fulfilment of performance obligations and transfer of control as defined by IFRS 15, the adoption of IFRS 15 has had no material impact in respect of timing and amount of revenue currently recognised by the Group and accordingly prior period amounts were not restated.

Table Split of sales and freight, storage and other

Revenue for the period is comprised of the following:

EUR 1,000	HY 2018	HY 2017
Sale of commodities	330 918	312 861
Freight, storage and other services	39	28
Total	330 957	312 888

New and revised standards not yet effective At the date of authorisation of these consolidated financial statements, the following new and revised IFRS standards, which are applicable to Metalcorp, were issued but are not yet effective: (i) IFRS 16 – Leases –

effective for year ends beginning on or after 1 January 2019. The Directors are currently evaluating the impact these new standards and interpretations will have on the financial statements of Metalcorp Group B.V.

NOTE 2. SEGMENT INFORMATION**2.1 General**

The Company is organized in two segments : Non-Ferrous and Ferrous.

This structure is used by management to assess the performance of the Company.

The Non-Ferrous production is headed by BAGR Berliner Aluminiumwerk GmbH, which is the leading independent secondary producer of aluminium slabs. BAGR is located in Berlin, Germany and has a highly efficient team of qualified professionals who turn aluminium scrap, alloy additives and small quantities of primary aluminium into high-quality aluminium slabs. These are then further processed by our customers into strips, sheets, plates and cuttings. BAGR has increased its business activities by taking a 50% stake and control of Stockach Aluminium, a secondary slab manufacturer located in Southern Germany. The Group has furthermore a non-ferrous production base with Cable Recycling Industries S.L., a secondary copper producer based in Bilbao. The Group acquired the remaining 50% of Stockach Alu GmbH following the period end. The Non-Ferrous Trading activities are managed by Tennant Metals, which trades in all the LME metals and a range of specialty and bulk metals and acts as

principal in the vast majority of its trading activities. The main metals traded by Tennant Metals are aluminium, copper, lead, tin and zinc.

The raw materials division consist of a team of professionals that has the objective to develop resources projects to establish off-take agreements and partnerships with third parties.

The Ferrous Trading division is headed by Steelcom and its trading activities cover a wide range of steel-making raw materials (such as coal, metallurgical coke, iron ore, pig iron, hot briquetted iron (HBI) and direct reduced iron (DRI), semi-finished products (such as slabs and billets), and finished industrial steel products (such as long and flat finished steel products, from structural sections to high-value-added coated and pre-painted products). Furthermore, since September 2016 Steelcom runs a steel automotive supply chain business, which has been a principal reason for the increase in net revenues for the half year of 2018. Steelcom is well positioned to serve international clients and suppliers due to its global presence, its renowned back office, its trade finance facilities and its operating track record of over 50 years.

In Ferrous Production, the Group runs a state-of the art pipe and tube manufacturing plant in Thessaloniki, Greece.

2.2 Segment Revenues and Results

The following is an analysis of the Group's revenue, gross profit ("GM") from continuing operations by reportable segment.

EUR 1,000	Revenue		GM		Profit Before Tax	
	HY 2018	HY 2017	HY 2018	HY 2017	HY 2018	HY 2017
Ferrous	126 609	101 086	3 879	5 236	1 338	1 909
Non-ferrous and Other	204 348	211 802	19 792	15 157	7 099	7 599
Total	330 957	312 888	23 671	20 393	8 437	9 508

Following a review of the changes in IFRS Standards, the company has decided to present a segment analysis into its 2 main segments: ferrous and non-ferrous, including other.

Segment revenue reported above represents revenue generated from external customers. Apart from service fees charged between entities for services provided, there were no inter-segment sales in the current

year. Revenue includes contracts related to a number of different commodities and related services in the amount of EUR 6 million that were established with related parties.

The accounting policies of the reportable segments are the same as the Group's accounting policies described in note 1. Profit represents the profit after tax earned by each segment.

NOTE 2.

