



INTERIM REPORT

1/2020

**OUR KNOW-HOW
FOR YOUR SAFETY**

NABALTEC GROUP

KEY FIGURES

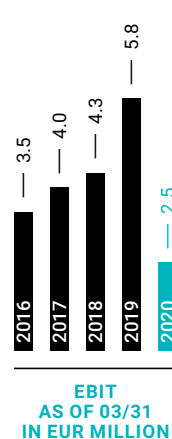
FOR THE PERIOD FROM 1 JANUARY 2020 TO 31 MARCH 2020

in EUR million	03/31/2020 (IFRS)	03/31/2019 (IFRS)	Change
Revenues			
Total revenues	45.4	48.5	-6.4%
thereof			
Functional Fillers	31.7	32.5	-2.5%
Specialty Alumina	13.7	15.9	-13.8%
Foreign share (%)	73.5	76.1	
Employees ¹ (number of persons)	508	501	1.4%
Earnings			
EBITDA	6.1	9.0	-32.2%
EBIT	2.5	5.8	-56.9%
Consolidated result after taxes	1.2	3.5	-65.7%
Earnings per share (EUR)	0.14	0.40	-65.0%
Financial position			
Cash flow from operating activities	6.5	5.5	18.2%
Cash flow from investing activities	-5.7	-5.1	11.8%
Assets, equity and liabilities			
Total assets	240.5	239.6	0.4%
Equity	101.2	98.9	2.3%
Non-current assets	161.9	158.8	2.0%
Current assets	78.6	80.8	-2.7%

¹ on the reporting date 31 March, including trainees

NABALTEC AG

Nabaltec AG, with registered office in Schwandorf, a chemicals business which has received multiple awards for innovativeness, manufactures, develops and distributes highly specialized products based on aluminum hydroxide and aluminum oxide on an industrial scale through its product segments, "Functional Fillers" and "Specialty Alumina."



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OUR PRODUCT SEGMENTS

PRODUCT SEGMENTS

FUNCTIONAL FILLERS

In the product segment “Functional Fillers,” Nabaltec produces highly specialized aluminum hydroxide-based products for a wide variety of applications, and is among the leading manufacturers in the world in this area. In addition to current market trends, the development of eco-friendly flame retardants and additives is driven above all by the specific requirements of its customers.

EUR **122.2** MILLION

REVENUES 2019

EUR **22.1** MILLION

EBITDA 2019

EUR **11.9** MILLION

EBIT 2019

SPECIALTY ALUMINA

In the product segment “Specialty Alumina,” Nabaltec manufactures innovative materials for a wide variety of industries based on aluminum oxide and occupies a leading position in the global market. The company is constantly investing in optimizing its production facilities, in innovative technologies and in improving production processes in order to enable the company to consistently supply tailor-made qualities which meet customers’ needs.

EUR **56.8** MILLION

REVENUES 2019

EUR **10.3** MILLION

EBITDA 2019

EUR **6.7** MILLION

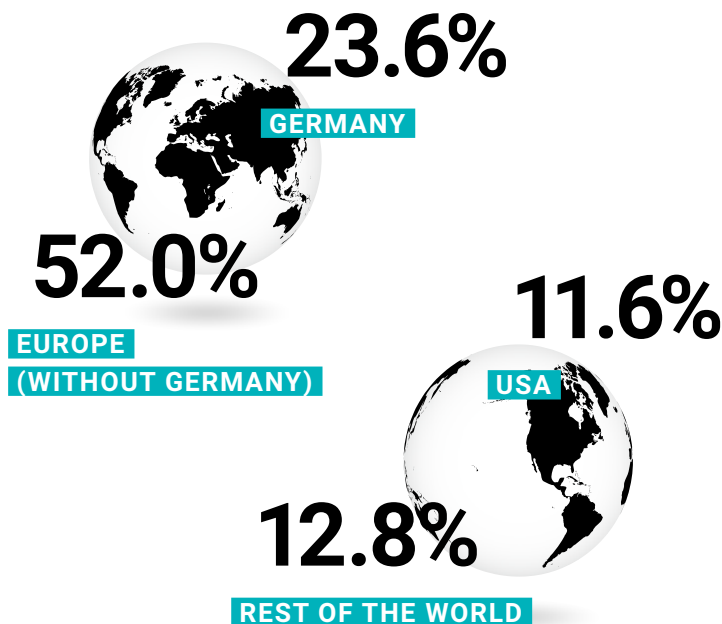
EBIT 2019

SUSTAINABLE PRACTICES

Nabaltec products have an extremely diverse range of applications and are the preferred choice whenever utmost quality, safety, eco-friendliness and durability are required. The combination of these characteristics creates outstanding prospects for growth for Nabaltec's various specialty chemical products and is the basis for the company's many years of steadily growing financial success.

