



Limited Liability Company (*Naamloze Vennootschap*)
Zinkstraat 1, 2490 Balen (Belgium)
Company number VAT BE 0888.728.945 RPR/RPM Turnhout

Report of the board of directors ex article 3:6 Belgian Code of Companies and Associations

Pursuant to articles 3:5 and 3:6 of the Belgian Code of Companies and Associations, we are pleased to report to you on the operations of Nyrstar NV (the “Company”) with respect to the financial year as from 1 January 2019 until 31 December 2019. This report comprises also the corporate governance statement and remuneration report in accordance with article 3:6 §2 and §3 of the Belgian Code of Companies and Associations as attached to this report in annex C and D respectively.

1. Company facts and activities

The Company has its registered office at Zinkstraat 1, Balen, Belgium. The Company has been listed on Euronext Brussels since 29 October 2007.

Until 31 July 2019, the Company was the holding company of the Nyrstar Group (consisting of Nyrstar NV and its subsidiaries). In addition, until 31 July 2019 the Company delivered a number of support services to the Nyrstar Group, such as, but not limited to, regional purchasing, IT, environment, innovation and development, continuous improvement and legal support services. Following the finalisation of the Nyrstar Group restructuring at 31 July 2019 (refer to point 2), the Company intended to continue trading as an investment company, holding 2% of the equity in NN2 NewCo Limited (“NN2”) for the benefit of Nyrstar NV shareholders.

However, at 9 December 2019 the Extraordinary General Meeting (“EGM”) of the Company was held to deliberate on the continuation of the Company's activities and a proposed capital decrease. The shareholders rejected the continuation of the Company's activities. The Board of Directors of the Company is taking the necessary measures to prepare the necessary reports (Statement of assets and liabilities and the related legal reports) and the convening of a new EGM to formally decide on the dissolution of the Company, and if approved, appoint a liquidator. As such, the 31 December 2019 financial statements of the Company are prepared on a discontinuity basis.

Under article 3:23 of the Belgian Code of Companies and Associations, a parent company that controls one or more subsidiaries is required to prepare consolidated financial statements, unless such subsidiaries have, in view of the consolidated assets, financial position or results that are only of a negligible significance. Given as at 31 December 2019 Nyrstar NV did not control any significant subsidiary, the Company was not required to prepare consolidated financial statements for the year ended 31 December 2019. In accordance with article 12, §3, final paragraph, of the Royal Decree of 14 November 2007, the Company has prepared the 31 December 2019 standalone statutory financial statements prepared in accordance with Belgian GAAP.

2. Restructuring of the Nyrstar Group

Introduction

The Group initiated a review of its capital structure (the “Capital Structure Review”) in October 2018 in response to the challenging financial and operating conditions being faced by the Group. In November 2018, the Group experienced increased working capital requirements as its liquidity position suddenly and unexpectedly deteriorated following the third quarter 2018 results announcement, negative press coverage and credit rating downgrade. In particular, a significant portion

of the Group's trade financing arrangements were suspended or terminated, or required to be cash collateralised, either partly or fully. These substantial working capital and liquidity outflows experienced by the Group during the fourth quarter of 2018 and first quarter of 2019 necessitated the raising of urgent funding to enable the Company and the Nyrstar Group to continue its operations. Combined with the Group's materially reduced Underlying EBITDA performance in 2018 and the maturing of certain liabilities during 2019, these factors resulted in the need to reconsider the Group's capital structure.

The Capital Structure Review identified a very substantial additional funding requirement that the Group was unable to meet without a material reduction of the Group's indebtedness. As a consequence, the Capital Structure Review necessitated negotiations between the Group's financial creditors in order to develop a deleveraging and funding plan. Alternatives were carefully considered but no alternative to address the financial issues was viable and failure to address these financial issues would have placed the future of the Company, its subsidiaries and its stakeholders at severe risk. Accordingly, on 15 April 2019, Nyrstar announced that it had entered into a lock-up agreement dated 14 April 2019 (the "Lock-Up Agreement") with representatives of its key financial creditor groups. The Lock-Up Agreement set out the terms for the recapitalisation of the Nyrstar Group (the "Recapitalisation Terms"). These Recapitalisation Terms included:

1. a transfer by Nyrstar of (i) all its subsidiaries, excluding NN1 (as defined below) (the "Operating Group"), and (ii) all receivables owed to Nyrstar by the Operating Group to NN2 for a consideration of USD 1; and
2. the subsequent transfer of majority ownership of NN2 (as sole owner of the underlying Operating Group) to a newly incorporated holding company ("Trafigura New Holdco") owned by Trafigura through the issuance by NN2 of a 98% equity stake in itself to Trafigura New Holdco (with the remaining 2% of equity in NN2 issued directly to Nyrstar), in connection with the coming into effect of all other steps that are fundamental to the implementation the Restructuring, including (but not limited to):
 - a. the release of the outstanding EUR 115 million convertible bonds due in 2022 issued by the Company (the "Convertible Bonds") and the Operating Group's existing EUR 500 million 6.875% senior notes due in 2024 (the "2024 Notes") and EUR 340 million 8.5% senior notes due in 2019 (the "2019 Notes" and, together with the 2024 Notes, the "Notes" and any holder of the Notes and the Convertible Bonds, a "Noteholder") which were guaranteed by the Company in exchange for new debt instruments issued to those Noteholders by certain Trafigura entities (the "New Trafigura Instruments");
 - b. the restructuring of certain facilities entered into by the Operating Group and the release of the Company and NN1 from any guarantee obligations in respect of such facilities;
 - c. the provision of a EUR 160 million secured new money facility (by certain participating lenders under the Operating Group's existing facilities) to fund the general working capital of the restructured Operating Group (the "New Money Facility");
 - d. commitment by NN2 to use reasonable endeavours to procure the release of obligations owed by the Company to third parties in respect of financial, commercial or other obligations of the current members of the Operating Group (the "PCGs") (and an indemnity by NN2 to the extent such PCGs are not released);
 - e. the provision by NN2 of indemnities to the Company in respect of certain specified liabilities, including certain liabilities arising in relation to certain historic disposals by the Group and/or from certain historic mine closures;
 - f. the provision by NN2 and/or a Trafigura entity which is a holding company of the Operating Group of a limited recourse loan to the Company to fund its forecast ordinary course operating costs and any defence costs arising from any third-party litigation for a number of years following the restructuring; and

- g. minority rights for the benefit of the Company in respect of its 2% equity in NN2 (including a tag right, a drag right, information rights and a put option at a price equal to EUR 20 million (adjusted pro rata depending on NN2's percentage holding from time to time) exercisable within certain time periods).

Subsequently, on 29 April 2019, Nyrstar announced that formal consents to the Lock-Up Agreement had been received from, inter alia, over 79% of the aggregate outstanding principal amount under the senior notes due in 2019 and due in 2024, and over 87% of the aggregate outstanding principal amount under the convertible bonds. Under the Lock-Up Agreement, implementation of the Recapitalisation Terms was subject to various conditions precedent which included various third-party regulatory approvals which were all successfully obtained.

On 14 June 2019, NN2 was incorporated in England under the name of NN2 Newco Limited. On 20 June 2019, the Company announced that various steps to implement the Restructuring had been and were being undertaken, including that NN2 had acceded to the Notes and that NN2 had published a practice statement letter in relation to a scheme of arrangement to be proposed by NN2 in respect of the Notes. The English court held the convening hearing on 4 July and ordered the NN2 scheme meetings to be held on 22 July (or such later time or date as NN2 may have decided). The NN2 scheme meetings were held on 22 July. There were two creditor classes for the NN2 scheme – the Convertible Bonds in one class, and the Notes combined into a single second creditor class. For the first scheme creditor class (the Convertible Bonds), 98.87% by value voted and 100% by value and 100% by number of those voting supported the scheme. For the second scheme creditor class (the Notes), 95.57% by value voted and 99.96% by value and 98.93% by number of those voting supported the scheme. Accordingly, the NN2 scheme was supported by an overwhelming majority of the scheme creditors and well in excess of the requisite majorities (being 75% by value and a majority by number of those creditors voting in each scheme class).

The English court sanction hearing for the NN2 scheme of arrangement was held on 26 July 2019 when the sanction order was granted. The scheme of arrangement became effective on the same day. On 29 July, a meeting of holders of the convertible bonds was held and a resolution was passed to approve the NN2 scheme (98% by value of those entitled to vote did so and 100% of those voting approved the resolution scheme). On 30 July, the United States Bankruptcy Court Southern District of New York entered an order under Chapter 15 of title 11 of the United States Bankruptcy Code granting recognition of main proceedings and related relief giving full force to the UK scheme of arrangement of NN2 in the United States.

The Restructuring subsequently took full effect on 31 July 2019. As a result of the recapitalisation, Trafigura Group Pte. Ltd. has become the ultimate parent of the Operating Group.