2.3 Segment Assets and Liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment.

EUR 1.000	Assets		Liabilities	
	HY 2018	2017	HY 2018	2017
Ferrous	109 501	83 270	77 495	47 604
Non-ferrous and Other	355 244	351 472	239 896	248 107
Total	464 745	434 742	317 391	295 711

EUR 1.000	Depreciation and Amortization		Additions to non-current assets	
	HY 2018	HY 2017	HY 2018	2017
Ferrous	85	94	-106	-213
Non-ferrous and Other	508	477	3 856	813
Total	593	571	3 750	600

The additions to non-current assets in the trading division also include the additions of financial instruments as reported in Note 8 Financial Fixed Assets.

It is included in this overview, as it is a significant position that is reported to management on a regular basis.

2.4 Geographical Information

The Group operates globally and operations are managed by the following geographical analysis:

EUR 1.000	Revenue		GM		Non-Current assets	
	HY 2018	HY 2017	HY 2018	HY 2017	HY 2018	2017
Region						
Europe	279 864	253 804	21 456	18 107	62 489	60 507
Middle East	-	4 735	-	200	-	-
Asia-Pacific	13 748	20 640	580	956	10 294	12 526
Americas	10 728	9 112	93	206	-	-
Africa	26 617	24 597	1 542	924	93 156	89 156
Total	330 957	312 888	23 671	20 393	165 939	162 189

The allocation of Revenue and GM is based on the country of incorporation of the sales counterparty. This may not necessarily be the country of the counterparty's ultimate parent and/or final destination of product.

Note that the Non-Current assets also contain the financial instruments as reported in Note 8 Financial

Fixed Assets, as this is a significant position that is reported to management on a regular basis. This amount (EUR 191 thousand) is included in the Asia Pacific segment.

None of the customers contribute over 10% of revenue.

NOTE 3. EXPENSES

EUR 1.000	HY 2018	HY 2017
Selling expenses		
Personnel	2 873	2 201
Sales and marketing expenses	20	24
Total selling expenses	2 893	2 225
Administrative expenses		
Personnel	865	1 599
Professional services fees	1 493	1 040
Facilities and offices	1 495	1 152
Other operating expenses	1 466	895
Depreciation and amortization	593	571
Total administrative expenses	5 913	5 259
Operating expenses	8 806	7 484
Breakdown: depreciation and amortization		
Property Plant and Equipment	566	622
Intangible assets	4	46
total depreciation and amortization	570	668
Allocated to production costs	24	-97
As included in administrative expenses	593	571

The average number of employees of the Group during the year, converted to full-time equivalents was 286 (2017: 286) of which 280 are employed outside the Netherlands (2017: 280). In the personnel expenses an

amount of EUR 606 thousand related to social security premiums (2017: EUR 383 thousand) and an amount of EUR 135 related to pension premiums are included (HY 2017: EUR 133 thousand).

NOTE 4. FINANCIAL INCOME AND EXPENSES

EUR 1.000	HY 2018	HY 2017
Financial income and expense		
Other interest income and similar income	1 150	699
Interest expenses and similar charges	-9 710	-5 686
Other financing income	1 301	1 158
Other financing expenses	-1 422	-1 793
Total financial income and expense	-8 681	-5 623
Income from foreign exchange		
Forex gains	5 759	4 773
Forex losses	-3 507	-2 551
Total income from foreign exchange	2 253	2 222
Total financial income and expense	-6 428	-3 401

NOTE 5. TAXATION

Income taxes consist of the following:

EUR 1.000	HY 2018
Current income tax expense	-1 763
Deferred income tax	-
Total income tax expense	-1 763

EUR 1.000	%	HY 2018 EUR
Taxable result		8 437
Tax burden based on Dutch nominal rate	24,9%	2 099
Exempted Income	0,0%	-
Tax rate differences.	-4,0%	-336
Taxation on result on ordinary activities	20,9%	1 763

The decrease in the deferred tax liabilities led to a favorable impact on the total income tax expense. The effective tax rate on the group results rate differs from the statutory Dutch income tax rate applicable

to the Company mainly due to increased activity in European regions such as Germany and the beneficial deferred tax impact in Greece.

