

**Series production improves to 85% of full-year 2019 volume**

**Record installation outlook**

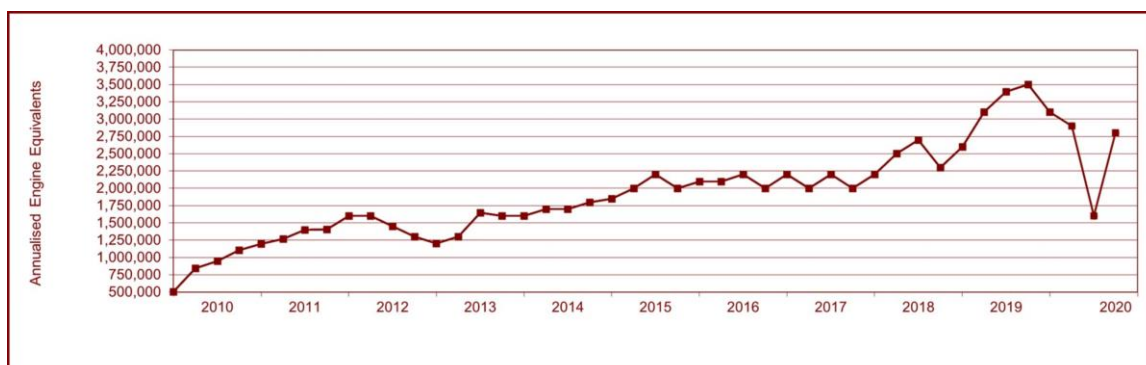
**Third Quarter 2020**

- **Revenue for Period:** SEK 19.2 million (SEK 30.8 million)
- **Operating Result:** SEK 3.6 million (SEK 14.5 million)
- **Earnings per Share:** SEK 0.52 per share (SEK 2.00 per share)
- **Cashflow from Operations:** SEK -2.7 million (SEK 16.2 million)
- Production increases from 1.6 million Engine Equivalents in second quarter to 2.8 million in third quarter
- System 4000 *Plus* installations underway at First Automobile Works in China and at Scania in Sweden
- Start of production of new 16 litre commercial vehicle cylinder block at FAW planned during 2021
- Start of production of new 13 litre commercial vehicle cylinder block and head at Scania planned during 2021

**2020 Year-to-Date**

- **Revenue for Period:** SEK 62.5 million (SEK 87.2 million)
- **Operating Result:** SEK 12.3 million (SEK 36.3 million)
- **Earnings per Share:** SEK 1.88 per share (SEK 5.17 per share)
- **Cashflow from Operations:** SEK 15.8 million (SEK 30.6 million)
- **Installed Base:** 57 installations in 14 Countries (26 [25] fully automated systems, 26 [26] mini-systems and five [five] tracking systems)

**Series Production\***



*Annualised series production recovered to 2.8 million Engine Equivalents in the third quarter, corresponding to approximately 85% of the full-year 2019 volume of 3.3 million Engine Equivalents.*

\* Annualised average production of Engine Equivalents during the quarter (1 Engine Equivalent = 50 kg)

## CEO Comments

### **Series production improves and begins to stabilise**

Following annualised production of 1.6 million Engine Equivalents in the second quarter, series production improved to 2.8 million Engine Equivalents in the third quarter, corresponding to approximately 85% of the full-year 2019 run-rate of 3.3 million Engine Equivalents. With constant production of 2.7 million Engine Equivalents in July and August, followed by 2.9 million Engine Equivalents in September, the third quarter showed the first signs of stable production since the onset of foundry shutdowns in March. The production in the third quarter was notable for the second highest July and the second-highest 3Q in our history, as many foundries bypassed the traditional summer shutdown to rebuild inventory and to meet the market demand for new vehicle sales. In our core markets of pick-up trucks and commercial vehicles, there is a clear mix of inventory rebuild and new sales demand. This demand is expected to continue to stimulate the production through the fourth quarter. While some uncertainty remains, we maintain our confidence in the long-term growth potential of CGI and in our ability to reach and exceed the five million Engine Equivalent milestone.

### **Positive outlook for installation revenue; new series production planned**

Following the System 4000 sale at the WHB foundry in Brazil in May, and with the System 4000 *Plus* installations underway at the First Automobile Works foundry in China and at the Scania foundry in Sweden, the outlook remains for SinterCast to post a second consecutive year of record installation revenue, exceeding the 2019 revenue of SEK 11.9 million. The installations at both foundries are expected to be completed during the fourth quarter, with heavy-duty commercial vehicle engine production beginning at both facilities during 2021. The FAW installation has been ordered to support the production of a SinterCast-CGI cylinder block for a new 16 litre commercial vehicle engine, with initial production planned to exceed 100,000 Engine Equivalents per year. The Scania installation was installed to support the production of a SinterCast-CGI cylinder block and head for a new 13 litre engine, destined for Volkswagen group applications including MAN, Navistar, Scania and Volkswagen, with the mature volume planned to provide incremental production of one million Engine Equivalents per year.

