

## Half-year results 2019

*Press release - December 31, 2019*

**Auplata Mining Group (Euronext Growth - FR0013410370 - ALAMG)** provides a progress report on the closing of its financial statements for the first half of 2019.

Following the press releases dated October 31, 2019 and December 15, 2019, the company presents below a summary of its consolidated financial statements for the first half of 2019.

### **Highlights - Evolution of the Group**

The Auplata Mining Group ("AMG" or ex Auplata), listed on the Paris Stock Exchange since December 2006, is a polymetallic mining and exploration group. AMG is currently present in French Guiana, Peru, Ivory Coast and through its financial participation in CMT in Morocco (CMT being listed on the Casablanca Stock Exchange).

AMG pursues a dynamic, sustainable and innovative industrial and financial strategy to develop high-potential precious and base metal deposits with the involvement of local stakeholders. The objective of the "corporation" is to produce the metals of tomorrow needed for the energy transition in a clean and responsible manner, and thus to constitute a mining group dedicated to the supply of strategic metals.

The combination between AMG and BGPP, which was finalized during the first half of 2019, was treated for accounting purposes as a reverse acquisition in accordance with the provisions of IFRS 3, in particular insofar as, following the combination, the shareholders of BGPP took control of AMG by holding more than half of the company's voting shares.

The strategy of taking control of the AMG group was achieved by transferring the stake representing 100% of the securities representing the capital of BGPP, enabling BGPP shareholders to receive in return sufficient AMG shares to become the majority shareholders.

From a legal standpoint, the AMG Group was expanded by the inclusion of BGPP, which became a wholly-owned subsidiary of AMG and a major component of the AMG Group. AMG remains (even after the reverse acquisition) the issuer of financial instruments listed on Euronext Growth.

For accounting purposes, in accordance with IFRS 3, a distinction is made between the "target" company and the "acquirer" company; the acquirer being the company that takes control of the Group at the end of the transaction and the target company being the company that is the subject of this takeover, regardless of the mechanism or strategy put in place. In the present case, BGPP has been defined as the "acquiring" company and AMG as the "Target" company.

This identification between acquiring company and target company determines the accounting treatment and financial positions of the companies at the time of the business combination. The acquirer becomes the accounting reference and the comparative figures are established on this basis. As BGPP is the acquirer, the comparative financial statements at 30 June 2018 and 31 December 2018 (audited) include the accounts and financial information relating exclusively to the BGPP entity. The treatment of the target company, AMG, is considered as having been acquired for accounting purposes on the date of the business combination and consolidated in the Group as an addition to the scope of consolidation on that date, i.e. March 1, 2019.

As a result, the legal acquirer (AMG) becomes the accounting acquirer or target, and vice versa, the legally acquired company (BGPP) becomes the accounting acquirer. As a result:

- Although these consolidated financial statements are issued in the name of AMG, the Group's business is, in essence, the continuation of that of BGPP. Accordingly, the comparative financial information presented in the interim consolidated financial statements is that of BGPP.
- For the six-month period ended June 30, 2019, the interim consolidated financial statements include the results of BGPP (for 6 months) and, from the date of the combination (March 1, 2019), the results of the AMG business.

On the other hand, the share capital of the new consolidated entity corresponds to the share capital of the acquirer in legal terms, i.e. that of AMG.

## Results for the first half of 2019

The consolidated operating result is -4,761 K€ compared to the consolidated operating result at 30 June 2018 of 2,350 K€.

<i>Data in K</i>	<i>30-06-19</i>	<i>30-06-18</i>
<b>Turnover</b>	<b>8 367</b>	<b>10 647</b>
Purchases and services	(7 077)	(5 987)
Personal expenses	(3 541)	(1 343)
Taxes and duties	(169)	(334)
Depreciation and amortization and provisions	(1 465)	(296)
Other operating income and expenses	(689)	(278)
<b>Current operating income</b>	<b>(4 574)</b>	<b>2 409</b>
Non-recurring income and expenses	(187)	
<b>Operating profit</b>	<b>(4 761)</b>	<b>2 409</b>
<b>EBITDA<sup>12</sup></b>	<b>(3 296)</b>	<b>2 704</b>
<b>Net income, Group share</b>	<b>(4 370)</b>	<b>2 352</b>

The operating income presented on the basis of segment information.