Implementation of the Recapitalisation Terms has ensured the continuing operations of the Operating Group for the benefit of all stakeholders; failure to implement the Recapitalisation Terms would have highly likely lead to the insolvency of the Group as well as the Company, which was anticipated to have resulted in material harm to the Group's customers, suppliers and approximately 4,100 employees of the Group, as well as very substantial loss of value to the financial stakeholders, and a total loss to shareholders.

Support for the Lock-Up Agreement

The Lock-Up Agreement was initially entered into by the Company and its relevant subsidiaries with representative lenders across each of its key financial creditor groups, who were closely involved in the discussions on the proposed terms of the recapitalisation. Subsequently, many other creditors acceded to the Lock-Up Agreement.

By late July 2019, the Lock-Up Agreement had been signed by noteholders representing slightly over 94% in aggregate by value of the 2024 Notes, 2019 Notes and Convertible Bonds.

The Lock-Up Agreement was negotiated and agreed in full cooperation with the coordinating committee of the Group's bank lenders (the "Bank Coordinating Committee") representing the following Group facilities entered into by the Company's affiliate, Nyrstar Sales & Marketing AG ("NSM") (the "Bank Facilities"):

- The EUR 600m revolving structured commodity trade finance facility agreement originally dated as of 28 January 2010 between, among others, NSM and Deutsche Bank AG, Amsterdam Branch as Facility Agent and Security Agent (the "SCTF");
- Certain unsecured bank facilities (together the "Unsecured Facilities"), with an aggregate principal amount outstanding at the relevant time of around EUR 238m comprising:
 - the Prepayment Agreement dated 24 April 2018 with Politus B.V. as buyer (the "Politus Prepayment");
 - the Common Terms Agreement dated 5 September 2014 with Hydra Limited (the "Hydra Prepayment"); and
 - certain unsecured bilateral prepayment and working capital facilities (together the "Bilateral Facilities").

The Bank Coordinating Committee provided their formal approvals by entering into the Lock-Up Agreement in parallel with the Noteholder approval process.

The Lock-Up Agreement was also fully supported by Trafigura including in its capacity as lender under the USD 650 million Trade Finance Facility Agreement dated 6 December 2018 (as amended) (the "TFFA") provided to NSM, as well as in its capacity as bridge finance provider to NSM (see below) and as future majority owner of the Operating Group in accordance with the Recapitalisation Terms.

Operation of the Lock-Up Agreement, Standstill and Implementation of the Recapitalisation Terms

The Lock-Up Agreement obliged, subject to its terms and certain conditions, each of the parties to it to take such action and/or provide such approvals as were required to implement the Recapitalisation Terms.

The Lock-Up Agreement provided that obligations of the parties under the Lock-Up Agreement would automatically terminate on, inter alia, the earliest of:

- Implementation of the Recapitalisation Terms; and
- The Restructuring Long Stop Date of 30 August 2019, which could be extended to 30 September 2019 with the consent of Nyrstar, Trafigura, the Bank Coordinating Committee and a representative group of Noteholders.

The Lock-Up Agreement required the parties to proceed expeditiously with the steps required to implement the Recapitalisation Terms. During the period in which the Lock-Up Agreement was in effect, from the time of entry into it the parties agreed to the suspension and deferral of certain amounts otherwise falling due under the Group's debt facilities. These amounts included any principal or interest payment under the Notes and the Unsecured Facilities, including any accrued coupons or interest.

The Recapitalisation Terms are further detailed below.

USD250 million Bridge Finance Facility in conjunction with the Lock-Up Agreement

In conjunction with entering into the Lock-Up Agreement, Trafigura provided up to USD 250 million through a committed term loan facility to NSM (the “Bridge Finance Facility”) to strengthen the Group’s liquidity position and provide for its interim funding requirements prior to completion of the implementation of the Recapitalisation Terms. Under the Lock-Up Agreement, entry into the Bridge Finance Facility and subsequent funding were subject to certain conditions.

The Bridge Finance Facility benefitted from certain asset and share security and had a final maturity date of 30 August 2019 (unless extended by the agreement of all the parties to the Bridge Finance Facility) and an interest rate of LIBOR plus a margin of 5% per annum. The Bridge Finance Facility’s asset and share security included guarantees from Nyrstar NV, NSM and the Group’s US, Canadian and Belgian principal operating companies, a pledge of the shares of NN2 and share pledges of and asset security over the Group’s US, Canadian and Belgian principal operating companies.

The necessary Noteholder consents were sought from, and committed to by, consenting Noteholders under the Lock-Up Agreement in order to permit the incurrence of, and security interests attaching to, the Bridge Finance Facility. All these consents were successfully obtained from the Noteholders, as announced on 18 April 2019, and all the conditions precedent in the Bridge Finance Facility were satisfied.

Principal Recapitalisation Terms – Trafigura

The principal Recapitalisation Terms relating to Trafigura’s ownership of the Operating Group, its obligations under existing arrangements with the Group and under new arrangements with the Group’s stakeholders, were as follows:

- Trafigura to become the owner of 98% of the shares of the Operating Group by a share issuance by NN2;
- The provision by Trafigura of a guarantee in respect of the reinstated Bank Facilities on the terms and in the amounts described below;
- Issuance by Trafigura of the securities in the amounts described below (see “Principal Recapitalisation Terms – Notes”) to Noteholders in consideration for the discharge of the Notes;
- Funding by Trafigura of the USD 250 million Bridge Finance Facility (with all security and guarantees released on completion of the Restructuring);
- Reinstatement by Trafigura of the USD 650 million TFFA (with all security and guarantees released on completion of the Restructuring);
- Providing by Trafigura of the ongoing funding requirements for the Company; and
- 2% equity participation in the Operating Group to be retained by the Company.

Principal Recapitalisation Terms – Bank Facilities

SCTF (as defined above)

- The SCTF was reinstated in the amounts set out as follows (the “Reinstated SCTF”):
 - 100% of the principal amount outstanding at the time of reinstatement for those lenders participating in their pro rata share of up to EUR 100 million of the New Revolving Facility (see below);
 - 85% of the principal amount outstanding at the time of reinstatement for those lenders not participating in their pro rata share of the New Revolving Facility; and
 - All the SCTF lenders committed to participate in the EUR 100 million of the New Revolving Facility, so the Reinstated SCTF was 100% of the principal amount outstanding at the time of reinstatement,
- The Reinstated SCTF is divided equally between a revolving borrowing base facility and a term loan facility with a bullet maturity and benefitting from comprehensive asset security over the European subsidiaries of the Operating Group and a corporate guarantee by Trafigura, in addition to the existing borrowing base security over certain inventories and receivables of the Operating Group; and
- The Reinstated SCTF has a 5 year maturity and an interest margin of LIBOR/EURIBOR + 1% per annum.

Unsecured Facilities

- The Politus Prepayment, the Hydra Prepayment and the Bilateral Facilities have been amended and reinstated in the aggregate amounts set out as follows (the “Reinstated Unsecured Facilities”) (the exact allocation per facility varies according to the agreement which was reached in relation to those facilities as detailed in the Lock-up Agreement):
 - 47.5% on a blended basis of the principal amount outstanding for those lenders participating in their pro rata share of up to EUR 60 million of the New Revolving Facility;
 - 35% on a blended basis of the principal amount outstanding for those lenders not participating in their pro rata share of the New Revolving Facility; and
 - Lenders under the Unsecured Facilities committed to take up all of the above EUR 60 million of the New Revolving Facility and, therefore, the Reinstated Unsecured Facilities were reinstated to EUR 100 million in aggregate,
- The Reinstated Unsecured Facilities have a 5 year maturity and an interest margin of LIBOR + 1.5% per annum; and
- The Reinstated Unsecured Facilities benefit from a corporate guarantee by Trafigura.

New Revolving Facility following the completion of the Restructuring

- EUR 160 million new revolving credit facility (the “New Revolving Facility”) provided by lenders under the SCTF and Unsecured Facilities in the proportions described above;

- The New Revolving Facility has a 4 year maturity and an interest margin of LIBOR/EURIBOR + 1.25% per annum; and
- The New Revolving Facility shares the same security and guarantee package as the Reinstated SCTF except for having second ranking security over the inventory and receivables securing the borrowing base which, following the discharge of the borrowing base tranche of the Reinstated SCTF, ranks pari passu with the security for the term loan tranche of the Reinstated SCTF.