During September, the Gusswerke Leipzig (formerly Halberg) foundry ceased operation. There is no negative impact on the SinterCast series production or revenue, as all of the Gusswerke CGI production was transferred to other SinterCast foundries. A provision for anticipated credit losses associated with the insolvency declaration of the Gusswerke Leipzig foundry (SEK -1.1 million) was included in the 4Q 2019 results.

Discussions are ongoing for CGI process control systems, capacity upgrades, and Tracking Technologies installations in grey iron, CGI and ductile iron foundries. However, many foundries are currently deferring or restricting investment commitments and on-site engineering service. SinterCast is also investigating the development of other unique technologies – within and beyond the scope of thermal analysis – to improve quality and production efficiency in the metals industry, and to broaden our product portfolio and our production base.

## Financial Summary

### Revenue

The revenue for the SinterCast Group relates primarily to income from equipment, series production and engineering service.

<b>Revenue Breakdown</b>	<b>July–September</b>		<b>January–September</b>	
(Amounts in SEK million)	<b>2020</b>	2019	<b>2020</b>	2019
<b>Equipment<sup>1</sup></b>	<b>0.3</b>	2.4	<b>6.8</b>	9.5
<b>Series Production<sup>2</sup></b>	<b>18.8</b>	28.2	<b>55.1</b>	77.1
<b>Engineering Service<sup>3</sup></b>	<b>0.1</b>	0.2	<b>0.6</b>	0.6
<b>Total</b>	<b>19.2</b>	<b>30.8</b>	<b>62.5</b>	<b>87.2</b>
<b>Number of Sampling Cups shipped</b>	<b>32,900</b>	<b>55,700</b>	<b>97,800</b>	<b>141,900</b>

1. Includes revenue from system sales and leases and sales of spare parts
2. Includes revenue from production fees, Sampling Cup and other consumables, and software licence fees
3. Includes revenue from technical support, on-site trials and sales of test pieces

The **July–September 2020** revenue amounted to SEK 19.2 million (SEK 30.8 million). Although series production improved to 2.8 million Engine Equivalents in the third quarter, the production remained 20% below the record production level of 3.5 million Engine Equivalents set in the third quarter of 2019. Sampling Cup shipments decreased by 41% to 32,900 (55,700), resulting in a 33% decline in series production revenue.

The **January–September 2020** revenue amounted to SEK 62.5 million (SEK 87.2 million). Following foundry shutdown intervals spanning from March to early-June, and the ongoing production recovery, annualised series production decreased by 27% to 2.4 million (3.3 million) Engine Equivalents. Sampling Cup shipments decreased by 31% to 97,800 (141,900), resulting in a 29% decline in series production revenue to SEK 55.1 million (SEK 77.1 million). Equipment revenue amounted to SEK 6.8 million (SEK 9.5 million), primarily due to the exercise of the System 4000 purchase option at the WHB foundry in Brazil. Engineering Service amounted to SEK 0.6 million (SEK 0.6 million).

### Results

The business activities of SinterCast are best reflected by the Operating Result. This is because the “Result for the period after tax” and the “Earnings per Share” are influenced by the financial income and costs and by the revaluation of tax assets.

<b>Results Summary</b>	<b>July–September</b>		<b>January–September</b>	
(Amounts in SEK million if not otherwise stated)	<b>2020</b>	2019	<b>2020</b>	2019
<b>Operating Result</b>	<b>3.6</b>	14.5	<b>12.3</b>	36.3
<b>Result for the period after tax</b>	<b>3.7</b>	14.2	<b>13.3</b>	36.6
<b>Earnings per Share (SEK)</b>	<b>0.5</b>	2.0	<b>1.9</b>	5.2

The **July–September 2020** operating result amounted to SEK 3.6 million (SEK 14.5 million), primarily because of a SEK 11.6 million decrease in revenue, resulting in a SEK 10.0 million decrease in gross margin. The result for

the period after tax amounted to SEK 3.7 million (SEK 14.2 million). During the period, no government support in relation to the COVID-19 virus has been received.

The **January–September 2020** operating result amounted to SEK 12.3 million (SEK 36.3 million), primarily because a SEK 24.7 million decrease in revenue resulting a SEK 23.4 million decrease in gross margin. The result for the period after tax amounted to SEK 13.3 million (SEK 36.6 million), due to the lower revenue and an increase of SEK 1.6 million in the financial net (primarily increased unrealised revaluation gains derived from outstanding hedge contracts). During the period, no governmental support in relation to the COVID-19 virus was received, other than a reduced general payroll tax amounting to SEK 0.3 million.