<i>Data in K</i>	<i>Peru</i>	<i>GUYANE FRANCAISE</i>	<i>TOTAL CONSOLIDATES</i>
<b>Turnover</b>	<b>8 200</b>	<b>166</b>	<b>8 367</b>
Purchases consumed	(4 871)	(2 206)	(7 077)
Personal expenses	(2 200)	(1 342)	(3 541)
Taxes and duties	(160)	(8)	(169)
Net changes in cushioning. and depreciation	(1 834)	<b>369</b>	(1 465)
Other operating expenses	(229)	(116)	(345)
Other operating income and expenses	(278)	(252)	(531)
<b>Operating income</b>	<b>(1 372)</b>	<b>(3 389)</b>	<b>(4 761)</b>

## Brexia Gold Plata Peru

Consolidated sales amounted to 8,367 K€ (-21.4%) compared to the 1st half of 2018, when sales amounted to 10,647 K€. The change in sales was mainly impacted by the fall in zinc and lead prices in the 1st half of 2019. All sales were generated by the Peruvian operations.

<sup>1</sup> In order to better reflect its operating performance and to help investors gain a better understanding of its financial performance, the Group uses Alternative Performance Measures (APM). These APMs are performance indicators not defined by IFRS. The Group does not present these APMs as alternatives to the financial indicators defined by IFRS and does not give the APMs more prominence than the indicators defined by IFRS.

<sup>2</sup> EBITDA is not an IFRS indicator. This alternative performance indicator (non-GAAP indicator) is defined as earnings before interest, taxes, depreciation and amortization. As the method used to calculate EBITDA is not defined by IFRS, the method used by the group may not be similar to that adopted by other companies and may therefore not be comparable.

## Perspective

From the beginning of the second half of 2019, the profitability of the activities in Peru has improved considerably, allowing us to envisage a significant improvement in the operating result of the "Peru" business segment. The activity remains sensitive to the volatility of metal prices.

### **AMG Guyana**

The Group has finalized the construction of the plant erected on the concession of Dieu Merci. The income statement at June 30, 2019 is composed solely of operating expenses.

## Perspective

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### **Publication of the 2019 semi-annual financial statements**

The interim consolidated financial statements for the period ending June 30, 2019 have been subject to a limited review currently being finalized by the statutory auditors, the audit firms Deloitte and RSM Paris.

The semi-annual financial report for 2019, including the interim consolidated financial statements and the interim management report, are available on the AMG website, in the "Investors" area, under "Documents".

The statutory auditors' reports relating to these interim consolidated financial statements will be published as soon as they are finalized and will be communicated by means of a press release as soon as they are available.

The interim consolidated financial statements for the period ending June 30, 2018 have not been subject to a limited review; no review report has been issued.

### **AMG in a nutshell**

Auplata Mining Group (AMG), incorporated in July 2004 and listed on the Paris Stock Exchange (Euronext Growth) since December 2006, is a polymetallic mining exploration and mining group. AMG is present in French Guiana and, through its subsidiaries, in Peru, Morocco (listed on the Casablanca Stock Exchange) and Côte d'Ivoire. AMG pursues a dynamic, sustainable and innovative industrial and financial strategy for the development of high-potential precious and base metal deposits with the involvement of local stakeholders. The objective of the company is to produce the metals of tomorrow needed for the energy transition in a clean and responsible way, while trying to provide France with a national source of strategic metals.

ISIN: FR0013410370- ALAMG; ICB: 1777 - Gold Mining.

For more information about Auplata Mining Group: [Auplatamininggroup.com](http://Auplatamininggroup.com) - Twitter: @AUPLATA1

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