Beyond economic aspects, however, Nabaltec also attaches particular importance to ecological and social responsibility. Over the years, a certified environmental management system, an occupational health and safety management system and an energy management system have been introduced.

REVENUE SHARES 2019



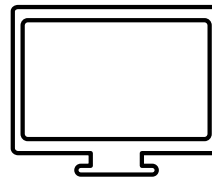
EMPLOYEES

Sustainable employee development is important to Nabaltec AG in order to be prepared for future personnel challenges and in order to position itself as an attractive employer. As a family-friendly company which has been recognized multiple times, Nabaltec is committed to promoting young talent and values work / life balance.



INNOVATIONS

Nabaltec AG is regularly awarded national and international prizes and distinctions for innovation. 2020, for example, the company received the "Axia Best Managed Companies Award" for outstandingly managed mid-sized companies, due in part to its highly innovative practices.



CONTACT IR

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**NABALTEC AG
ON THE INTERNET**
www.nabaltec.de/en

FOREWORD

OF THE CEO



From left to right:
Dr. Michael Klimes, Johannes Heckmann (CEO), Günther Spitzer

*Ladies and Gentlemen,
Dear Shareholders and Business Partners,*

Results in the first quarter of 2020 lagged behind our expectations relative to the same quarter of last year. Nevertheless, we did very well in terms of revenues, especially in light of the fact that the environment has become significantly more challenging and complex. We saw a continuation of the trends which we observed in the fourth quarter of 2019, and which we have already reported: we are currently seeing a certain amount of price pressure on the sales side, and orders from our customers have been significantly more volatile and short-term in nature. In addition, the COVID-19 pandemic began to have a noticeable impact on our business in the first quarter, particularly in Asia and, since March, in Southern Europe as well.

E-mobility remains the key driver in the sales development of boehmite, with an outstanding mid- and long-term outlook

Our boehmite sales have bucked this trend and remain strong. Since sales volume is delivered almost exclusively to Asia, sales performance was very difficult to predict following the shutdown in China and other Asian countries. But despite the fears, sales volume and revenues were up by over 40% in the first quarter of 2020 over the previous year. The key driver remains e-mobility. While the short-term outlook is somewhat murky, results in the first quarter of 2020 were entirely positive, meeting our expectations. The mid- and long-term outlook for e-mobility, and by extension for lithium ion batteries, is still outstanding.

Developments in the Specialty Alumina product segment were significantly more challenging, especially for products used in the refractory sector and, by extension, in the European steel and automotive industry. Demand in this industry weakened noticeably in the fourth

quarter of 2019 and this trend continued in the first three months of 2020, in combination with clear price pressure and the shutdown in Southern Europe. These factors largely explain our drop-off in revenues in the first three months of the year.

Performance in the US in the first quarter was largely in line with our expectations. Nashtec now supplies US customers entirely on its own and production at our new plant in Chattanooga was ramped up in March. The Chattanooga plant failed to contribute significant revenues in the first quarter and we certainly would have preferred a different environment than the present one, which is shaped by the coronavirus crisis and a high degree of uncertainty in the global economy. In spite of these difficulties, approval processes have been initiated with our North American customers and we are expecting the plant to begin posting revenues in the coming months.

Nashtec supplies US customers entirely on its own, Naprotec was ramped up in March 2020

Given the current environment, we are unable at this time to provide a reliable forecast for 2020 as a whole. At the moment, we expect the impact of the COVID-19 pandemic to weigh down results in the second quarter. We are expecting revenues to be down significantly in both product segments from the previous quarter as well as from the same quarter of last year.

A reliable forecast for 2020 as a whole is not possible due to the current situation

To describe the economic impact using the analogy of road traffic: at the end of the first quarter, we came up on the end of a traffic jam. Now, in the second quarter, it feels like traffic has stopped. The key question is how long it will take for us to get out of the jam so we can start to go faster again.