Principal Recapitalisation Terms – Notes

The Noteholders were treated equally with one another, with each Noteholder having been issued its pro-rata share of the consideration set out below:

- EUR 262.5 million Perpetual Resettable Step-up Subordinated Securities issued by Trafigura Group Pte Ltd:
 - Maturity: no fixed maturity date;
 - Interest: 7.5% per annum with step up margin of 3% applied after 5 years; and
 - Other terms and conditions based on Trafigura's perpetual securities issued under an offering memorandum dated 15 March 2017,
- EUR 80.6 million (USD equivalent) Guaranteed Senior Notes issued by Trafigura Funding S.A. under the EUR 3 billion Euro Medium Term Note Programme (and consolidated with the USD400 million notes issued on 19 March 2018):
 - Maturity: 19 March 2023;
 - Interest: 5.250% per annum; and
 - Guaranteed by Trafigura Group Pte. Ltd., Trafigura Trading LLC and Trafigura Pte Ltd,
- EUR 225 million (USD equivalent) Guaranteed Zero Coupon Commodity Price Linked instrument issued by a new subsidiary of Trafigura:
 - Maturity: 7 years following the Issue Date;
 - Early Repayment: quarterly calculated by reference to 5% of 250,000 tonnes multiplied by the excess of the average zinc price during that quarter over USD2,500/t up to a cap of USD2,900/t plus 10% of 250,000 tonnes multiplied by the excess of the average zinc price during the quarter over USD2,900/t; and
 - All payments guaranteed by Trafigura Group Pte. Ltd., Trafigura Trading LLC and Trafigura Pte Ltd,
- In addition, any Noteholder who had acceded to the Lock-Up Agreement on or before 11.59pm (London time) on 7 May 2019 (and subject to certain other requirements) received a cash settled fee of 150bps of the principal amount of its Notes on implementation of the Recapitalisation Terms. Ultimately the holders of slightly over 93% of the Notes were paid this fee.

Principal Recapitalisation Terms – TFFA

Under the Recapitalisation Terms, all security and guarantors supporting the TFFA was released. Its term was extended to a new 5 year maturity.

Principal Recapitalisation Terms – Bridge Finance Facility

Under the Recapitalisation Terms, all security and guarantees supporting the Bridge Finance Facility were released. The Bridge Finance Facility was then replaced with an unsecured on-demand intercompany debt with no fixed maturity, and which, at Trafigura's option, was to be equitised or subordinated.

Principal Recapitalisation Terms – Unaffected Facilities

Existing debt and working capital facilities not specifically referenced above were unaffected by the Recapitalisation Terms. This includes the AUD291 million (as at 31 December 2018) perpetual securities issued by Nyrstar Port Pirie Pty Ltd which was unaffected by the Lock-Up Agreement.

Principal Recapitalisation Terms – Equity

The Recapitalisation Terms provided for a sale by Nyrstar NV of the Operating Group to NN2; following that, on 31 July 2019, a subsidiary of Trafigura incorporated in Malta (Nyrstar Holdings PLC) was issued 98% of the outstanding share capital of NN2. Nyrstar NV continues to be a holding company, holding 2% of the equity in the Operating Group for the benefit of Nyrstar NV shareholders. Nyrstar NV and Trafigura also agreed on certain minority protection rights for Nyrstar NV and Nyrstar NV benefits from certain information rights, including in respect of distributions. For more details refer to the related party disclosures in note C 6.20.

In the interests of all stakeholders of the Group, including the Nyrstar NV's shareholders, the Board of Directors decided to voluntarily apply the procedure provided for in article 524 of the Belgian Companies Code. Please refer to section 12 of this report for further details

During the six months ended and as at 30 June 2019, Nyrstar NV, the parent entity of the Group, had nine employees. At 30 June 2019 these employees have been transferred to the entities of the Operating Group. The continued operations of the Company have no employees following the completion of the restructuring at 31 July 2019.

Impact of the Restructuring on the 31 December 2019 financial statements

As the prior year financial statements as at 31 December 2018 were prepared on other than going concern basis, certain adjustments were reflected in line with the Belgian accounting provisions (Article 3:6 of the Royal Decree dd. 29 April 2019 to the execution of the Code of Companies and Associations). As such, the estimated impact of the Restructuring on the Company's Income Statement was recognised in the 31 December 2018 Income Statement when the Company recognised a provision of EUR 101.7 million representing the expected crystallization of the contingent liabilities that were expected to be off-set in 2019 against the remaining net financial receivable at the time when the restructuring would be completed. The amount also took into consideration the expected costs of disposal of the Company until the completion of the Restructuring of EUR 41.9 million that would increase the Company's net financial receivable position at that time. At the completion of the Restructuring at 31 July 2019, the Company settled and offset various positions between it and its former subsidiaries and derecognised the liability related to its outstanding convertible bonds. The loss arising from the settlement and the offset of these receivables and liabilities has been reflected against the provision of EUR 101.7 million recognised at 31 December 2018 by the Company. As the operating losses of the Company incurred in 2019 before the completion of the Restructuring were funded by its former subsidiaries, the final net receivable position of the Company at the completion of the Restructuring was lower than estimated at 31 December 2018 resulting in the release of the unutilised portion of the provision of EUR 11.4 million through the Income Statement in the year ended 31 December 2019, following the completion of the Restructuring.

Additionally, as at 31 December 2018, the Company had contingent liabilities amounting to EUR 2,768m provided or irrevocably promised by the Company for debts and commitments of third parties. As at 31 December 2019 the Company had contingent liabilities amounting to EUR 235.2 million provided or irrevocably promised by the Company for debts and commitments of third parties that are yet to be transferred to the Trafigura Group. For more details refer to the parent company guarantees disclosures in note C 6.14 and C 6.20.

At 31 December 2019, the Company has, in its current investments, a 2% investment in NN2 at the cost of EUR 15,395,000 and in its participating interests a 100% investment in NN1 valued at USD 1 representing cost of these investments for the Company through the issuance by NN2 of a 2% equity in NN2 to the Company with the remaining 98% equity stake issued to Trafigura New Holdco. The investment in NN2 as at 31 December 2019 of EUR 15,395,000 is carried at the lower of cost and fair value, taking into consideration that the Company has a put option to sell all (but not part only) of its 2% holding in NN2 to Trafigura at a price equal to EUR 20 million in aggregate payable to the Company resulting in no impairment required at 31 December 2019. This put option can be exercised by NN2 between six months and three years of Trafigura or any member of the Trafigura Group becoming a parent company of NN2 or the Operating Group (i.e. between 1 February 2020 and 31 July 2022), subject to limited triggers allowing earlier exercise of the put option before 6 months or earlier termination of the put option before three years.

Outcome of the Extraordinary General Meeting of the Company held at 9 December 2019

At 9 December 2019, the Extraordinary Shareholders' Meeting ("EGM") was held to deliberate on the continuation of the Company's activities and a proposed capital decrease. The shareholders rejected the continuation of the Company's activities. The shareholders also rejected the proposed capital reduction, as a result of which it was not carried out.

The Board of Directors of the Company is taking the necessary measures to prepare the necessary reports (Statement of assets and liabilities and other legal documents) and will convene a new EGM to consider a proposal for liquidation.

3. Comments on the statutory financial statements

These comments are based on the balance sheet and the proposed allocation of results and are therefore subject to the approval of the proposed allocation of results by the shareholders of the Company. The statutory financial statements were prepared in accordance with Belgian accounting laws.

During the last financial year the Company generated a net loss of EUR 1,437k and has a balance sheet total as at 31 December 2019 of EUR 17,199k.

Operational result

The operational result shows a loss of EUR 12,003k. This result derives from an operating income amounting to EUR 3,413k and the operating charges of EUR 15,416k.

The operating income is related to the consultancy services performed by Nyrstar NV for the other Nyrstar group entities and the recharges of the costs (e.g. long term incentive plans) before 31 July 2019.

The operating costs mainly relate to:

- services and other goods for EUR 11,842k, mainly related to audit fees, legal and advisory fees and recharged of personnel costs from other Nyrstar group entities incurred before 31 July 2019;
- payroll charges for EUR 1,246k incurred before 31 July 2019;
- provisions for risk and charges of EUR 2,328k includes the recognition of a provision for discontinuation of EUR 2.3. million.

Financial result

The financial result mainly relates to:

- interest income received on intercompany loans before 31 July 2019 of EUR 5,009k.
- interest charges for EUR 6,034k incurred before 31 July 2019, mainly related to the convertible bond issued in July 2016 amounting to EUR 115 million;
- As an outcome of the Restructuring, in 2019 the Company has recognised non-recurring financial charges of EUR 98,628k representing the write off of the net intercompany positions with the former subsidiaries of the Company. This impairment is offset by the non-recurring financial income of EUR 109,941k representing the gain from the release from the convertible bonds issued by the Company.
- The net financial result of EUR 10,571k includes a release of the EUR 11.4 million restructuring provision recognised at 31 December 2018 for the costs of the settlement of the net receivable position with its former subsidiaries and financial creditors. As the net receivable position of the Company's with its former subsidiaries decreased by the completion of the Restructuring at 31 July 2019, the unused portion of the restructuring provision was released through the Income Statement in the year ended 31 December 2019.

Income taxes

The income tax expense amounting to EUR 4k relates to the taxes due in relation to prior year.

Balance sheet

The fixed assets as at 31 December 2019 consist of:

- other receivables EUR 50k relate to a prepayment for the services that will be offset against the final payment for these services.