### Cashflow, Liquidity and Investments

<b>Cashflow Summary</b>	<b>January–September</b>		<b>Cashflow Changes</b>
<b>(Amounts in SEK million if not otherwise stated)</b>	<b>2020</b>	<b>2019</b>	<b>2020 vs 2019</b>
Cashflow from operations, before change in working capital	15.4	37.9	-22.5
Change in working capital	0.4	-7.3	7.7
<b>Cashflow from operations</b>	<b>15.8</b>	30.6	-14.8
Cashflow from investing activities	-1.8	-1.2	-0.6
Cashflow from financing activities	-1.0	-18.5	17.5
<b>Cashflow total</b>	<b>13.0</b>	10.9	2.1
<b>Liquidity</b>	<b>45.9</b>	43.7	

The **January–September 2020** cashflow from operations decreased by SEK 14.8 million due to the decrease in cashflow before changes in working capital of SEK 22.5 million, primarily because of lower revenue of SEK 24.7 million resulting in lower gross results of SEK 23.4 million, and decrease in working capital of SEK 7.7 million primarily related to increased operating liability. Total investments amounted to SEK 4.3 million, primarily related to the activated lease agreements - IFRS 16 - (SEK 2.5 million), activation of products under development (SEK 0.7 million), facility investments (SEK 0.9 million), IT investments (SEK 0.1 million) and process equipment (SEK 0.1 million). Finance activities include IFRS 16 lease payments of SEK 1.0 million. No dividend has been distributed during the January-September 2020 period (SEK 17.7 million). Accordingly, the total cashflow amounted to SEK 13.0 million (SEK 10.9 million). Liquidity on 30 September 2020 was SEK 45.9 million (SEK 43.7 million). SinterCast has no loans.

### Deferred Tax Asset

Tax income for the **January–September 2020** period amounted to SEK 0.0 million (SEK 0.9 million). The estimated future taxable profit and deferred tax asset calculation is reassessed every quarter. As of 30 September 2020, SEK 213.1 million (SEK 176.9 million) of the SinterCast total carried-forward tax losses are the basis of the updated calculation, resulting in SEK 44.1 million (SEK 36.6 million) being capitalised as a deferred tax asset. The deferred tax asset calculation is based on historical eight-year average currency rates.

### **Risks and Uncertainty Factors**

Uncertainty factors for SinterCast include the timing of OEM decisions for new CGI engines and other components, adherence to start-of-production dates and ramp projections, the global economy for new vehicle sales, technology trends and emissions legislation, and the individual sales success of vehicles equipped with SinterCast-CGI components.

Prior to the onset of the COVID-19 virus, most forecasters were predicting near-term stabilisation or softening of the global passenger vehicle, commercial vehicle and industrial power markets, with the main market risk for SinterCast and its end-user industries related to the potential impact of political uncertainty and the renegotiation of international tariffs and free-trade agreements on vehicle sales and the demand for goods transportation. However, COVID-19 has quickly evolved to dominate the near-term risk outlook for the global automotive and foundry industries. While the market has begun to show signs of recovery and stabilisation, it is not yet possible to predict the recovery ramp or the influence on the SinterCast market development. No significant risk of material adjustment to the carrying amounts of assets and liabilities has been identified at the balance sheet date and no costs have been taken to the profit and loss due to the COVID-19 virus. While the series production may be temporarily influenced by the COVID-19 virus, SinterCast remains confident in the long-term growth of CGI.

*For full risk and uncertainty factor information, see Note 26 on pages 50-52 in the SinterCast Annual Report 2019*

### **Organisation**

With successful high volume CGI production in customer foundries located in Europe, Asia and the Americas, SinterCast has established a global organisation with employees and offices in Sweden, the United Kingdom, the United States, China, Korea and Germany. As of 30 September 2020, the Group had 27 (22) employees, five (four) of whom are female. SinterCast is well positioned to support global market activities and to drive the future growth of the company.

### **Parent Company**

SinterCast AB (publ) is the Parent Company of the SinterCast Group, with its registered office located in Stockholm, Sweden. On 30 September 2020, the Parent Company had 22 (17) employees. The majority of the operations are managed by the Parent Company while local operations in the United Kingdom, United States, Korea and China are managed by the local companies. The information given for the Group in this report corresponds in all material respects to the Parent Company. However, the result for the period may differ between the group and the Parent Company due to intercompany transactions between the Parent Company and its subsidiaries.

### **Accounting Principles**

The information provided on behalf of the group in this interim report has been prepared in accordance with Sweden's Annual Accounts Act and IAS 34 Interim Financial Reporting. The reporting for the Parent Company has been prepared in accordance with Sweden's Annual Accounts Act, chapter 9 interim report, and RFR 2. The accounting policies that have been applied for the group and the Parent Company agree with the accounting policies used in the preparation of the company's latest Annual Report.

### **Fair Value Measurement of Financial Assets and Liabilities**

The group has Financial assets consisting of derivative instruments (included in other debtors or other creditors) and commercial papers and fixed income instruments. The fair value of derivative instruments, not traded on an active market, is based on observable market currency rates. Cash flows are discounted using market interest

rates. Commercial papers and fixed income instruments are traded on an active market and the fair value is determined by available market prices. These effects are recognised in the profit & loss statement.

### **Rounding**

The total amount shown in tables and statements may not always sum to the same value due to rounding differences. The primary objective is for each line item to correspond to the source. This may sometimes result in rounding or truncation differences in the total.

Alternative Performance Measures are defined and included in this report in the Key Ratio and Share Data tables. More information of Accounting Policies is included in the Annual Report 2019, pages 35-40.