What I can tell you for sure is that we are well-positioned in the long run: we sell to customers all over the world and we supply a wide variety of industries. Market drivers have proven largely stable in spite of the crisis; this is particularly true for the Functional Fillers. We have not had to cut hours so far, but I would not rule it out as a way to respond flexibly to possible sharp fluctuations in demand. Nabaltec has very strong balance sheet ratios and highly adequate liquidity. In April 2020, we repaid a loan against borrower's note with a volume of EUR 31 million. One third of the repayment amount came from cash flow and two thirds came from a new bank loan with improved terms. Key future projects and investments have already been completed. At the same time, the extensive investments we made in the past have allowed us to cut back our spending on investments and conserve liquidity. We are also constantly watching supply chains in our markets, both up and down, and we conduct weekly surveys of our top 30 to 40 customers about their outlook for the future. "Flying by sight" is an overused term right now in politics, health care and economics. We are working hard to improve the "sight" for our company and create somewhat more clarity.

Repayment of a loan against borrower's note in April 2020 has led to improved financing terms

Schwandorf, May 2020

Yours,



JOHANNES HECKMANN

CEO

NABALTEC SHARE

THE FIRST QUARTER OF 2020



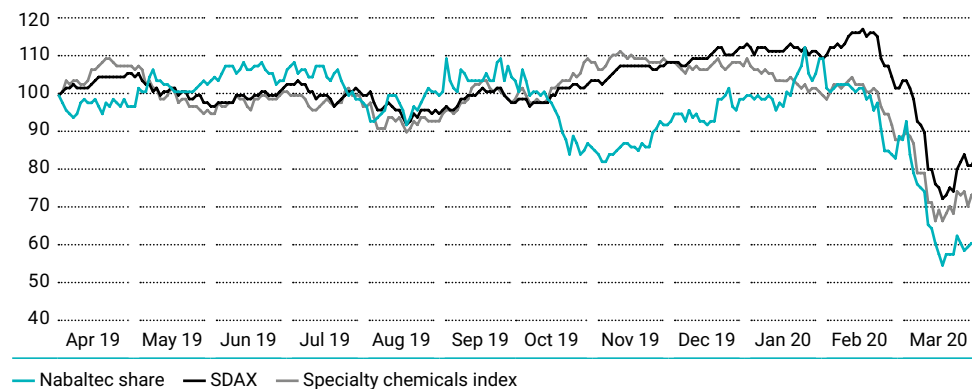
ISIN/WKN: DE000A0KPPR7/A0K PPR

NABALTEC SHARE HAS BEEN LISTED IN THE FRANKFURT STOCK EXCHANGE SINCE 24 NOVEMBER 2006 AND HAS BEEN TRADED IN THE SCALE MARKET SEGMENT SINCE MARCH 2017.

High for the quarter: EUR 37.70; reached on 24 January 2020

Nabaltec share started off the year strong and climbed to a price of EUR 37.70 on 24 January 2020, representing its high for the first quarter. The outbreak of the coronavirus pandemic in Europe and Germany resulted in substantial losses and downturns in the equities markets, and Nabaltec share was affected as well as the relevant indices, the SDAX and the specialty chemicals index. On 18 March 2020, the share price fell to EUR 18.15, its low for 2020 so far. The markets have rebounded slightly by the quarterly reporting date, and Nabaltec share was able to finish the quarter at a price of EUR 20.10 by the end of the reporting period.

PERFORMANCE OF NABALTEC SHARE (XETRA, INDEXED)



KEY DATA FOR NABALTEC SHARE (XETRA)

	First 3 months of 2020	Year 2019
Number of shares	8,800,000	8,800,000
Market capitalization (cutoff date, in EUR million)	176.88	290.40
Average price (in EUR)	29.76	31.50
High (in EUR)	37.70	37.00
Low (in EUR)	18.15	21.90
Closing price (cutoff date, in EUR)	20.10	33.00
Average daily turnover (in shares)	5,708	4,454
Earnings per share (in EUR)	0.14	1.22

The average XETRA daily turnover of Nabaltec share was 5,708 shares in the first three months of 2020, up from an average of 4,454 shares in 2019.

Earnings per share (EPS) amounted to EUR 0.14 in the first three months of 2020, compared to an EPS of EUR 0.40 in the first three months of 2019.