The current assets at 31 December 2019 consist of:

- participation in NN2NewCo Limited with a carrying value of EUR 15,395k.
- other receivables for EUR 344k, mainly related to VAT and social security refunds outstanding at 31 December 2019;
- cash at bank for EUR 1,274k and
- deferred expenses of EUR 135k.

The equity as at 31 December 2019 amounted to EUR 10,988k.

The changes in equity for the financial year 2019 relate to the loss of EUR 1,437k.

The liabilities as at 31 December 2019 mainly relate to:

- The loan of EUR 3,000k drawn by the Company at 31 December 2019 on the Limited Recourse Loan Facility provided to the Company by NN2 NN2 Limited. The Loan is classified as current assuming that the Company will exercise its EUR 20 million put option in 2020 and from the proceeds of the put option will repay the outstanding amount drawn on the Limited Recourse Loan Facility. Refer to the Related party disclosures in the 31 December 2019 financial statements for further details).
- EUR 2,328k provision for other risks and costs including the provision for discontinuation of EUR 2.3 million (refer to going concern disclosures)

- trade payables for EUR 757k;
- tax and payroll liabilities for EUR 41k; and
- other payables for EUR 84k.

4. Result allocation (in EUR)

The Board of Directors proposes to allocate the current year loss of EUR 1,437k to the losses carried forward.

5. Risk management and management of uncertainties and information regarding the use by the Company of financial instruments

For information on the Company's risk management and management of uncertainties and information regarding the use by the Company of financial instruments refer to the Corporate Governance Statement of the Company.

6. Justification of the application of the valuation rules under the assumption of other than that of a going concern

At the date of authorisation of the 31 December 2019 financial statements, Nyrstar NV (the "Company") has assessed that, taking into account its available cash, cash equivalents, facilities that became available to the Company as committed facilities at the completion of the restructuring of the Company and its subsidiaries ("Group") ("Restructuring") at 31 July 2019, the ability to exercise the put option that the Company has that enables it to sell its 2% investment in the Operating Group and its cash flow projections for the next 12 months from the authorisation of the 31 December 2019 financial statements, it has sufficient liquidity to meet its present obligations and cover working capital needs. The forecast available liquidity of the Company, that at the date of this report includes the fully drawn amount of EUR 3.7 million available to the Company for the first year of the Limited Recourse Loan Facility, is dependent on various matters including the expected appointment of a liquidator (refer below) and his or her next steps, the potential existence of a legal claims against the company requiring funding of the legal proceedings and other matters not currently foreseen. As from 1 August 2020 the Company can draw further EUR 1.2 million under the Limited Recourse Loan Facility for the Company's ongoing ordinary course operating activities. The Company can also draw on the separate EUR 5 million tranche of the Limited Recourse Loan Facility intended for the payment of certain litigation defense costs, if required. Should the abovementioned funding options not provide the Company with sufficient funds when they are required, the Company can exercise its put option that enables the Company to sell its 2% investment in the Operating Group for EUR 20 million, repay the outstanding amount drawn on the Limited Recourse Loan Facility from the proceeds of the put option (refer to the Related party disclosures in the 31 December 2019 financial statements for further details) and generating sufficient funding for the Company.

However, at 9 December 2019 the Extraordinary General Meeting ("EGM") of the Company was held to deliberate on the continuation of the Company's activities and a proposed capital decrease. The shareholders rejected the continuation of the Company's activities. The Board of Directors of the Company is taking the necessary measures to prepare the necessary reports (Statement of assets and liabilities and the related legal reports) and the convening of a new extraordinary shareholders' meeting to formally decide on the dissolution of the Company, and if approved, appoint a liquidator. As such, the 31 December 2019 financial statements of the Company are prepared on a discontinuity basis.

As was the case for the 31 December 2018 financial statements, which were prepared under an other than going concern basis, the Board of Directors has assessed which adjustments had to be recorded with respect to the valuation and the classification of certain balance sheet items included in a balance sheet prepared on a discontinuity basis, as required by the 3:6 of the Royal Decree dd. 29 April 2019 to the execution of the Code of Companies and Associations. The fixed and current assets have been recorded at the lower of cost and their expected probable realisation value. The decision of the 9 December 2019 EGM not to continue the Company's activities resulted in the requirement for the Company to recognize a provision for discontinuation representing the estimated costs that the Company expects to incur before the completion of the liquidation. At 31 December 2019 the Company recognised a provision for discontinuation of EUR 2.3 million

representing the estimated costs that the Company expects to incur before the completion of an orderly liquidation process that would be finalised before the end of 2020. Should the liquidation process take longer, e.g. due to the potential legal or regulatory actions as discussed in the subsequent events note, the estimated costs to be incurred by the Company before the completion of the liquidation would be significantly higher. Assuming the completion of the liquidation between the end of 2024 and 2029 the Company would need to incur estimated costs between EUR 11 million and 20 million, which may require the Company to obtain additional funding beyond the proceeds from the exercise of the EUR 20 million put option and the repayment of the outstanding amount drawn on the Limited Recourse Loan Facility from the put option proceeds. These additional costs in excess of the provision of EUR 2.3 million recognised at 31 December 2019 would further decrease the equity of the Company subsequent to 31 December 2019.

7. Important events which occurred after the end of the financial year

At 7 January 2020 the Company announced that the President of the Commercial Court in Antwerp rendered a judgment in the summary proceedings initiated by a group of minority shareholders representing less than 3.5% of the Company's share capital (the "Minority Shareholders"). The Minority Shareholders had requested the court to suspend the resolutions of the general meeting of 5 November 2019, and subsequently also those of the extraordinary general meeting of 9 December 2019, as well as to appoint a provisional administrator to convene a new general meeting. The Minority Shareholders had also requested to impose certain measures on Nyrstar, including the prohibition to enter into certain loans. The President rejected all claims of the Minority Shareholders in a fully reasoned judgment. The President did not grant the claim of Nyrstar to order the Minority Shareholders to pay damages but did order them to pay the legal costs, including an indemnification for legal fees for Nyrstar. The Minority Shareholders did not appeal the judgement.

There have been various press reports in Q4 2019 and in January 2020 related to potential legal or regulatory actions by minority shareholders. The press reported in Q4 2019 that three criminal complaints have been lodged by three shareholders against unknown person and in January 2020 that the minority shareholders would shortly initiate the complaints on the merit related to the Company's Restructuring. There has not been any formal notification to the Company or any director, or detail provided in relation to these alleged criminal complaints or actions. Additionally, the Company is also aware of press coverage from Q4 2019 where it was stated by the Belgian securities regulator, the FSMA, that it was conducting a regulatory investigation into the Company. The Company has not been formally advised of this or any other regulatory investigation into the Company.

At 20 January 2020 the Company disclosed that RSQ Investors (division of Quanteus Group BV), Kris Vansanten BVBA, Kris Vansanten, E3V & Partners BV and an unnamed physical person hold 5.01% of the voting rights of Nyrstar.

8. Information regarding the circumstances that could materially affect the development of the Company

At 9 December 2019, the EGM was held to deliberate on the continuation of the Company's activities and a proposed capital decrease. The shareholders rejected the continuation of the Company's activities. The shareholders also rejected the proposed capital reduction, as a result of which it was not carried out. The Board of Directors of the Company will take the necessary measures to prepare the necessary reports with its statutory auditor (Statement of assets and liabilities) and will convene a new EGM to consider a proposal for liquidation.

Additionally, the press reported in Q4 2019 that three criminal complaints have been lodged by two shareholders against the Company. There has not been any formal notification to the Company or any director, or detail provided in relation to these alleged criminal complaints. The Company is also aware of press coverage from Q4 2019 where it was stated by the Belgian securities regulator, the FSMA, that it was conducting a regulatory investigation into the Company. The Company has not been formally advised of this or any other regulatory investigation into the Company.

9. Branches

The Company has no branches.

10. Research and development

Until 31 July 2019 the Group undertook research and development through a number of activities at various production sites of the Group. This research and development was primarily concentrated on the production of various high margin non-commodity grade alloy products and by-products in Nyrstar's Metals Processing operations. Following the completion of the restructuring at 31 July 2019, the Company does not undertake any research or development.

11. Non-financial Information provided in accordance with Article 3:6 §4 of the Belgian Code for Companies and Associations

The non-financial information presented in this section in the 31 December 2019 Report of the board of directors ex article 3:6 of the Belgian Code for Companies and Associations was prepared in accordance with Article 3:6 §2 of the Belgian Code for Companies and Associations and in consideration of the disclosure guidance contained in the Sustainability Accounting Standards Board's (SASB) Sustainability Accounting Standard for Metals & Mining. Given the impacts of the Restructuring on the Company, the non-financial information including the environmental or social responsibility is no longer applicable to the Company, as the Company has no employees or operations. For the same reason, the non-financial information presented also does not include information on employee matters, human rights and anti-corruption and bribery matters.