NOTE 6. PROPERTY PLANT AND EQUIPMENT

The movements in Property plant and equipment are as follows:

EUR 1.000	Land and buildings	Plant and machinery	Other operating assets	Mineral rights	Total
Gross carrying amount					
1 January 2017	10 893	24 458	3 162	92 625	131 138
Additions	1 170	7 790	591	2 288	11 839
Sold Assets	-	-	-	-5 767	-5 767
31 December 2017	12 063	32 248	3 753	89 156	137 210
Accumulated depreciation and impairments					
1 January 2017	143	7 135	1 918	-	9 196
Depreciation	-	495	502	-	997
31 December 2017	143	7 630	2 420	-	10 193
Net book value at 31 December 2017	11 920	24 618	1 333	89 156	127 017

EUR 1.000	Land and buildings	Plant and machinery	Other operating assets	Mineral rights	Total
Gross carrying amount					
1 January 2018	12 063	32 248	3 753	89 156	137 220
Additions	176	-	590	4 000	4 766
Disposals	-	-480	-	-	-480
Exchange rate differences	-	-	11	-	11
30 June 2018	12 239	31 768	4 354	93 156	141 518
Accumulated depreciation and impairments					
1 January 2018	143	7 630	2 420	-	10 193
Depreciation	161	111	294	-	566
30 June 2018	304	7 741	2 714	-	10 759
Net book value at 30 June 2018	11 935	24 027	1 641	93 156	130 759

The Plant and Machinery as at 1 January 2018 represent the production facilities of BAGR, CRI and Nikolaïdis.

Part of the equipment for the BAGR facilities is leased for which reference is made to Note 15 – Leasing.

The additions of 2018 in Plant and Machinery and Other operating assets are mainly related to capitalized maintenance expenses that extend the economic life, which are written off in line with the accounting

principles as set out in Note 1.

The additions in Mineral rights are related to the further development of Societe des Bauxites de Guinee, an integrated bauxite and alumina facility in Guinea.

The annual impairment test did not lead to any write-offs. For the accounting treatment of Mineral rights and the impairments, reference is made to note 1.15 and note 1.16.

NOTE 7. INTANGIBLE FIXED ASSETS

A summary of the movements of intangible fixed assets is given below:

EUR 1.000	Contract based intangible assets	Goodwill	Other intangible assets	Total
Gross carrying amount				
1 January 2017	12 719	22 634	306	35 659
Additions	-	-	-	-
Exchange rate differences	-	-	-	-
31 December 2017	12 719	22 634	306	35 659
Accumulated amortization and impairments				
1 January 2017	-	-	280	280
Amortization	241	-	14	255
31 December 2017	241	-	294	535
Net book value at 31 December 2017	12 478	22 634	12	35 124

EUR 1.000	Contract based intangible assets	Goodwill	Other intangible assets	Total
Gross carrying amount				
1 January 2018	12 719	22 634	306	35 659
Additions	-	-	-	-
Exchange rate differences	-	-	-	-
30 June 2018	12 719	22 634	306	35 659
Accumulated amortization and impairments				
1 January 2018	241	-	294	535
Additions	131	-	-	131
Amortization	-	-	4	4
30 June 2018	372	-	298	670
Net book value at 30 June 2018	12 347	22 634	8	34 989

The Contract based Intangible assets are related to a portfolio of supply contracts that the Company obtained through past acquisitions.

No impairment of these finite-life intangible assets was recognized during 2018, as the fair value less costs to sell of the related cash-generating units was in excess of their carrying amounts. The contracts are amortized in accordance with the unit-production method.

The production related to these contracts has started or is expected to commence within one to four years. The contracts are expected to produce over a period between 10 and 16 years. The valuation of these contracts is assessed by calculating the net present values of the supply that will be provided over the contract-term using long term price forecast for the metals provided by third parties. As the contracts relate to operations that are in development, the discount rates are set at similar levels used for project development applicable to the regions in which the operations are located.