### **Material Transactions and Events after the Balance Sheet Date**

No material transactions have taken place between SinterCast and the Board or the Management during the period. There have been no significant events since the balance sheet date of 30 September 2020 that could materially change these financial statements. The following press release has been issued:

9 October 2020 – Series production improves to 2.9 million Engine Equivalents in September  
13 October 2020 – SinterCast dividend proposal

### **Extraordinary General Meeting**

The Extraordinary General Meeting 2020 of SinterCast AB (publ) will be held on Monday 9 November 2020 at 15:00 hours, at the premises of the Royal Swedish Academy of Engineering Sciences (IVA), Grev Turegatan 16, Stockholm, Sweden.

### **Decision Regarding Dividend**

Following an overall assessment of the market development, the Board of Directors has decided to propose a dividend of SEK 3.50 per share (totally SEK 24,815,465.50) for the financial year 2019 and that the parent company shall retain the remaining part of non-restricted equity of SEK 56,786,526.50. The Board of Directors proposes Wednesday 11 November 2020 as the record date for entitlement to receive the dividend. If the Extraordinary General Meeting decides in accordance with the proposal, it is estimated that the dividend will be distributed by Euroclear Sweden AB on Monday 16 November 2020.

### **Right to Participate and to Vote**

In consideration of COVID-19 concerns, SinterCast encourages shareholders to not attend the Extra General Meeting. Instead, shareholders are encouraged to vote by post. Information regarding voting by post and a template for voting by post will be made available on the SinterCast website [www.sintercast.com](http://www.sintercast.com) under the heading “[General Meetings \(AGM/EGM\)](#)” in the “[Investor](#)” section on or before Monday 19 October 2020.

Shareholders who wish to participate in the Extraordinary General Meeting

- must be recorded in the share register maintained by Euroclear Sweden AB on Friday 30 October 2020, and
- must notify SinterCast of their attendance no later than on Tuesday 3 November 2020.

The published notice is available on the SinterCast website [www.sintercast.com](http://www.sintercast.com)

### **Annual General Meeting**

The Annual General Meeting 2021 of SinterCast AB (publ) will be held on Tuesday 18 May 2021.

Shareholders wishing to have a matter considered at the Annual General Meeting should provide written submissions to [agm.registration@sintercast.com](mailto:agm.registration@sintercast.com) or to the company: SinterCast AB (publ), Kungsgatan 2, 641 30 Katrineholm, Sweden, at least seven weeks prior to the Annual General Meeting for the proposal to be included in the notice of the meeting. Further details on how and when to register will be published in advance of the Annual General Meeting.

### **Nomination Committee**

The Nomination Committee, elected by the Annual General Meeting 2020, consists of Victoria Skoglund, Chairman, Andrea Fessler, Jan Åke Jonsson, Chairman of the Board of Directors, Aage Figenschou and Carina Andersson. Shareholders wishing to provide input or proposals should provide written submissions to the Nomination Committee (e-mail: [nomination.committee@sintercast.com](mailto:nomination.committee@sintercast.com)) at least seven weeks prior to the Annual General Meeting for the proposal to be included in the notice of the meeting.

### **Information**

#### **Interim Reports**

October–December 2020 and Full Year Results 2020  
January–March 2021  
April–June 2021  
July–September 2021

#### **Publication Date**

10 February 2021  
21 April 2021  
18 August 2021  
27 October 2021

This report has been reviewed by the company's Auditors.

# SinterCast Results: Third Quarter 2020



*Stockholm 28 October 2020*

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CIN: 556233-6494

This press release contains information SinterCast AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. This information was submitted for publication, through the agency of the President & CEO Dr. Steve Dawson, at 08:00 CET on 28 October 2020.

**SinterCast** is the world's leading supplier of process control technology for the reliable high volume production of Compacted Graphite Iron (CGI). With at least 75% higher tensile strength, 45% higher stiffness and approximately double the fatigue strength of conventional grey cast iron and aluminium, CGI allows engine designers to improve performance, fuel economy and durability while reducing engine size, weight, noise and emissions. The SinterCast technology is used for the production of petrol and diesel engine cylinder blocks and exhaust components for passenger vehicles, medium-duty and heavy-duty cylinder blocks and heads for commercial vehicles, and industrial power engine components for agriculture, marine, rail, off-road and stationary engine applications. SinterCast supports the series production of components ranging from 2.7 kg to 9 tonnes, all using the same proven process control technology. As a specialist supplier of precision measurement and process control solutions to the metals industry, SinterCast also supplies the SinterCast Ladle Tracker® and SinterCast Cast Tracker® technologies, to improve process control, productivity and traceability in a variety of applications. With 57 installations in 14 countries, SinterCast is a publicly traded company, quoted on the Small Cap segment of the Nasdaq Stockholm stock exchange (SINT). For more information: [www.sintercast.com](http://www.sintercast.com)

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## Review report

SinterCast AB (publ)  
Corp. id. 556233-6494

### Introduction

We have reviewed the condensed interim financial information (interim report) of SinterCast AB (publ) as of 30 September 2020 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm 28 October 2020