12. Information provided in accordance with article 7:220 and 7:203 of the Belgian Code of Companies and Associations

The treasury shares reserve comprises the par value of the Company's shares held by the Company. The Company held no Company's shares as at 31 December 2019 and 2018.

Issued shares	2019	2018
Shares outstanding	109,873,001	109,033,545
Treasury shares	-	-
As at 31 Dec	109,873,001	109,873,001
Movement in shares outstanding	2019	2018
As at 1 Jan	109,873,001	109,033,545
Capital increase	-	-
Employee shared based payment plan	-	839,456
As at 31 Dec	109,873,001	109,873,001

13. Information provided in accordance with Articles 7:96 and 7:97 of the Belgian Code of Companies and Associations

13.1 General

Directors are expected to arrange their personal and business affairs so as to avoid conflicts of interest with the Company. Any director with a conflicting financial interest (as contemplated by article 7:96 of the Belgian Code of Companies and Associations) on any matter before the Board of Directors must bring it to the attention of both the statutory auditor and fellow directors, and take no part in any deliberations or voting related thereto. Section 1.4 of the Corporate Governance Charter sets out the procedure for transactions between Nyrstar and the directors which are not covered by the legal

provisions on conflicts of interest. Section 3.2.4 of the Corporate Governance Charter contains a similar procedure for transactions between Nyrstar and members of the management committee (other than the Chief Executive Officer).

13.2 Article 523

To the knowledge of the Board of Directors, there are, on the date of this report, no potential conflicts of interests between any duties to the Company of the directors and members of the management committee and their private interests and/or other duties. While this does not entail a direct personal conflict of interest, Mr. Fernandez, who was a director of the Company until his resignation on 25 February 2019, is the head of M&A at Trafigura Group Pte. Ltd. and owns a non-voting profit sharing participation in Trafigura Beheer B.V., a parent of Trafigura Group Pte Ltd. As Trafigura is a related party of Mr. Fernandez for purposes of Section 1.4 of the Corporate Governance Charter of the Company, this Section is also applicable to transactions with Trafigura. Specifically we confirm that Mr. Fernandez has represented to management that he owns non-voting profit participating shares in Trafigura Beheer BV.

In 2017 the Board assessed this ownership of non voting participating shares in Trafigura Beheer BV and has concluded that nevertheless no financial conflict of interest exists and hence the procedure of article 523 of the Belgian Companies Code (as then applicable) does not need to be followed. Mr Fernandez confirmed that until his resignation as a director at 25 February 2019, there have been no material changes in his remuneration received from Trafigura as compared to previous years, and so there have been no changes to his declarations of personal interest as compared to previous years.

There has therefore not been any non compliance with article 523 of the Belgian Companies Code (as then applicable).

Since 1 January 2019, the provisions of the Belgian Companies Code in accordance with article 523 (as then applicable) have been complied with in relation to the Retention Agreements ("Agreements") for Directors to the extent applicable to Mr Konig and Mr Rode at the Board meeting on 20 February 2019. Mr Konig and Mr Rode explained that pursuant to the Agreements, they would benefit from a payment by Nyrstar Sales & Marketing AG. As a result, under Article 523 of the Belgian Company Code (as then applicable), they both have an interest of a financial nature that could be in conflict with the proposed approval by the Board of the Agreements. Mr Konig and Mr Rode further stated that they believed that the terms of the proposed Agreements are not unusual or uncustomary, especially within the difficult context the Company finds itself in, and that they would inform the Company's Statutory Auditors of the potential conflict of interest. Mr. Konig and Mr Rode did not take part in the deliberation and decision taking relating to the Agreements to be entered into with them. The Board noted that the purpose of the Agreements is to provide additional remuneration given the specific context of the Company and increased demands resulting from the current situation (Mr Rode) and the additional role in the capital structure review (Mr Konig). The Board noted that the financial consequences of the Agreements consisted in, for Mr Rode, an immediate payment of CHF 250,000, and a further payment of CHF 1,250,000 upon completion of the capital restructure as set out in the retention letter to Mr Rode and, for Mr Konig, an immediate payment of CHF 135,000 and a further amount of CHF 765,000 upon completion of the capital restructure, all payments by the Nyrstar Sales & Marketing AG, an indirect subsidiary of the Company. Accordingly the Board deemed Agreements to be in the interest of the Company, even in these delicate times.

Since 1 January 2019, the provisions of the Belgian Companies Code in accordance with article 523 (as then applicable) have also been complied with in relation to the Lock Up Agreement, the Bridge Finance Facility and the Consent Solicitations at the Board meetings of 9, 10 and 15 April 2019. Mr Konig and Mr Rode explained that pursuant to the above Agreements entered into by each of them and Nyrstar Sales & Marketing AG (Swiss Company CH-020.3.034.867-3) with registered office at Tessinerplatz 7, 8002 Zurich (Switzerland ("NSM"), a wholly-owned subsidiary of the Company, as approved by the Board on 20 February 2019, each of them is entitled to a payment by NSM upon successful completion of the Restructuring. As a result, under Article 523 of the Belgian Company Code (as then applicable), they both have an interest of a financial nature that could be in conflict with the proposed approval by the Board of the Lock Up Agreement, the Bridge Finance Facility and the Consent Solicitations which is part of the Restructuring. Mr Konig and Mr Rode further stated that they believed that the terms of the Lock Up Agreement and the Bridge Finance Facility and the Consent Solicitations will allow the Company to proceed with, and to continue to fund its general trading and operational expenses

until completion of, the Restructuring, which they believe to be in the interest of the Company, its shareholders and other stakeholders. Mr. Konig and Mr Rode did not take part in the deliberation and decision taking relating to the Lock Up Agreement, the Bridge Finance Facility and the Consent Solicitations.

The remuneration provisions in the Agreements were subsequently clarified during the Board meeting of 19 June 2019 such that the payment by NSM which each of them is entitled to is not dependent on the successful completion of the Restructuring, but only on their continued employment until the earlier of (i) 31 December 2019 or (ii) the completion of the Restructuring. As such, Mr Konig and Mr Rode did not have a direct or indirect personal and conflicting interest within the scope of article 523 BCC in respect of the deliberations on the approval of the Lock Up Agreement, the Bridge Finance Facility and the Consent Solicitations which was a part of the Restructuring.

13.3 Procedures undertaken in 2019, as a precautionary measure, under the article 524 of the Belgian Companies Code (as then applicable)

On 28 March 2019, Ms Carole Cable, Ms Anne Fahy and Ms Jane Moriarty, independent directors to the Board of Directors of the Company (together, the “Committee”), were requested to prepare all necessary steps to be able comply with, as a precautionary measure, article 524 of the Belgian Companies Code (as then applicable) in connection with the proposed decisions of the Board of Directors of the Company to be taken on or around 10 April 2019 with regards to the USD 250 million committed term loan bridge financing facility (“Bridge Finance Facility”), to be entered into between Nyrstar Sales & Marketing AG, a wholly-owned subsidiary of the Company prior to 31 July 2019, and Trafigura Pte. Ltd. (“Trafigura”) if and when the final documentation in respect of any bridge financing and implementation of the restructuring that may be reached on the capital structure review will be considered by the Board. The Board had requested this as a precautionary measure only, as it considered that Belgian law does not deem Trafigura and its affiliates to be an affiliate because of its relatively low shareholding, the fact that it has not exercised control as defined in the Belgian Companies Code and the restrictions included in the Relationship Agreement. Pursuant to this request, the Committee prepared a report, as a precautionary measure, in line with article 524, §2 of the Belgian Companies Code (as then applicable). The Committee considered the Bridge Finance Facility and the Restructuring and all documentation and analyses related thereto made available to it by the Company.

The Company engaged Grant Thornton UK LLP (“GT”) as independent expert in line with article 524, §2 of the Belgian Companies Code (as then applicable) to assess whether the Bridge Finance Facility and overall Restructuring transaction is on terms not less favourable than might have been obtained in a comparable transaction at such time on an arm’s length basis from a third party that is not an “Affiliate”, in accordance with an engagement letter that was agreed between GT, the Committee and the Company, which was entered into by the Company for acceptance of the fees and expenses which were payable by the Company to GT. GT confirmed that it was independent from (i) the Company and its affiliates; (ii) Trafigura and its affiliates (as the counterparty to the proposed transaction); and (iii) in respect of the proposed Bridge Finance Facility and the Restructuring. On the basis of the information provided to it by GT and the Company, the Committee established that GT satisfied the independence requirements in article 524, §2 of the Belgian Companies Code (as then applicable).

Additionally, the statutory auditor has been requested to issue an opinion on the accuracy of the information set out in the Committee’s advices and the Board minutes.