Goodwill is related to the investments in the production activities (2018: EUR 20.820 thousand; 2017: EUR 20.820 thousand) and the trading activities (2018: EUR 1.814 thousand; 2017: EUR 1.814 thousand). The recoverable amount of each cash-generating unit, used in the annual impairment tests performed in the fourth quarter, is based on its value in use. Key assumptions used in the impairment tests for the cash-generated units were sales growth rates, operating result and the rates used for discounting the projected cash flows. These cash flow projections were determined using management's internal forecasts that cover a period of 5 years, based on the financial plans as approved by the Company's management. The annual impairment test did not lead to any impairments of goodwill. The present value of estimated cash flows has been calculated using a pre-tax discount rate of 8,7% in respect of our trading activities and 11,10% in respect of our production activities. The pre-tax discount rate reflects the current market assessment of the time value of money and the specific risks of the cash-generating unit.

NOTE 8. FINANCIAL FIXED ASSETS

A summary of the movements in the financial fixed assets is given below:

EUR 1.000	Other receivables
Book Value	
Balance at 1 January 2017	4 268
Sales, redemptions	-4 220
Balance at 31 December 2017	48
Book Value	
Balance at 1 January 2018	48
Additions	143
Impairments in value	-
Balance at 30 June 2018	191

The "Other receivables" includes loans given to various companies to finance the start-up of production facilities for which we will receive potential off-takes in return.

All these loans are secured by underlying assets of those companies.

NOTE 9. INVENTORIES

EUR 1.000	30/06/2018	31/12/2017
Manufacturing		
Raw materials and consumables	9 034	7 747
Finished products	7 346	9 696
Trading		
Finished products	25 843	18 737
Total inventories	42 223	36 180

The manufacturing inventories consist of finished products and raw materials and consumables of BAGR, CRI, Nikolaïdis and Alu Stockach. The finished products are already sold and in the course of delivery to the client.

already sold by, but still held by the Trading companies as the Company still retains the principal risks and rewards of ownership. These inventories are pledged as a security for trade finance facilities.

The trading inventories are commodities that are

No impairment has been recorded for the inventories during the year.

NOTE 10. RECEIVABLES, PREPAYMENTS AND ACCRUED INCOME

EUR 1.000	30/06/2018	31/12/2017
Trade receivables	182 082	140 807
Related parties	-	-
Other receivables	37 197	27 975
Taxation	1 846	1 878
Prepayments and accrued income	13 834	9 994
Total receivables, prepayments and accrued income	234 958	180 654

Part of the trade receivables are pledged as collateral for trade financed loans. The credit risk of the Trade receivables is insured at renowned insurance firms and all related due trade receivables were collected. Within other receivables an amount of EUR 14 million is included concerning products already delivered and to be invoiced to customers. Furthermore, an amount of EUR 4,7 million is included (2017: EUR 4,7 million) in relation to a manganese project that Metalcop initiated

and then sold to a third party for further development. The amount is outstanding and the Company deems it reasonable to collect it as the total nominal value of the project is EUR 7,0 million. Prepayments and accrued income include prepayments for material purchased and down payments received from customers. A provision of EUR 305 thousand was made against receivables during the period, as per the requirements of IFRS 9.

NOTE 11. SECURITIES

EUR 1.000	01/01/2017	Acquisition	Disposal	Revaluation	31/12/2017
Unlisted securities	6 051	-	-	-26	6 025
Listed securities	-	-	-	-	-
Total	6 051	-	-	-26	6 025

EUR 1.000	01/01/2018	Acquisition	Disposal	Revaluation	30/06/2018
Unlisted securities	6 025	-	-	30	6 055
Listed securities	-	-	-	-	-
Total	6 025	-	-	30	6 055

The unlisted securities include a portfolio of shares of the Company's parent company, which are held for trading in relation with future business acquisitions

(reference is made to note 18). Both listed and unlisted securities are revalued through other comprehensive income.

NOTE 12. CASH AND CASH EQUIVALENTS

An amount of EUR 2.3 million of the Cash and Cash Equivalents is restricted as this cash is mainly deposited at multiple renowned trade finance banks and serve as cash collateral for trade finance transactions at 30 June

2018. Trade finance has a self-liquidating character, which means that the cash becomes unrestricted upon completion of the trade finance transaction.