KPMG AB

Jonas Eriksson  
Authorized Public Accountant

### Income Statement – SinterCast-Group

Amounts in SEK million	July–September		January–September		January–December	
	2020	2019	2020	2019	2019	2018
Revenue	19.2	30.8	62.5	87.2	116.5	87.7
Cost of goods sold	-4.6	-6.2	-17.5	-18.8	-27.5	-18.8
<b>Gross result</b>	<b>14.6</b>	<b>24.6</b>	<b>45.0</b>	<b>68.4</b>	<b>89.0</b>	<b>68.9</b>
<b>Gross result %</b>	<b>76%</b>	<b>80%</b>	<b>72%</b>	<b>78%</b>	<b>76%</b>	<b>79%</b>
Cost of sales and marketing	-5.4	-5.9	-17.8	-18.8	-27.3	-21.4
Cost of administration	-2.1	-2.5	-5.9	-6.5	-8.9	-7.4
Cost of research & development	-3.2	-3.0	-8.7	-7.9	-12.0	-10.3
Other operating income	0.0	1.1	0.0	1.1	0.0	0.0
Other operating costs	-0.3	0.2	-0.3	0.0	-0.7	-0.4
<b>Operating result</b>	<b>3.6</b>	<b>14.5</b>	<b>12.3</b>	<b>36.3</b>	<b>40.1</b>	<b>29.4</b>
Financial income	0.3	0.0	1.3	0.0	0.2	0.1
Financial costs	-0.2	-0.3	-0.4	-0.6	-0.4	-0.1
<b>Financial net</b>	<b>0.1</b>	<b>-0.3</b>	<b>1.0</b>	<b>-0.6</b>	<b>-0.2</b>	<b>0.0</b>
<b>Result before income tax</b>	<b>3.7</b>	<b>14.2</b>	<b>13.3</b>	<b>35.7</b>	<b>39.9</b>	<b>29.4</b>
Income tax	0.0	0.0	0.0	0.9	8.3	3.3
<b>Result for the period</b>	<b>3.7</b>	<b>14.2</b>	<b>13.3</b>	<b>36.6</b>	<b>48.2</b>	<b>32.7</b>
<b>Result attributable to:</b>						
Equity holder of the parent company	3.7	14.2	13.3	36.6	48.2	32.7
Non-controlling interests	-	-	-	-	-	-
Earnings per share, SEK	0.52	2.00	1.88	5.17	6.80	4.61
Earnings per share, diluted, SEK	0.52	2.00	1.88	5.17	6.80	4.61
Number of shares at the close of the period, thousands	7090.1	7090.1	7090.1	7090.1	7090.1	7090.1
Average number of shares, thousands	7090.1	7090.1	7090.1	7090.1	7090.1	7090.1
Average number of shares, diluted	7090.1	7090.1	7090.1	7090.1	7090.1	7090.1

### Statement of other comprehensive income – Group

Amounts in SEK million	July–September		January–September		January–December	
	2020	2019	2020	2019	2019	2018
<b>Result for the period</b>	<b>3.7</b>	<b>14.2</b>	<b>13.3</b>	<b>36.59</b>	<b>48.19</b>	<b>32.65</b>
<b>Other comprehensive income</b>						
<i>Items may be reclassified to the income statement</i>						
Translation differences, foreign subsidiaries	0.0	0.1	-0.1	0.02	-0.2	-0.1
<b>Other comprehensive income, net of tax</b>	<b>0.0</b>	<b>0.1</b>	<b>-0.1</b>	<b>0.02</b>	<b>-0.2</b>	<b>-0.1</b>
<b>Total comprehensive income for the period</b>	<b>3.7</b>	<b>14.3</b>	<b>13.2</b>	<b>36.60</b>	<b>48.0</b>	<b>32.6</b>
<b>Total comprehensive income attributable to:</b>						
Shareholder of the parent company	3.7	14.3	13.2	36.60	48.0	32.6
Non-controlling interests	-	-	-	-	-	-