13.3.1. Bridge Finance Facility Agreement

13.3.1.a Context

As announced by the Company on 6 December 2018 and discussed by the Committee when preparing its report in connection with the TFFA, the entry into the TFFA strengthened the Group’s liquidity in early December 2018, but the Group required, in order to continue its business operations, a comprehensive restructuring of its existing financial indebtedness that was implemented pursuant to schemes of arrangement under the UK Companies Act 2006 (the “Restructuring”) and became effective on 31 July 2019. The Company required further interim funding to address a liquidity shortfall and to provide a stable financing platform during the implementation of the Restructuring, as, due to an increasingly challenging liquidity position since December 2018, the funding provided under the TFFA was insufficient to allow the Company to trade through to the conclusion of the Restructuring.

At 15 April 2019 the Company announced that it has entered into a lock-up agreement (the “Lock-Up Agreement”) with representatives of its key financial creditor groups, including Trafigura. The Lock-Up Agreement set out the terms for the recapitalisation of the Group. In conjunction with entering into the Lock-Up Agreement, Trafigura provided up to USD 250 million through a committed term loan facility (Bridge Finance Facility) to strengthen the Group’s liquidity position and provide for its interim funding requirements prior to completion of the implementation of the recapitalisation terms.

13.3.1.b Conclusion of independent expert and the Committee

The GT opinion concluded that *“Based on and subject to the foregoing, it is our opinion, as of the date hereof, that the Bridge Finance Facility is on terms not less favourable than might have been obtained in a comparable transaction at such time on an arm’s length basis from a Person who is not an Affiliate.”*

The Committee considered the discussions by the Board of Directors since February 2019 on the Restructuring, the Group’s liquidity position and the new liquidity options. The Committee understood at the time that the potential options for new liquidity, via bridging financing or interim funding, was constrained by the short timeline to liquidity shortfall, the prevailing market sentiment on the Company’s credit standing, and the restrictions arising from the Company’s existing debt facilities and borrowing instruments. As a consequence, the Board considered that the only viable option for obtaining bridging finance in an accelerated timeframe was through its existing debt providers, including the majority of the existing lenders of the Company (“Ad Hoc Group”) and Trafigura.

The Committee understood from these discussions, and from the discussions it had with the Company’s executive management, Morgan Stanley and Freshfields Bruckhaus Deringer, that the Bridge Finance Facility would enable the Company to fund its general trading and operational expenses for the period until the expected completion of the Restructuring and that, without additional debt funding, the Group would have run out of liquidity in the week ending 19 April 2019.

In view of these considerations, the Committee deemed the Bridge Finance Facility to be in the interest and to the benefit of the Company and all stakeholders. In particular, the Committee considered that time was of the essence in securing the Bridge Finance Facility, failing which the liquidity shortfall that was projected could prompt involuntary restructuring scenarios, which the Committee did not deem suited given the progress made on the Restructuring. The Committee formed the opinion that the Bridge Finance Facility was required to enable the Company to fund its general trading and operational expenses for the period until completion of the Restructuring which occurred on 31 July 2019. This was seen to be in the interest of the Company and all of its stakeholders. Based upon the Committee’s consideration of the discussions within the Board, the Committee understood at the time that there was sufficient support from the various financial stakeholders for there to be a reasonable expectation that the Restructuring would be successful and that the entry into the Bridge Finance Facility was justified as a temporary measure to enable the Company to continue trading until the Restructuring was completed. As such, the Committee considered that on this basis, and on the basis of the opinion provided by GT, that the fees to be paid, security to be granted, and the undertakings and representations and warranties to be given, to Trafigura under the Bridge Finance Facility, were outweighed by the above-mentioned advantages to the Company.

The conclusion of the report of the Committee reads as follows: *“On the basis of the considerations set out above, including the opinion issued by GT, the Committee is of the opinion that the Bridge Finance Facility is not such as to imply a disadvantage to the Company that, in light of its current policies, would be manifestly illegitimate.”*

Furthermore, the Committee is of the opinion that it is unlikely that the Bridge Finance Facility would lead to disadvantages for the Company which will not be outweighed by the benefits for the Company of the Bridge Finance Facility.”

13.3.1.c Decision of the Board of Directors

In its meeting of 15 April 2019, the Board has approved the Bridge Finance Facility. The extract of the minutes of the meeting of the Board on 15 April 2019 relating to the Bridge Finance Facility, reads as follows:

DISCUSSION ON THE REPORT OF GRANT THORNTON AND OF THE REPORT OF THE COMMITTEE

Introduction

The Chairman reminded the Board of the discussions during the previous Board meeting on the Board’s resolution taken during the meeting held on 28 March 2019, as a precautionary measure, to request the independent directors to prepare

all necessary steps to be able comply with, article 524 BCC in connection with the proposed decisions on the Restructuring, including the USD 250 million committed term loan bridge financing facility ("**Bridge Finance Facility**"), to be entered into between NSM, and Trafigura.

Against this background, the Chairman explained that the independent directors appointed Grant Thornton UK LLP ("**GT**") as independent expert under article 524 BCC (supported by Wilkie Farr & Gallagher as legal adviser), to provide an independent opinion on the Bridge Finance Facility. To this extent, an engagement letter has been agreed between GT and the Committee, which has been countersigned by the Company for acceptance of the fees and expenses which will be payable by the Company.

Discussion on the GT Report

GT issued its report on 15 April 2019 (the "**GT Report**"), which is attached to these minutes as Annex 1. The Board acknowledged the conclusion of the GT Report, stating that the Bridge Finance Facility is on terms not less favourable than might have been obtained in a comparable transaction at such time on an arm's length basis from a Person that is not an "Affiliate".

Discussion on the Report of the Committee

Procedure

As a precautionary measure, article 524 BCC has been applied on a voluntary basis. The Chairman reminded the Board that article 524 BCC contains the following procedure:

In accordance with article 524, §2 jo. §5 BCC, prior to any decision or transaction between (a subsidiary of) a listed company and any affiliated company of a listed company, a committee of three independent directors must provide an assessment thereof. Such committee shall be assisted by one or more independent experts appointed by the committee. The expert shall be remunerated by the company.

Further pursuant to article 524, §2 BCC, the opinion must detail the nature of the decision or transaction, assess its costs and benefits for the company and its shareholders (highlighting, amongst other considerations, its financial impact) and advise whether the proposed transaction may imply a disadvantage to the company that, in light of its current policies, would be manifestly illegitimate. If the committee does not believe the decision to be manifestly illegitimate but nevertheless to create a disadvantage for the company, the report must identify the advantages of the decision that outweigh any disadvantages. The committee shall issue a written substantiated advice to the board of directors, mentioning each of the above-mentioned elements.

Pursuant to article 524, §3 BCC, after having taken note of the advice of the committee, the board of directors shall deliberate on the proposed decision or transaction. The minutes of the meeting of the board of directors must mention whether the procedure described above has been applied, and, as the case may be, on which grounds the advice of the committee has not been followed.

Further pursuant to article 524, §3 BCC, the statutory auditor shall issue an opinion on the accuracy of the information set out in the committee's advice and the board minutes. This opinion shall be attached to the board minutes. The committee's report, an extract of the board minutes and the statutory auditor's opinion shall be published in the annual report.

The Committee confirmed that it has had the opportunity to review the GT Report and discuss it with GT. The Committee confirmed, on the basis of the information provided to it by GT and the Company, that GT satisfies the independence requirements in article 524, §2 BCC. Taking into account the GT Report and the Company's considerations expressed to the Committee, the Committee has issued its report on 15 April 2019 (the "**Report of the Committee**"), attached to these minutes as Annex 2.

Acknowledgment of the Report of the Committee

The Board confirmed to have received the Report of the Committee, including the annexes and attachments thereto, containing its advice in relation to the Bridge Finance Facility.

The Board acknowledged the conclusion of the Report of the Committee, stating that the Bridge Finance Facility is not such as to imply a disadvantage to the Company that, in light of its current policies, would be manifestly illegitimate.

Furthermore, the Committee was of the opinion that it is unlikely that the Bridge Finance Facility would lead to disadvantages for the Company which will not be outweighed by the benefits for the Company of the Bridge Finance Facility, as stated in the Report of the Committee.

DELIBERATION ON, JUSTIFICATION AND BENEFIT OF THE BRIDGE FINANCE FACILITY [...], AND DESCRIPTION OF THE FINANCIAL CONSEQUENCES

As agreed, the Chairman, the CEO and Mr Christopher Cox left the call and did not participate in the vote or deliberation on this and the following agenda items. Before leaving the call, the Chairman, the CEO and Mr Christopher Cox confirmed, for the information of the remaining Board members, that they would endorse the approval of the Bridge Finance Facility [...].

[Freshfields] then explained the main proposed terms of the Bridge Finance Facility.

Freshfields] explained that the Bridge Finance Facility consists of a USD 250,000,000 committed term loan facility supplied by Trafigura to NSM.

[...]

The directors also discussed the main proposed terms of the Bridge Finance Facility, including the security to be granted by the Group, taking into account the GT Report and the Report of the Committee and the LoU. The Board considered that the financial consequences of the Bridge Finance Facility consist in the following main components.