NOTE 13. SHARE CAPITAL AND RESERVES

The movement in Equity is provided in E. Consolidated statement of changes in equity.

Issued Share Capital

The issued share capital of the Company amounts to EUR 70 million (2017: EUR 70 million) divided into 70 million ordinary shares of EUR 1 per share. The total number of authorized shares is 110 million (2017: 110 million shares). The majority of the shares are owned by Lunala Investments S.A. (Luxembourg).

Translation Reserve

The translation reserve comprises of all foreign exchange differences arising from the translation of the financial statements of foreign operations as well as from the translation of intercompany loans of permanent nature.

Revaluation Reserve

In accordance with Dutch law (art. 2:390) the result that applies to the evaluations of securities without a frequent market listing is non-distributional and allocated to the revaluation reserve (legal reserve).

NOTE 14. LIABILITIES

EUR 1.000	30/06/2018	31/12/2017
Long-term liabilities		
Bonds	146 203	108 008
Long term leasing	756	1 364
Other Long-term Liabilities	6 231	6 239
	153 190	115 611
Current liabilities and accruals		
Bank loans (< 1 year)	81 244	69 219
Short term portion of bonds	-	42 720
Short term portion of leasing	233	233
Trade payables	55 524	43 361
Related parties payable	1 507	4 901
Taxes and social security charges payable	2 523	1 446
Other current liabilities	5 448	1 488
Accrued liabilities and deferred income	14 366	13 406
	160 845	176 774

Long Term Liabilities

The Long term liabilities are those bank loans and lease obligations which are due in more than 1 year. None of these are due in more than 5 years.

Bank loans (>1 year) represent a subordinated loan provided until 2018 with a rate of Euribor plus 3,45% and is due in quarterly instalments.

Bonds represent the bonds that were launched in 2017 on the Norway Exchange (EUR 70 million) and the Frankfurt Exchange (EUR 80 million). The term of both bonds is 5 years with an interest of 7,00% per

annum. The Fair value of the bonds amount to EUR 152,1 million at 30 June 2018. These placements have secured the repayment of the German bond that was repaid on 27 June 2018.

With regards to Long term leasing, reference is made to Note 15.

Other long-term liabilities represent the loan given by a Greek bank to our steel production facility, Nikolaïdis. The loan has a term of 10 years with an interest of Euribor plus 3,75%.

NOTE 14.

Current Liabilities and Accruals

All liabilities due in less than a year plus bank credit related to trade finance are classified as current liability. Inventory and debtors have been pledged as collateral. The following rates with respective amounts apply to the bank loans:

EUR	Max. Facility	Amount 2018
Trade finance		
Uncommitted facilities - interest applied deal by deal based on framework agreements	Deal-by-deal basis	68 689
Working capital facilities		
Euribor + markup 3% - 7%	13 100	7 893
4% - 10% fixed	5 500	4 662
Total bank loans (< 1 year)		81 244

NOTE 15. LEASING

The obligations for leases entered into are shown below:

EUR 1.000	HY 2018	2017
Lease installments < 1 year	233	233
Lease installments 1 - 5 years	756	1 364
Total lease installments	989	1 597

NOTE 16. FINANCIAL INSTRUMENTS

The table below provides an overview of the financial instruments of the group divided into the classes Fair Value through Profit and Loss ("FVTPL"), Loans and Receivables, and Available-for-Sale. Held-to-maturity instruments are not applicable.

2017 EUR 1.000	Note	FVTPL	Loans and receivables	Available- for-sale	Total
Financial Fixed assets - other receivables	8	-	48	-	48
Receivables, prepayments and accrued income	10	-	180 654	-	180 654
Securities	11	-	-	6 025	6 025
Cash and cash equivalents	12	49 694	-	-	49 694
Total financial assets		49 694	180 702	6 025	236 420
Borrowings (> 1 year)	14	-	115 611	-	115 611
Current liabilities and accruals	14	-	176 774	-	176 774
Total financial liabilities		-	292 385	-	292 385