**Cashflow Statement – SinterCast Group**

Amounts in SEK million	July–September		January–September		January–December	
	2020	2019	2020	2019	2019	2018
<b>Operating activities</b>						
Operating result	3.6	14.5	12.3	36.3	40.1	29.4
Adjustments for items not included in the cash flow						
Depreciation	1.0	1.4	2.8	2.4	3.2	2.2
Other	0.0	0.0	0.0	0.0	0.0	0.0
Unrealised exchange rate differences	0.0	-0.2	0.0	-0.4	-0.2	0.0
Received interest	0.0	0.0	0.0	0.0	0.1	0.1
Paid interest	0.2	-0.2	0.3	-0.3	-0.2	-0.1
Paid income tax	0.0	0.0	0.0	-0.1	0.0	0.0
<b>Total cashflow from operating activities before change in working capital</b>	<b>4.8</b>	<b>15.5</b>	<b>15.4</b>	<b>37.9</b>	<b>43.0</b>	<b>31.6</b>
<b>Change in working capital</b>						
Inventory	-1.6	0.6	-4.1	0.3	-1.9	-2.3
Operating receivables	-5.6	0.5	1.3	-7.5	-5.3	-6.9
Operating liabilities	-0.3	-0.4	3.2	-0.1	2.0	2.4
<b>Total change in working capital</b>	<b>-7.5</b>	<b>0.7</b>	<b>0.4</b>	<b>-7.3</b>	<b>-5.2</b>	<b>-6.8</b>
<b>Cashflow from operations</b>	<b>-2.7</b>	<b>16.2</b>	<b>15.8</b>	<b>30.6</b>	<b>37.8</b>	<b>24.8</b>
<b>Investing activities</b>						
Acquisition of intangible assets	0.0	0.0	-0.7	-0.6	-0.6	-1.7
Acquisition of tangible assets	-0.3	-0.5	-1.1	-0.6	-0.6	-0.9
<b>Cashflow from investing activities</b>	<b>-0.3</b>	<b>-0.5</b>	<b>-1.8</b>	<b>-1.2</b>	<b>-1.2</b>	<b>-2.6</b>
<b>Financing activities</b>						
Dividend	-	-	-	-17.7	-35.5	-19.5
Payment lease liability	-0.4	-0.3	-1.0	-0.8	-1.0	-
<b>Cashflow from financing activities</b>	<b>-0.4</b>	<b>-0.3</b>	<b>-1.0</b>	<b>-18.5</b>	<b>-36.5</b>	<b>-19.5</b>
Exchange rate differences in cash and cash equivalents	0.0	0.0	0.0	0.0	0.0	0.0
Change in cash and cash equivalents	-3.4	15.4	13.0	10.9	0.1	2.7
Cash - opening balance	49.3	28.3	32.9	32.8	32.8	30.1
<b>Cash - closing balance*</b>	<b>45.9</b>	<b>43.7</b>	<b>45.9</b>	<b>43.7</b>	<b>32.9</b>	<b>32.8</b>

\* The cash and cash equivalents comprise short-term deposits and cash at bank and in hand

### Balance Sheet – SinterCast Group

Amounts in SEK million	30 Sep 2020	30 Sep 2019	30 Jun 2020	30 Jun 2019	31 Dec 2019	31 Dec 2018
<b>ASSETS</b>						
Intangible assets	6.1	7.2	6.5	7.6	6.7	7.6
Tangible assets*	6.7	4.9	7.1	5.1	4.6	2.1
Financial assets	5.8	0.4	0.4	0.4	0.4	0.4
Deferred tax asset	44.1	36.6	44.1	36.6	44.1	35.6
<b>Total fixed assets</b>	<b>62.7</b>	<b>49.1</b>	<b>58.2</b>	<b>49.7</b>	<b>55.8</b>	<b>45.7</b>
Inventory	12.5	6.2	10.9	6.8	8.4	6.5
Short-term receivables	23.9	32.7	23.6	33.2	30.5	25.2
Short term deposits and cash at bank and in hand	45.9	43.7	49.3	28.3	32.9	32.8
<b>Total current assets</b>	<b>82.3</b>	<b>82.6</b>	<b>83.7</b>	<b>68.3</b>	<b>71.8</b>	<b>64.5</b>
<b>Total assets</b>	<b>144.9</b>	<b>131.7</b>	<b>141.9</b>	<b>118.0</b>	<b>127.6</b>	<b>110.2</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>						
<b>Shareholders' equity</b>	<b>124.9</b>	<b>118.1</b>	<b>121.1</b>	<b>103.7</b>	<b>111.7</b>	<b>99.2</b>
Long term liabilities*	3.2	2.1	3.6	2.1	1.9	0.0
Current liabilities*	16.8	11.5	17.1	12.2	14.0	11.0
<b>Total liabilities</b>	<b>20.0</b>	<b>13.6</b>	<b>20.7</b>	<b>14.3</b>	<b>15.9</b>	<b>11.0</b>
<b>Total shareholders' equity and liabilities</b>	<b>144.9</b>	<b>131.7</b>	<b>141.9</b>	<b>118.0</b>	<b>127.6</b>	<b>110.2</b>
Adjusted equity per share, SEK	17.6	16.7	17.1	14.6	15.8	14.0

\* Includes right of use assets (SEK 4.2 million), long term lease liability (SEK 3.2 million) and short term liabilities (SEK 1.0 million)

### Statement of Changes in Equity – SinterCast Group

Amounts in SEK million	Share Capital	Additional Paid in Capital	Exchange Differences	Cumulative Results	Total Equity
<b>Opening balance 1 January 2019</b>	<b>7.09</b>	<b>44.87</b>	<b>1.85</b>	<b>45.36</b>	<b>99.17</b>
Total comprehensive income	-	-	0.02	36.59	36.60
Dividend	-	-	-	-17.73	-17.73
<b>Closing balance 30 September 2019</b>	<b>7.09</b>	<b>44.87</b>	<b>1.87</b>	<b>64.22</b>	<b>118.05</b>
<b>Opening balance 1 January 2020</b>	<b>7.09</b>	<b>44.87</b>	<b>1.62</b>	<b>58.10</b>	<b>111.68</b>
Total comprehensive income	-	-	-0.14	13.39	13.25
<b>Closing balance 30 September 2020</b>	<b>7.09</b>	<b>44.87</b>	<b>1.48</b>	<b>71.49</b>	<b>124.93</b>