The Bridge Finance Facility consists of a USD 250 million committed term loan facility. The main proposed terms of the Bridge Finance Facility, including the guarantees and security to be granted, and the undertakings and representations and warranties to be given, to Trafigura in this respect, are also summarised in the LoU that has been prepared by GT and approved by the Board during the previous meeting.

The Bridge Finance Facility will be in the form of a committed term loan, repayable by no later than 30 August 2019, subject to certain early repayment provisions included in the final form draft of the agreement governing the Bridge Finance Facility.

Upon completion of the Restructuring, the Bridge Finance Facility (excluding any accrued interest and commitment fee) will be converted to unsecured on-demand intercompany debt with no fixed maturity, and will be either equitised or subordinated (at the option of Trafigura).

The terms and conditions of the Bridge Finance Facility are similar to the terms and conditions of the trade finance framework agreement entered into on 6 December 2018 between Trafigura and Nyxstar Sales & Marketing AG (“NSM”) (as subsequently amended and supplemented on 14 January 2019 and 13 February 2019, the “USD 650M Trafigura Facility”), with certain exceptions:

Fees and expenses

The Bridge Finance Facility will have a margin of 1 month LIBOR + 500bps p.a., amount payable in cash on the last day of each month (or, if earlier, on the date on which the Restructuring becomes effective in accordance with its terms). The Bridge Finance Facility also provides for payment by NSM of a commitment fee of an amount equal to one third of the 500bps p.a., payable in cash on the last day of each month, in respect of any undrawn commitments.

In addition, all legal, out of pocket, and facility expenses in connection with the arrangement and maintenance of the Bridge Finance Facility and any bank financing linked to it (including legal cost) will be for the account of the Group.

Security package

The following Security is included in the Bridge Finance Facility:

- *Security over US shares and US assets: this security is intended to mirror, on a second lien basis, the US security package which currently secures the USD 650M Trafigura Facility on a first lien basis. The Group's creditors under its Existing Funding Agreements did not consent to the first lien security granted in respect of the USD 650M Trafigura Facility. Trafigura is seeking express consent from such creditors under the terms of the Lock-up Agreement for the second lien security in respect of the Bridge Finance Facility, and (to provide it with comfort on its security position) is reserving its rights in respect of its first lien security under the USD 650M Trafigura Facility. The US security package will therefore comprise: (i) share pledges, granted by Nyrstar Holdings Inc. over (a) its shares in Nyrstar Clarksville Inc.; (b) its limited liability company membership interests in Nyrstar Tennessee Mines – Gordonsville LLC; and (c) its limited liability company interests in Nyrstar Tennessee Mines – Strawberry Plains LLC (together, the "**US Guarantors**"); and (ii) security over fixed assets (smelters and/or mines) granted by the US Guarantors. In addition to securing the USD 650M Trafigura Facility on a first lien basis, the US Guarantors whose shares will be pledged to secure the Bridge Finance Facility are all guarantors of the Group's obligations under the Notes, convertible bonds and the USD 650M Trafigura Facility, thereby reducing the value of such share pledges (except to the extent of the asset-level security granted by the US Guarantors).*
- *Security over Canadian shares and Canadian assets: first ranking security will be granted over the shares in Nyrstar Myra Falls Ltd and all of its assets to secure the Bridge Finance Facility. Nyrstar Myra Falls Ltd is an unsecured guarantor of the Group's obligations under the Notes, convertible bonds and the USD 650M Trafigura Facility on a pari passu basis, but this will not impact the value of the all asset and share security being taken over Nyrstar Myra Falls Ltd, as such security will take priority over unsecured claims.*
- *Security over Belgian shares and Belgian assets: (1) it was originally intended that the USD 650M Trafigura Facility would be secured by a pledge over the shares in Nyrstar Belgium NV and the fixed assets of Nyrstar Belgium NV. This security would require the consent of KBC Bank under a negative pledge in the KBC WC Facility and KBC Water Plant Loan. This consent was not sought and therefore this security was never put in place. Lender consent will be sought for this security to secure the Bridge Finance Facility on a first lien basis and Trafigura will, for the duration of the Lock-up Agreement, release the Group from its obligations to provide such security under the USD 650M Trafigura Facility. On completion of the Restructuring (following the release of all security in respect of the Bridge Finance Facility and its conversion into unsecured intercompany debt), the fixed assets of Nyrstar Belgium NV will secure the reinstated SCTF and the secured new money facility of up to EUR 160 million (to be provided by certain lenders under the SCTF and prepayment facilities) contemplated as part of the Restructuring.*
- *Security over shares and intercompany debt granted pursuant to the Restructuring: As a condition subsequent to the provision of the Bridge Finance Facility, a new wholly-owned subsidiary of the Company ("**Newco 1**") will grant a pledge over its shares in a new wholly-owned subsidiary of Newco 1 ("**Newco 2**"), which Trafigura will be restricted from enforcing unless: (i) it obtains the prior written consent of 50.1% of holders of each of the 2019 Notes, 2024 Notes and the convertible bonds; (ii) it obtains the prior written consent of over 50% of the Consenting Lenders (as defined in the Lock-up Agreement); and (iii) such enforcement is in furtherance of implementation of the Restructuring. A transfer of majority ownership of the Issuer and the underlying Group to Trafigura will be achieved, as envisaged in the Restructuring Steps Plan, by Newco2 issuing shares (amounting to a majority shareholding) to a holding company in the Trafigura group. NewCo1, and therefore indirectly the Company, will retain a minority holding in NewCo 2 (and therefore indirectly in the Issuer and the underlying Group).*
- *The Guarantors under the USD 650M Trafigura Facility will, with the exception of NSM, also guarantee the Bridge Finance Facility.*

Events of default and acceleration

The Bridge Finance Facility will have events of default broadly in line with those under the USD 650M Trafigura Facility. These will include an event of default if an Obligor under the Bridge Finance Facility "is deemed unable to pay its debts or to be insolvent for the purposes of any applicable law" (the "**Insolvency EOD**").

The Bridge Finance Facility will not contain the event of default that appears in the USD 650M Trafigura Facility, which is triggered upon certain Events of Default (as defined in the Group's commercial contracts with Trafigura or its affiliates for

the supply of metals/concentrates to the Group that are subject to deferred payment pursuant to the USD 650M Trafigura Facility and in certain of the Group's commercial contracts for the purchase of metals by Trafigura) by NSM (or its affiliates).

Acceleration

The Bridge Finance Facility will also not contain the limitations on Trafigura's acceleration rights (i.e. events of acceleration of payment) that appear in the USD 650M Trafigura Facility, which limit acceleration of the USD 650M Trafigura Facility to the occurrence of a payment default, a cross-default (in an aggregate amount of EUR 25 million or more), an insolvency process affecting an Obligor under the USD 650M Trafigura Facility, or a repudiation by an Obligor under the USD 650M Trafigura Facility of any security interests granted thereunder (the "**Acceleration Limitations**").

Mandatory conversion to debt on demand/prepayment

In contrast to the USD 650M Trafigura Facility and any other Existing Funding Agreements, the Bridge Finance Facility will contain the following two provisions: (1) a breach by the Group of the standstill provisions on debt repayment in the Lock-up Agreement will result in all outstanding amounts under the Bridge Finance Facility becoming repayable on demand by Trafigura; and (2) NSM must immediately repay or prepay all outstanding amounts under the Bridge Finance Facility automatically if the Lock-up Agreement terminates prior to the Restructuring Effective Date (together, the "**Restructuring Events**").

Additional Restructuring Undertakings

The Bridge Finance Facility will contain the following additional undertakings relating to the implementation of the Restructuring that do not appear in the USD 650M Trafigura Facility or any other Existing Funding Bridge Finance Facility: (1) each member of the Group will cooperate fully with Trafigura and provide appropriate access and information to Trafigura for the purposes of implementing the steps required to complete the Restructuring; and (2) members of the Group will be precluded (without the prior consent of Trafigura) from entering into: (i) any material contracts with a tenor longer than six months or (ii) any new commitment for an investment, disposal (other than in the ordinary course of trading) or capital expenditure for a value of USD 4 million or more.

Right to participate

Different from what was included in the USD 650M Trafigura Facility, the Bridge Finance Facility will not include a "right to participate", as discussed in the report prepared by the Committee in respect of the USD 650M Trafigura Facility. However, the previous "right to participate" shall continue to apply.

Information undertakings

The Bridge Finance Facility will contain undertakings in line with those under the USD 650M Trafigura Facility, including the delivery of information comprising: (1) monthly management accounts; (2) a weekly rolling 13-week cash flow projection; (3) a monthly statement of indebtedness signed by two directors of the Company identifying in reasonable detail all material indebtedness of the Group and the key terms thereof; and (4) a weekly statement of the cash and cash equivalent position of the Group (together, the "**Additional Information Undertakings**").