HY 2018 EUR 1.000	Note	FVTPL	Loans and receivables	Available- for-sale	Total
Financial Fixed assets - other receivables	8	-	191	-	191
Receivables, prepayments and accrued income	10	-	234 958	-	234 958
Securities	11	-	-	6 055	6 055
Cash and cash equivalents	12	15 569	-	-	15 569
Total financial assets		15 569	235 149	6 055	256 773
Borrowings (> 1 year)	14	-	153 190	-	153 190
Current liabilities and accruals	14	-	160 845	-	160 845
Total financial liabilities		-	314 035	-	314 035

Fair Value Measurements

Fair values are primarily determined using quoted market prices or standard pricing models using observable market inputs where available and are presented to reflect the expected gross future cash in/outflows. Metalcorp Group B.V. classifies the fair values of its financial instruments into a three level hierarchy based on the degree of the source and observability of the inputs that are used to derive the fair value of the financial asset or liability as follows:

Level 1 - Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that Metalcorp Group B.V. can assess at the measurement date; or
Level 2 - Inputs other than quoted inputs included in Level 1 that are observable for the assets or liabilities, either directly or indirectly; or
Level 3 - Unobservable inputs for the assets or liabilities, requiring Metalcorp Group B.V. to make market based assumptions.

In the table above (in which the financial instruments are presented) only the securities are valued at fair value as well as the FVTPL part of the Current liabilities.

NOTE 16.

The Fair Value hierarchy of these items are provided in the table below:

2016 EUR 1.000	Level 1	Level 2	Level 3	Total
Financial Fixed assets - other receivables	-	-	-	-
Receivables, prepayments and accrued income	-	-	-	-
Securities	-	-	6 025	6 025
Cash and cash equivalents	-	-	-	-
Total financial assets	-	-	6 025	6 025
Borrowings (> 1 year)	-	-	-	-
Current liabilities and accruals	-	-	-	-
Total financial liabilities	-	-	-	-

2017 EUR 1.000	Level 1	Level 2	Level 3	Total
Financial Fixed assets - other receivables	-	-	-	-
Receivables, prepayments and accrued income	-	-	-	-
Securities	-	-	6 055	6 055
Cash and cash equivalents	-	-	-	-
Total financial assets	-	-	6 055	6 055
Borrowings (> 1 year)	-	-	-	-
Current liabilities and accruals	-	-	-	-
Total financial liabilities	-	-	-	-

During the year no amounts were transferred between Level 1, Level 2 and Level 3 of the fair value hierarchy. As at 30 June 2018 no financial assets and liabilities were subject to offsetting. The level 3 securities are mainly related to unlisted

shares. In circumstances where Metalcorp Group B.V. cannot verify fair value with observable market inputs (Level 3 fair values), it is possible that a different valuation model could produce a materially different estimate of fair value.

NOTE 16.**Financial and Capital Risk Management**

The Group has exposure to the following risks arising from financial instruments:

Credit risk
Liquidity risk
Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and loans related to raw materials:

- The Financial fixed assets are secured by underlying assets of those companies. Reference is made to note 8.
- The Receivables, prepayments and accrued income mainly consists of Trade Receivables which is secured by adequate credit insurance.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. During 2017 and 2016 none of the Group's revenue attributable to sales transactions with a single multinational customer exceeded 10% of the total revenue.

The Group has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Group's payment and delivery terms and conditions are offered. This is done in close cooperation with the Trade Finance banks and Credit insurance companies. Nevertheless, in principle insurance coverage is obtained for all Trade Receivables.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or

risking damage to the Group's reputation. With regards to its hedging activities, that primarily take place in the trading activities, the Company implemented a policy that hedging is only allowed under a tri-partite agreement in order to avoid margin calls.

Market risk

Market risk is the risk that results out of changes in market prices, such as foreign exchange rates, interest rates, market prices and equity prices and will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Group buys and sells derivatives in order to manage market risks. All such transactions are carried out within the guidelines set by the Group. In principle all derivatives are accounted at FVTPL; if required and appropriate, the Group seeks to apply hedge accounting in order to manage volatility in profit or loss.

Currency risk

The Production facilities mainly enter in to euro agreements and therefore, the currency risk is insignificant.