## Key Ratio and Share Data – SinterCast Group

Amounts in SEK million	July–September		January–September		January–December	
	2020	2019	2020	2019	2019	2018
<b>Key Ratio</b>						
Revenue*	19.2	30.8	62.5	87.2	116.5	87.7
Result for the period*	3.7	14.2	13.3	36.6	48.2	32.7
Operating margin %	18.8	47.1	19.7	41.6	34.4	33.5
Solidity, %	86.2	89.7	86.2	89.7	89.7	90.0
Shareholders' equity	124.9	118.1	124.9	118.1	111.7	99.2
Capital employed	128.1	120.2	128.1	120.2	113.6	99.2
Total assets	144.9	131.7	144.9	131.7	127.6	110.2
Return on shareholders' equity, %	3.0	12.8	11.2	33.7	45.7	35.4
Return on capital employed, %	2.9	12.8	11.0	33.7	45.7	35.4
Return on total assets, %	2.6	11.4	9.8	30.3	40.5	31.9
<b>Employees</b>						
Number of employees at the end of the period	27	22	27	22	23	21
<b>Data per Share</b>						
Earnings per share, SEK*	0.5	2.0	1.9	5.2	6.8	4.6
Dividends per share, SEK	-	-	-	2.5	5.0	2.8
Cashflow from operations per share, SEK	-0.4	2.3	2.2	4.3	5.3	3.5
Share price at the end of the period, SEK	135.4	131.0	135.4	131.0	195.0	80.8

\* According to IFRS. All other key ratios and share data are defined as Alternative Performance Measures (APMs).

Definition of key ratios can be found in the Annual Report 2019, note 29.

### Operating margin %

Operating results as percentage of revenue

### Solidity %

Adjusted shareholders' equity expressed as percentage of total assets end of period

### Equity per share

Shareholders' equity divided by the average number of shares

### Capital employed

Total assets less non-interest bearing liabilities

### Return on shareholders' equity %

Result for the period as a percentage of average shareholders' equity. Quarterly values are not annualized

### Return on capital employed %

Result for the period as a percentage of average capital employed. Quarterly values are not annualized

### Return on total assets %

Result for the period as a percentage of total average assets. Quarterly values are not annualized

### Average number of shares

Weighted average of the number of shares outstanding for the period

### Average number of shares adjusted for dilution

Weighted average of the number of shares for the period adjusted for dilution

### Earnings per share

Result for the period divided by the average number of shares

### Earnings per share, diluted

Result for the period divided by the average number of shares adjusted for dilution

### Dividend per share

Dividend divided by the number of shares

### Cashflow from operations per share

Cashflow from operations divided by the number of shares

### Share price at the end of the period

Latest paid price for the SinterCast share at NASDAQ Stockholm stock exchange

### Value presented as "0.0"

Amount below SEK 50,000

### Value presented as "-"

No amount applicable

### Income Statement – SinterCast AB

Amounts in SEK million	July–September		January–September		January–December	
	2020	2019	2020	2019	2019	2018
Revenue	19.2	30.7	62.1	86.0	115.2	87.1
Cost of goods sold	-4.9	-6.6	-17.7	-19.2	-27.8	-18.8
<b>Gross result</b>	<b>14.3</b>	<b>24.1</b>	<b>44.4</b>	<b>66.8</b>	<b>87.4</b>	<b>68.3</b>
<b>Gross result %</b>	<b>74%</b>	<b>78%</b>	<b>71%</b>	<b>78%</b>	<b>76%</b>	<b>78%</b>
Cost of sales and marketing	-5.3	-5.9	-18.0	-18.8	-27.3	-21.4
Cost of administration	-2.3	-2.5	-6.2	-6.5	-8.9	-7.4
Cost of research & development	-3.1	-3.0	-8.7	-7.9	-12.0	-10.3
Other operating income	0.0	1.1	0.0	1.1	0.0	0.0
Other operating costs	0.0	0.2	0.0	0.0	-1.2	-1.1
<b>Operating result</b>	<b>3.6</b>	<b>14.0</b>	<b>11.5</b>	<b>34.7</b>	<b>38.0</b>	<b>28.1</b>
Financial income	0.3	0.0	1.4	0.0	0.2	0.1
Financial costs	0.0	-0.3	-0.1	-0.5	-0.1	-0.1
<b>Financial net</b>	<b>0.2</b>	<b>-0.2</b>	<b>1.2</b>	<b>-0.5</b>	<b>0.1</b>	<b>0.0</b>
<b>Result before income tax</b>	<b>3.8</b>	<b>13.7</b>	<b>12.7</b>	<b>34.2</b>	<b>38.1</b>	<b>28.1</b>
Income tax	0.0	0.0	0.0	1.0	8.3	3.3
<b>Result for the period</b>	<b>3.8</b>	<b>13.7</b>	<b>12.7</b>	<b>35.2</b>	<b>46.4</b>	<b>31.4</b>
<b>Result attributable to:</b>						
Equity holder of the parent company	3.8	13.7	12.7	35.2	46.4	31.4
Non-controlling interests	-	-	-	-	-	-
Earnings per share, SEK	0.54	1.94	1.79	4.96	6.55	4.43
Earnings per share, diluted, SEK	0.54	1.94	1.79	4.96	6.55	4.43
Number of shares at the close of the period, thousands	7090.1	7090.1	7090.1	7090.1	7090.1	7090.1
Average number of shares, thousands	7090.1	7090.1	7090.1	7090.1	7090.1	7090.1
Average number of shares, diluted	7090.1	7090.1	7090.1	7090.1	7090.1	7090.1