*Earnings per share
of EUR 0.14 in the
first quarter of 2020*

Analyst recommendations from Hauck & Aufhäuser Bank for Nabaltec share continue to be positive. The bank issued a “Buy” recommendation in all of its analyses in the first quarter. Its price target was unchanged through the reporting date, 31 March 2020, at EUR 40.50. In a study dated 13 May 2020, the price target was lowered to EUR 34.50, with the “Buy” recommendation unchanged. Baader Bank rated Nabaltec share an “Add” in its first-quarter studies, with a price target of EUR 37.00. After the 31 March reporting date, Baader Bank changed its rating to “Buy,” with a price target of EUR 28.00.

*“Buy” recommendation
from Hauck & Aufhäuser
Bank with a price
target of EUR 34.50*

The analyst recommendations for Nabaltec share can be found online in the Investor Relations/Share section of www.nabaltec.de/en.

As of 31 December 2019, the majority of Nabaltec’s 8,800,000 shares continued to be held by the Heckmann and Witzany families. The Heckmann family held 28.20% of the company’s capital stock and the Witzany family held 27.17%. The remaining 44.63% of shares are in free float.

CONSOLIDATED INTERIM MANAGEMENT REPORT

AS OF 31 MARCH 2020

COURSE OF BUSINESS

*Consolidated
revenues of EUR
45.4 million in the
first three months
of 2020*

Nabaltec AG started off 2020 on a subdued note. The company earned EUR 45.4 million in revenues in the first quarter of 2020, compared to EUR 48.5 million in the same period of last year.

Revenues in the “Functional Fillers” product segment amounted to EUR 31.7 million, compared to EUR 32.5 million in the same quarter of last year. Revenues in the “Specialty Alumina” product segment came to EUR 13.7 million, down from EUR 15.9 million in the same period of last year.

*Export ratio of
73.5% in the first
quarter*

There was a slight shift in regional revenue shares, as the European share was down while business in Germany was slightly stronger. These changes were largely due to the initial impact of the coronavirus pandemic, in the form of government restrictions, particularly in Southern European markets. Supply chains and sales in Germany remained entirely intact, with few exceptions. Nabaltec’s export ratio was 73.5% in the first quarter, down 2.9 percentage points from the end of 2019.

Nabaltec's total performance was down 12.1% in the first three months of the year relative to the same period of last year, from EUR 48.0 million to EUR 42.2 million. This change was due to a further reduction in inventories as well as to the revenue trend.

The cost of materials ratio (cost of materials as a percentage of total performance) was 45.3% in the first quarter of 2020, nearly even with last year. The gross profit margin (gross profit as a percentage of total performance) was 55.9% in the reporting quarter, up slightly from the ratio of 55.6% posted in the same quarter of last year.

The personnel expense ratio (personnel expenses as a percentage of total performance) was 21.8% in the first three months of 2020, compared to 19.0% last year, as the number of employees increased from 501 to 508.

Other operating expenses were down from EUR 8.6 million in the same period of last year to EUR 8.3 million in the first three months of 2020. This was largely due to a decrease in freight costs as a result of the drop in sales. The ratio of other operating expenses to total performance increased over the same quarter of last year, from 17.9% to 19.7%.

Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to EUR 6.1 million in the first quarter of 2020, down 32.2% from the value of EUR 9.0 million posted in the same quarter of last year. As a result, the EBITDA margin (EBITDA as a percentage of total performance) dropped accordingly from 18.8% to 14.5% quarter-on-quarter.

Consolidated EBIT amounted to EUR 2.5 million in the reporting quarter, compared to EUR 5.8 million in the same period of last year (down 56.9%). The EBIT margin (EBIT as a percentage of total performance) fell from 12.1% in the first quarter of 2019 to 5.9% in the reporting quarter.

EBIT of EUR 2.5 million in the first quarter of 2020

Net financial income amounted to EUR –0.6 million in the first quarter of 2020, nearly on par with the same period of last year.

Earnings before taxes amounted to EUR 1.8 million, compared to EUR 5.1 million in the same quarter of last year. Consolidated after-tax earnings came to EUR 1.2 million, compared to EUR 3.5 million in the same period of last year. This corresponds to earnings per share of EUR 0.14 in the reporting quarter (same quarter of last year: EUR 0.40).