The Trading activities are mainly exposed to the USD/EUR exchange rate, as the trades are predominantly in USD and the reporting currency is in EUR. However, the currency risk is limited as contract deals are denominated in USD for both purchases and sales. Purchases are financed by means of trade finance in USD as well. As the purchase, sale and financing are all in USD, and as trading occurs in principle on a back-to-back basis, the deals are naturally hedged.

Interest rates

To limit the interest rate risk, the Company decided to only give out and obtain loans with a fixed interest rate. For overdraft facilities the risk is limited due to the short term of these facilities

Market price risk

The Production facilities mainly produce on the basis of tolling agreements. In these agreements the purchase of material is related to the sale and the price risk is mitigated.

The Company mainly enters into back-to-back deals, which means that the market price risk is naturally hedged. In case that that a trade is subject to price risk, this is hedged through adequate instruments. When instruments are required, the Company prepares a sensitivity analysis with regards to the impact of the changes in commodity price and (if applicable) the changes in foreign currency risks. Based on this analysis an adequate non speculative hedging strategy is applied.

NOTE 16.

At 30 June 2018, the Company has a limited number of hedging instruments, which are presented under Current liabilities and accruals. These instruments are designated as FVTPL and include trade related financial and physical forward purchase and sale commitments. Fair values are primarily determined using quoted market prices or standard pricing models using observable market inputs where available and

are presented to reflect the expected gross future cash in/outflows.

It is the Group's policy that transactions and activities in trade related financial instruments are netted. Note that the Company only purchases futures and options. In principle the Company does not write futures and options.

HY 2018	EUR 1,000
Commodity related contracts	
Futures	20
Options	-
Total Current liabilities FVTPL	20

All derivatives mature within the first three months of 2018. The Company had instruments for a total of EUR 20 thousand at 30 June 2018.

Equity price risk

The Company invested into listed and unlisted shares of junior mining companies to secure its (future) off-take contracts. These securities are presented in Note 11 Securities. The Company is closely involved in these

mining companies and monitors the progress on an on-going basis. Management is of the opinion that, by nature, the market index of junior mining companies increases when production starts.

NOTE 17. REMUNERATION OF KEY MANAGEMENT

The remuneration of key management (director and CEO) of the legal entity is as follows:

EUR 1,000	HY 2018	HY 2017
short-term employee benefits	170	177
post-employment benefits	-	-
other long-term benefits	-	-
Total	170	177

NOTE 18. TRANSACTIONS WITH RELATED PARTIES

In 2018, the Company conducted various transactions with related parties.

EUR 1.000	Note	30/06/2018	31/12/2017
Related parties <1yr	10	-	
Total Receivables		-	
Related parties <1yr	14	1 507	4 901
Total Liabilities		1 507	4 901

The related party liabilities of 2018 are mainly related to loans provided by minority shareholders or parties related to these minority shareholders. Those loans are provided at market conditions.

The Company has 848 shares in its parent company

(2017: 848 shares) that can be used in future transactions and are included in the unlisted securities (reference is made to note 11). Transactions can take place between the Group and its related parties that are part of the Monaco Resources Group. Reference is made to Note 2.

NOTE 19. GUARANTEES

The Company has provided several corporate guarantees to subsidiaries and related parties and in principle these are all related to trade finance.

The possibility of any cash outflow with regards to these guarantees is remote.

NOTE 20. CONTINGENT ASSETS AND LIABILITIES

In the course of business, the company is involved in discussions with business partners from time to time. These discussions may include the interpretation and compliance with the terms and conditions of agreements and may also include claims made by the

company, as well as against the company. At year end, no claims against the company existed - if any - that were assessed to be probable, nor possible to be successful.