### Statement of Other Comprehensive Income – SinterCast AB

Amounts in SEK million	July–September		January–September		January–December	
	2020	2019	2020	2019	2019	2018
<b>Result for the period</b>	<b>3.8</b>	<b>13.7</b>	<b>12.7</b>	<b>35.2</b>	<b>46.4</b>	<b>31.4</b>
<b>Total comprehensive income for the period</b>	<b>3.8</b>	<b>13.7</b>	<b>12.7</b>	<b>35.2</b>	<b>46.4</b>	<b>31.4</b>
<b>Total comprehensive income attributable to:</b>						
Shareholder of the parent company	3.8	13.7	12.7	35.2	46.4	31.4
Non-controlling interests	-	-	-	-	-	-

### Balance Sheet – SinterCast AB

Amounts in SEK million	30 Sep 2020	30 Sep 2019	30 Jun 2020	30 Jun 2019	31 Dec 2019	31 Dec 2018
<b>ASSETS</b>						
Intangible assets	6.1	7.2	6.5	7.6	6.7	7.6
Tangible assets	2.4	1.9	2.4	1.9	1.8	2.0
Financial assets	7.7	2.3	2.3	2.3	2.3	2.3
Deferred tax asset	44.1	36.6	44.1	36.6	44.1	35.6
<b>Total fixed assets</b>	<b>60.3</b>	<b>48.0</b>	<b>55.3</b>	<b>48.4</b>	<b>54.9</b>	<b>47.5</b>
Inventory	12.2	6.1	10.7	6.7	8.3	6.5
Short-term receivables	27.2	37.4	24.9	36.7	32.2	24.9
Short term deposits and cash at bank and in hand	42.0	41.1	47.7	24.1	30.5	31.2
<b>Total current assets</b>	<b>81.4</b>	<b>84.6</b>	<b>83.4</b>	<b>67.5</b>	<b>70.9</b>	<b>62.6</b>
<b>Total assets</b>	<b>141.7</b>	<b>132.6</b>	<b>138.7</b>	<b>115.9</b>	<b>125.9</b>	<b>110.1</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>						
<b>Shareholders' equity*</b>	<b>116.2</b>	<b>110.0</b>	<b>112.3</b>	<b>96.3</b>	<b>103.4</b>	<b>92.5</b>
Current liabilities	25.6	22.6	26.3	19.6	22.5	17.6
<b>Total liabilities</b>	<b>25.6</b>	<b>22.6</b>	<b>26.3</b>	<b>19.6</b>	<b>22.5</b>	<b>17.6</b>
<b>Total shareholders' equity and liabilities</b>	<b>141.8</b>	<b>132.6</b>	<b>138.7</b>	<b>115.9</b>	<b>125.9</b>	<b>110.1</b>
Adjusted equity per share, SEK	16.4	15.5	15.8	13.6	14.6	13.1

### Statement of Changes in Equity – SinterCast AB

Amounts in SEK million	Share Capital	Statutory Reserve	Other Reserve	Share Premium Reserve	Results Brought Forward	Results for the Year	Total Equity
<b>Open balance 1 January 2019</b>	7.09	9.53	5.99	35.34	3.18	31.39	92.52
Appropriation of last year's result	-	-	-	-	31.39	-31.39	0.00
Change other reserve	-	-	0.48	-	-0.48	-	0.00
Reversal, change other reserve	-	-	-0.94	-	0.94	-	0.00
Total comprehensive income	-	-	-	-	-	35.20	35.20
Dividend	-	-	-	-	-17.73	-	-17.73
<b>Closing balance 30 September 2019</b>	<b>7.09</b>	<b>9.53</b>	<b>5.53</b>	<b>35.34</b>	<b>17.30</b>	<b>35.20</b>	<b>110.00</b>
<b>Open balance 1 January 2020</b>	7.09	9.53	5.22	35.34	-0.10	46.37	103.45
Appropriation of last year's result	-	-	-	-	46.37	-46.37	0.00
Change other reserve	-	-	0.69	-	-0.69	-	0.00
Reversal, change other reserve	-	-	-1.05	-	1.05	-	0.00
Total comprehensive income	-	-	-	-	-	12.72	12.72
<b>Closing balance 30 September 2020</b>	<b>7.09</b>	<b>9.53</b>	<b>4.86</b>	<b>35.34</b>	<b>46.63</b>	<b>12.72</b>	<b>116.16</b>