Earnings per share of EUR 0.14

Cash flow from operating activity was EUR 6.5 million in the first three months of 2020, compared to EUR 5.5 million in the first quarter of 2019. This was particularly attributable to changes in working capital. Above all, the increase in cash flow from operating activity was due to an intensive reduction in inventories together with a weaker increase in trade receivables relative to the same quarter of last year.

Spending on investments increased relative to the same quarter of last year, from EUR 5.1 million to EUR 5.7 million.

Nabaltec Group's cash and cash equivalents amounted to EUR 30.0 million as of 31 March 2020.

Total assets increased from EUR 239.6 million on 31 December 2019 to EUR 240.5 million. As of the reporting date, 31 March 2020, non-current assets were up slightly, climbing 2.0% to EUR 161.9 million, due primarily to an increase in property, plant and equipment. Current assets were down by 2.7%, from EUR 80.8 million to EUR 78.6 million, as a sharp decrease in inventories was offset by an increase in trade receivables and other assets.

*Equity ratio
of 42.1%*

On the liabilities side of the balance sheet, the equity ratio increased slightly, from 41.3% on 31 December 2019 to 42.1% on 31 March 2020. Non-current liabilities on 31 March 2020 amounted to EUR 86.9 million, nearly on par with the level at the end of 2019. Current liabilities were down from the end of 2019, dropping from EUR 53.9 million to EUR 52.4 million, due primarily to the decrease in income tax payable.

EMPLOYEES

As of the reporting date, 31 March 2020, Nabaltec Group had 508 employees (including trainees). On the same date of last year, this number was 501 employees. The trainee ratio was 9.4%, a traditionally high level for Nabaltec.

OUTLOOK

The year got off to a somewhat modest start for Nabaltec AG and customer orders in the first quarter of 2020 were volatile and tended to be short-term in nature.

The intensified measures which have been taken all over the world in an effort to contain the coronavirus pandemic and the associated uncertainty, with the economic impact unforeseeable, are having a negative impact on Nabaltec's business as well.

In light of this situation, and the fact that the further development of the pandemic and the associated negative impact on customer demand, supply chains and production are currently unforeseeable, Nabaltec AG's Management Board suspended the forecast for Financial Year 2020 which was published on 5 March 2020 upon publication of the Annual Report on 30 April 2020.

*2020 forecast
suspended for now*

Otherwise, the other statements made in the forecast report of the 2019 consolidated management report retain their validity.

REPORT ON OPPORTUNITIES AND RISKS

No significant changes were evident in the first quarter of 2020 to the risk situation presented in the 2019 consolidated management report.

Schwandorf, 15 May 2020

The Management Board

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM 1 JANUARY 2020 TO 31 MARCH 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in TEUR	01/01/ – 03/31/2020	01/01/ – 03/31/2019
Revenues	45,441	48,453
Change in inventories of finished goods and work in progress	-3,309	-692
Own work capitalized	105	197
Total performance	42,237	47,958
Other operating income	492	516
Cost of materials	-19,143	-21,811
Gross earnings	23,586	26,663
Personnel expenses	-9,184	-9,135
Depreciation	-3,607	-3,170
Other operating expenses	-8,335	-8,563
Operating profit (EBIT)	2,460	5,795
Interest and similar income	41	35
Interest and similar expenses	-660	-695
Net income from ordinary activities (EBT)	1,841	5,135
Taxes on income	-640	-1,633
Net after-tax earnings	1,201	3,502
Earnings per share (in EUR)	0.14	0.40

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

in TEUR	01/01/ – 03/31/2020	01/01/ – 03/31/2019
Net after-tax earnings	1,201	3,502
Items which may be reclassified to profit and loss		
Currency translation (after taxes)	1,081	732
Net income from hedge accounting (after taxes)	-32	-107
Total	1,049	625
Items which will not be reclassified to profit and loss		
Actuarial gains and losses	0	0
Total	0	0
Other comprehensive income	1,049	625
Total comprehensive income	2,250	4,127