NOTE 21. LIST OF PRINCIPAL OPERATING, FINANCIAL AND INDUSTRIAL SUBSIDIARIES AND INVESTMENTS

Name	Country of incorporation	Ownership interest	
		HY 2018	2017
Consolidated (direct)			
BAGR Non-Ferrous Group mbH	Germany	100,0%	100,0%
Tennant Metals Group B.V.	The Netherlands	100,0%	100,0%
Metalcorp Finance B.V.	The Netherlands	100,0%	100,0%
Steelcorp Industries B.V.	The Netherlands	100,0%	100,0%
Steelcom Group B.V.	The Netherlands	100,0%	100,0%
Tennant Metals UK Ltd.	United Kingdom	100,0%	100,0%
Consolidated (indirect)			
A&A Metals S.A.	Switzerland	100,0%	100,0%
Alu Stockach GmbH	Germany	47,0%	47,0%
BAGR Berliner Aluminiumwerk GmbH	Germany	94,0%	94,0%
Cable Recycling Industries S.L.	Spain	94,0%	94,0%
Management Inmuebles Vizcaya, S.L.	Spain	94,0%	94,0%
MCG-SRR B.V.	The Netherlands	100,0%	100,0%
Norwich Sarl	Luxembourg	94,0%	94,0%
NB Investments B.V.	The Netherlands	100,0%	100,0%
Nikolaidis Th. Bros. S.A.	Greece	70,0%	70,0%
Orlyplein Investment B.V.	The Netherlands	100,0%	100,0%
Société des Bauxites de Guinée S.A.	Guinea	76,1%	76,1%
Steelcom Pipe International LLC	USA	100,0%	100,0%
Steelcom Austria GesmbH	Austria	100,0%	100,0%
Steelcom International GmbH	Switzerland	100,0%	100,0%
Steelcom USA LLC	USA	100,0%	100,0%
Steel and Commodities S.A.M.	Monaco	100,0%	100,0%
Steel and Commodities Iberica S.L.	Spain	100,0%	100,0%
Steel and Commodities Singapore PTE Ltd.	Singapore	100,0%	100,0%
Steel and Commodities India private Ltd.	India	100,0%	100,0%
Steelcom Steel and Commodities GmbH	Germany	100,0%	100,0%
Tennant Metals GmbH	Germany	100,0%	100,0%
Tennant Metals (Pty) Ltd.	Australia	100,0%	100,0%
Tennant Metals S.A.M.	Monaco	100,0%	100,0%
Tennant Metals South Africa (Pty) Ltd.	South Africa	100,0%	100,0%
Tennant Metals Trade B.V.	The Netherlands	100,0%	100,0%
SBG Bauxite and Alumina N.V.	The Netherlands	94,0%	94,0%
Non-consolidated (Associates)			
Kanabeam Zinc Ltd.	Namibia	24,4%	24,4%

In 2018 the following key changes are effected:

- ET Investments B.V. is renamed into Tennant Metals Trade B.V.

OTHER INFORMATION

SUBSEQUENT EVENTS

On 6 July 2018, Metalcorp Group fully acquired the remaining 50% of the shares in Stockach Aluminium GmbH from its co-shareholder through its subsidiary, BAGR Berliner Aluminiumwerk GmbH.

APPROPRIATION OF RESULT FOR THE FINANCIAL YEAR 2017

The Company-only annual report of 2017 was approved in the General Meeting of Shareholders. The General Meeting of Shareholders has determined that the appropriation of result in accordance with the proposal being made to add the result of 2017 to the Other Reserves.

DISCLAIMER

The facts and information contained in this report contains information as known to the reporting date and is subject to future changes. Neither the Metalcorp Group B.V. (the "Company") or related companies, affiliates, subsidiaries or management, supervisory board members, employees or advisors nor any other person can be held liable for any misrepresentations and do not provide any warranties with regards to the completeness of this report.

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This document contains forward-looking statements. Forward-looking statements include all statements that do not describe historic facts, but contains terms such as "believe", "assume", "expect", "anticipate", "estimate", "plan", "intend", "could" or similar wording. However, these statements are by nature subject to risk and uncertainties, as they are related to future events and are based on assumptions and estimates, which could not occur at all or do not occur as anticipated in the future. Therefore, no guarantee is provided for any future results or the performance of the Company, the actual financial situation and the actual results of the Company as well as the overall economic development and legal frameworks that may differ materially from the expectations reflected in the forward looking statements that are expressed or implied and may not fulfill.

Investors are therefore cautioned not to base their investment decisions regarding the Company on the expressed forward looking statements.



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