CONSOLIDATED BALANCE SHEET

AS OF 31 MARCH 2020
ASSETS

in TEUR	03/31/2020	12/31/2019
Non-current assets	161,916	158,831
Intangible assets		
Concessions, proprietary rights and similar rights and assets, as well as licenses to such rights and assets (including advance payments)	493	502
Property, plant and equipment	158,943	155,563
Land, leasehold rights and buildings, including buildings on unowned land	47,158	47,237
Technical equipment and machinery	99,884	90,902
Other fixtures, fittings and equipment	4,144	4,079
Advance payments and assets under construction	7,757	13,345
Financial assets	78	78
Shares in affiliated companies	78	78
Deferred tax assets	2,402	2,688
Current assets	78,578	80,761
Inventories	34,670	40,502
Raw materials and supplies	20,497	23,871
Work in process	1,049	1,029
Finished goods and merchandise	13,124	15,602
Other assets and accounts receivable	13,897	11,275
Trade receivables	7,523	5,582
Receivables from income taxes	587	0
Other assets	5,787	5,693
Cash and cash equivalents	30,011	28,984
TOTAL ASSETS	240,494	239,592

LIABILITIES

in TEUR	03/31/2020	12/31/2019
Shareholders' equity	101,195	98,945
Subscribed capital	8,800	8,800
Capital reserve	47,029	47,029
Earnings reserve	9,699	9,699
Profit carry-forward	51,092	40,391
After-tax earnings	1,201	10,701
Other changes in equity with no effect on profit and loss	-16,626	-17,675
	-	-
Non-current liabilities	86,872	86,711
Pension reserves	46,519	46,373
Other provisions	1,389	1,378
Accounts payable to banks	38,964	38,960
	-	-
Current liabilities	52,427	53,936
Accounts payable from income taxes	797	3,122
Other provisions	192	187
Accounts payable to banks	32,431	31,924
Trade payables	12,814	13,395
Other accounts payable	6,193	5,308
	-	-
TOTAL LIABILITIES	240,494	239,592

CONSOLIDATED CASH FLOW STATEMENT

FOR THE PERIOD FROM 1 JANUARY 2020 TO 31 MARCH 2020

CONSOLIDATED CASH FLOW STATEMENT

in TEUR	01/01/ – 03/31/2020	01/01/ – 03/31/2019
Cash flow from operating activity		
Earnings before taxes	1,841	5,135
+ Depreciation of fixed assets	3,607	3,170
-/+ Other income/expenses with no effect on cash flow	0	0
-/+ Income/loss from the disposal of assets	3	0
- Interest income	-41	-35
+ Interest expenses	660	695
Net operating income before changes in working capital	6,070	8,965
+/- Increase/decrease in provisions	91	37
-/+ Increase/decrease in trade receivables and other assets not attributable to investment or financing activity	-2,035	-6,060
+/- Increase/decrease in inventories	5,832	902
+/- Increase/decrease in trade payables and other liabilities not attributable to investment or financing activity	237	2,607
Cash flow from operating activity before taxes	10,195	6,451
- Income taxes paid	-3,706	-964
Net cash flow from operating activity	6,489	5,487

CONSOLIDATED CASH FLOW STATEMENT

in TEUR	01/01/ – 03/31/2020	01/01/ – 03/31/2019
Cash flow from investing activities		
+ Payments received from the disposal of property, plant and equipment	7	0
- Payments made for investments in property, plant and equipment	-5,651	-4,940
- Payments made for investments in intangible assets	-35	-120
- Cash paid for the acquisition of consolidated companies	0	0
Net cash flow from investment activity	-5,679	-5,060
Cash flow from financing activity		
- Interest paid	-31	-2
+ Interest received	13	8
Net cash flow from financing activity	-18	6
Net change in cash and cash equivalents	792	433
Change in funds due to changes in exchange rates	235	104
Funds at start of period	28,984	30,289
Funds at end of period	30,011	30,826

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE PERIOD FROM 1 JANUARY 2020 TO 31 MARCH 2020

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Shareholders' equity attributable to shareholders of Nabaltec AG

in TEUR	Subscribed capital	Capital reserve	Earnings reserve
Balance per 01/01/2019	8,800	47,029	9,699
Actuarial gains and losses	–	–	–
Currency translation	–	–	–
Net income from hedge accounting	–	–	–
Other comprehensive income	–	–	–
Net income after taxes	–	–	–
Net income	–	–	–
Balance per 03/31/2019	8,800	47,029	9,699
Dividend payments	–	–	–22
Actuarial gains and losses	–	–	–
Currency translation	–	–	–
Net income from hedge accounting	–	–	–
Other comprehensive income	–	–	–
Net income after taxes	–	–	–
Net income	–	–	–
Balance per 12/31/2019	8,800	47,029	9,699
Actuarial gains and losses	–	–	–
Currency translation	–	–	–
Net income from hedge accounting	–	–	–
Other comprehensive income	–	–	–
Net income after taxes	–	–	–
Net income	–	–	–
Balance per 03/31/2020	8,800	47,029	9,699

	Profit carry-forward	Other changes in equity with no effect on profit and loss	Consolidated shareholders' equity
	42,151	-11,892	95,787
	-	0	0
	-	732	732
	-	-107	-107
	-	625	625
	3,502	-	3,502
	3,502	625	4,127
	45,653	-11,267	99,914
	-1,760	-	-1,760
	-	-6,875	-6,875
	-	-28	-28
	-	495	495
	-	-6,408	-6,408
	7,199	-	7,199
	7,199	-6,408	791
	51,092	-17,675	98,945
	-	0	0
	-	1,081	1,081
	-	-32	-32
	-	1,049	1,049
	1,201	-	1,201
	1,201	1,049	2,250
	52,293	-16,626	101,195

SEGMENT REPORTING

The operative segments are consistent with the business divisions of the Nabaltec Group. The risks as well as internal organization and reporting structure are mainly determined by the differentiation of the products.

BUSINESS SEGMENTS

Nabaltec is divided into two product segments, "Functional Fillers" and "Specialty Alumina." Each segment represents a strategic business division, the products and markets of which differ from those of the other.

The product segment "Functional Fillers" produces and distributes non-halogenated flame retardant fillers for the plastics and the wire & cable industry as well as additives.

The product segment "Specialty Alumina" produces and distributes ceramic raw material and ceramic bodies for numerous applications in technical ceramics as well as the refractory industry.

PERIOD FROM 1 JANUARY 2020 – 31 MARCH 2020

in TEUR	Functional Fillers	Specialty Alumina	Nabaltec Group
Revenues			
Third party revenue	31,741	13,700	45,441
Segment result			
EBITDA	4,726	1,341	6,067
EBIT	1,992	468	2,460

PERIOD FROM 1 JANUARY 2019 – 31 MARCH 2019

in TEUR	Functional Fillers	Specialty Alumina	Nabaltec Group
Revenues			
Third party revenue	32,515	15,938	48,453
Segment result			
EBITDA	6,352	2,613	8,965
EBIT	4,042	1,753	5,795

ABRIDGED CONSOLIDATED NOTES

FOR THE PERIOD FROM 1 JANUARY 2020 TO 31 MARCH 2020

1. GENERAL INFORMATION

Nabaltec AG, with registered office in Schwandorf, Germany¹, was formed by Company Agreement of 14 December 1994 with the corporate name Nabaltec GmbH and registered office in Schwandorf (entered into the Commercial Register of the Local Court of Amberg under Commercial Register No. B 3920). It acquired the specialty oxides business of VAW aluminium AG in 1995 and was transformed into a joint-stock company in 2006.

The corporate purpose pursuant to § 2 of the Articles of Association of Nabaltec AG is the manufacture of products based on mineral raw materials, particularly aluminum hydroxide and aluminum oxide, and the distribution of those products.

The shares of Nabaltec AG are listed in the Open Market (Scale) segment of the Frankfurt Stock Exchange since 24 November 2006.

2. BASIS OF PREPARATION

The consolidated financial statements of Nabaltec AG as of 31 March 2020 were prepared with due regard to all International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and interpretations of the International Financial Reporting Interpretation Committee (IFRIC) and of the Standing Interpretations Committee (SIC) recognized by the European Union and applicable to the financial year.

The interim financial statements of Nabaltec AG for the period from 1 January to 31 March 2020 were prepared in conformance with IAS 34, "Interim Financial Reporting," as a shorter financial report. The shorter financial statements do not contain all information prescribed for the financial statements of the financial year and should be read in conjunction with the consolidated financial statements as at 31 December 2019.

The interim financial statements encompass the period from 1 January 2020 to 31 March 2020.

The consolidated financial statements are prepared in euro (EUR). Unless stipulated otherwise, all values are rounded up or down to the nearest thousand euro (TEUR) in accordance with the commercial rounding practice. Please note that differences can result from the use of rounded amounts and percentages.

¹ Nabaltec AG, Alustraße 50 – 52, 92421 Schwandorf, Germany

The presentation in the balance sheet differentiates between current and non-current assets and liabilities, some of which are broken down further by their respective maturities in the notes to the financial statements.

The consolidated statement of comprehensive income has been prepared in accordance with the total expenditure format.

The interim financial statements have not been audited or reviewed by the auditor.

SCOPE OF CONSOLIDATION

The scope of consolidation of Nabaltec AG as of 31 March 2020 has not changed compared to the consolidated financial statements as of 31 December 2019. The consolidated financial statements include the separate financial statements of Nabaltec AG, Schwandorf, as the parent company and its subsidiaries Nashtec LLC, Corpus Christi (USA), Nabaltec USA Corporation, Corpus Christi (USA), Naprotec LLC, Chattanooga (USA), and Nabaltec (Shanghai) Trading Co., Ltd., Shanghai (China).

NEW ACCOUNTING PROVISIONS

All accounting and valuation methods used in the preparation of the abridged financial statements correspond to the methods applied in the most recent consolidated financial statements as at 31 December 2019.

In addition to the Standards and Interpretations used on 31 December 2019, the following Standards and Interpretations were used for the first time and had no impact on the interim financial statements:

- Amendment to references to the Framework in IFRS
- Amendment to IAS 1 and IAS 8, "Definition of Materiality"
- Amendments to IFRS 9, IAS 39 and IFRS 7
- Amendment to IFRS 3 "Definition of a Business Operation"

Until the publication of this interim financial statement, IASB has not published any further changes to standards.

3. NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

REVENUES

We refer to the segment reports with respect to the revenue by product area. Information on revenue performance may be found in the management report.

4. NOTES TO THE CONSOLIDATED BALANCE SHEET

PROPERTY, PLANT AND EQUIPMENT

The additions to property, plant and equipment in the first three months of 2020 were the result of investments, primarily in technical equipment and machinery to expand capacity and for further process optimization.

FINANCIAL ASSETS

Financial assets consist of the 100% interest in Nabaltec Asia Pacific K.K. The subsidiary is not fully consolidated on grounds of materiality. In the absence of an active market, the shares are measured at cost.

SHAREHOLDERS' EQUITY

The change in the shareholders' equity of Nabaltec AG is presented in the consolidated statement of changes in equity.

CURRENT AND NON-CURRENT LIABILITIES**LIABILITIES TO BANKS**

Liabilities to banks largely entail credits borrowed at standard market interest rates. The market value corresponds to the book value.

5. OTHER DISCLOSURES**OTHER FINANCIAL OBLIGATIONS****CONTINGENT LIABILITIES AND LEGAL LIABILITY RELATIONS**

As of the cutoff date, there were no contingent liabilities, legal liability relations or other legal disputes for which provisions had not been previously made.

RELATED PARTY TRANSACTIONS

The group of related persons and enterprises did not change compared to the consolidated financial statements as at 31 December 2019.

No transactions with related persons and enterprises took place in the first three months of 2020. Such transactions are conducted at standard market prices and conditions.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

The first tranche of the 2015 loan against borrower's note, in the amount of TEUR 31,000, was repaid as per agreement on 23 April 2020. The ability to repay this loan was secured by entering into an agreement for a bilateral loan with a volume of TEUR 20,000, and by extending its overdraft lines by TEUR 20,000.

The effects of the ongoing corona pandemic after the balance sheet date cannot currently be reliably estimated in terms of its duration, course or future measures to contain it. At present, therefore, it is not possible to make any concrete statements about the future financial effects.

Schwandorf, 15 May 2020

The Management Board

FINANCIAL CALENDAR 2020

Annual General Meeting	30 June
Online 1on1 Summer Summit, Equity Forum	1 July
Interim Report 2/2020	27 August
Baader Investment Conference, Munich	23 September
Interim Report 3/2020	26 November

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Statements relating to the future

This interim report contains statements relating to the future which are based on the Management Board's current estimations and prognosis as well as on information currently available. These statements relating to the future are not to be understood as guarantees of the predicted future developments and results.

The future developments and results are rather dependent on a number of risks and uncertainties and are based on assumptions which possibly may prove to be false. We do not accept any obligation to update these statements relating to the future.

Rounding

Due to computational reasons, rounding differences may appear in the percentages and figures in the tables, graphics and text of this report.



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