No Port Pirie-related undertakings

The Bridge Finance Facility will not contain any undertaking that is specific to the security granted in favour of the USD 650M Trafigura Facility over the shares in Nyrstar Port Pirie Pty Ltd, because the security package to be granted in favour of the Bridge Finance Facility will not include any security in respect of the shares in Nyrstar Port Pirie Pty Ltd.

No financial covenants

Different from what was included in the USD 650M Trafigura Facility, the Bridge Finance Facility will not include any financial covenants.

The Board also considered the discussions by the Board since February 2019 on the Restructuring, the Group's liquidity position and the new liquidity options. The potential options for new liquidity, via bridging financing or interim funding, was constrained by the short timeline to liquidity shortfall, the prevailing market sentiment on the Company's credit standing, and the restrictions arising from the Company's existing debt facilities and borrowing instruments. As a consequence, while the Company considered obtaining additional liquidity through discussions with trade finance lenders through letters of credit facilities and sale and repurchase of concentrate, the Board considered that the only viable option for obtaining bridging finance of the required quantum and in an accelerated timeframe was through its existing debt providers, including the Ad Hoc Group and Trafigura.

The Board considered that the Bridge Finance Facility will enable the Company to fund its general trading and operational expenses for the period until expected completion of the Restructuring and that, without additional debt funding, the Group would run out of liquidity in the week ending 19 April 2019.

[...]

APPROVAL OF THE BRIDGE FINANCE FACILITY [...]

Upon deliberation, taking into account the GT Report and the Report of the Committee, the directors, excluding Mr Konig, Mr Rode and Mr Cox, unanimously resolved:

- (a) to the extent necessary, that the Bridge Finance Facility, and the assumption of any obligation by the Company under the Documents to be entered into by the Company, is in the corporate interest of the Group and relates to and serves its corporate purpose, taking into account all relevant circumstances in which the Group currently operates, including the current liquidity and solvency position, and the fact that the Bridge Finance Facility is expected to provide the Group with the necessary funds and liquidity support until completion of the Restructuring;
- (b) to approve the terms of, the transactions contemplated by, and the execution, delivery and performance of the Documents, including the representations and warranties in Clauses 15.6 (No default) (to the extent relating to Clause 18.5 (Insolvency)) and 18.6 (Insolvency proceedings) the Bridge Finance Facility, and any other agreements, documents, declarations, certificates, notifications, deeds and formalities (including ancillary documents and written shareholders' resolutions) in connection with the Bridge Finance Facility and the transactions contemplated thereby;
- (c) [...]
- (d) to grant a power of attorney to each director, the CFO and Peter Zmidzinski (each an "**Authorised Representative**"), acting alone and with power of substitution and subdelegation:
 - (i) to amend, negotiate, finalise, execute, sign and deliver, on behalf and in the name of the Company, the Bridge Finance Facility, the Consent Solicitations and the Documents, and such other agreements and documents as are necessary or appropriate to effect the Bridge Finance Facility, the Consent Solicitations and the Documents to be entered into by the Company, in each case subject to such amendments and modifications as an Authorised Representative deems appropriate in his or her discretion; and
 - (ii) from time to time to take such actions and to execute, deliver and dispatch such acknowledgments, agreements, certificates, contracts, powers of attorney, instruments, notices and other documents, or to effect any filings with any and all appropriate regulatory authorities as may be required or as such Authorised Representative may deem necessary, advisable or appropriate in his discretion in order to carry out the transactions contemplated by, and the purposes and intents of, the foregoing resolutions, all such actions to be performed in such manner, and all such acknowledgments, agreements, certificates, contracts, powers of attorney, instruments, notices and other documents to be executed and delivered in such form as the Authorised Representative performing or executing the same shall approve, the performance or

execution thereof by such Authorised Representative to be conclusive evidence of the approval thereof by such Authorised Representative and by the Board, without the necessity of further approval by the Board.

The Board finally resolved to fully indemnify each Authorised Representative (to the extent permitted by law), and to keep each such person fully indemnified, against any costs, claims, expenses, losses, liabilities and damages suffered by such person in connection with the powers granted to him/her in the above resolutions or in the exercise of any of the powers conferred, or purported to be conferred, on him by such resolutions.”

13.3.1.d Statutory auditor's opinion

On 20 January 2020, the statutory auditor delivered its report, which has been attached as to the minutes of the Board meeting of 15 April 2019. The conclusion of the report of the statutory auditor reads as follows:

In accordance with article 524 of the Companies Code we issue in our capacity as statutory auditor of Nyrstar NV (the “Company”) our judgement on the accuracy of the information mentioned in the advice by the committee of independent directors and in the minutes of the board of directors. This report is attached to the minutes of the board of directors.

We have taken note of:

- *The advice by the committee of independent directors of 15 April 2019, prepared in accordance with article 524 §2 of the Companies Code;*
- *The report of the independent expert, Grant Thornton UK LLP, dated 15 April 2019 and included as appendix to the advice of the committee of independent directors; and*
- *The minutes of the meeting of the board of directors of 15 April 2019. The application of article 524 is addressed in chapters “Discussion on the report of Grant Thornton and of the report of the committee”, “Deliberation on, justification and benefit of the bridge finance facility and the consent solicitations, and description of the financial consequences” and “Approval of the bridge finance facility and consent solicitations” (together the “Relevant Chapters”).*

Responsibilities of the statutory auditor

Our responsibility is to issue a judgement on the accuracy of the information mentioned in the advice by the committee of independent directors and in the minutes of the board of directors in accordance with article 524 §3 of the Companies Code. Our report is not intended to express a judgement on the fairness or opportunity of the contemplated transaction nor whether the transaction is rightful and fair (“no fairness opinion”). Our judgement relates to the information, more specifically the financial and accounting data, included in the advice by the committee of independent directors and in the Relevant Chapters of the minutes of the board of directors.

We have performed our engagement in accordance with the standards applicable in Belgium and the procedures as recommended by the Institut des Réviseurs d'Entreprises / Instituut van de Bedrijfsrevisoren for similar engagements. In the framework of this engagement, we have to assess whether we have identified facts that suggest the financial and accounting data as a whole - included in the advice by the committee of independent directors and in the Relevant Chapters of the minutes of the board of directors - are not accurate in all material respects. We have complied with all ethical requirements applicable in Belgium in relation to this engagement, including those regarding independence.

To make our assessment on the financial and accounting data included in the advice by the committee of independent directors and the Relevant Chapters of the minutes of the board of directors we:

- *verify whether the conclusion in the minutes of the board of directors corresponds to the conclusion in the advice by the committee of independent directors;*
- *verify whether the financial and accounting data included in the advice by the committee of independent directors and the Relevant Chapters of the minutes of the board of directors corresponds with the underlying documentation, including but*

not limited to the report of the independent expert, Grant Thornton UK LLP, and the bridge finance facility agreement of 16 April 2019; and

- confirm that there are no material inconsistencies between these financial and accounting data and the information that we became aware of during our audit procedures as statutory auditor of the Company.

The above procedures do not constitute an audit in accordance with International Standards on Auditing. Had we performed additional procedures or had we performed an audit on the financial and accounting data in accordance with International Standards on Auditing (or relevant national standards or practices), other matters might have come to our attention that would have been reported to you. Therefore, we do not express an audit opinion on the financial and accounting data.

Conclusion

Based on the procedures performed and as already noted in our statutory auditor's report to the shareholders' meeting on the annual accounts for the year ended 31 December 2018 dated 27 September 2019, the combined effect of the following elements could result in information that we were not aware of that has not been reflected in the advice of the committee of independent directors and in the Relevant Chapters of the minutes of the board of directors:

- the exceptional nature of the operational and financial circumstances the Group has been facing resulting in the Capital Structure Review initiated in October 2018 and the following restructuring activities concluded on 31 July 2019 with Trafigura becoming the owner of 98% of all of the subsidiaries of the Company (excluding a newly incorporated English holding company of NewCo) and the highly fluid nature of decision making during this time;
- the significance and quantum of the related party transactions entered into by the Group of which the most significant are with Trafigura; as well as
- control deficiencies identified in relation to the financial reporting environment, including but not limited to complete and accurate recordkeeping of discussions held at meetings of the board of directors and relevant special or ad hoc sub-committees.

As a result we are unable to issue a judgement on the accuracy of the information included in the advice by the independent directors committee and in Relevant Chapters of the minutes of the board of directors.

Limitation of use of our report

Our report is solely for the purpose set forth above and is provided to you solely for the information and use by the board of directors of the Company in the framework of the application of article 524 of the Companies Code. Hence it cannot be used for any other purpose.

Antwerp, 20 January 2020

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL

Represented by Ine Nuyts

13.3.2 Restructuring

13.3.2.a Context

At 28 March 2019 Ms Carole Cable, Ms Anne Fahy and Ms Jane Moriarty, independent directors to the Board of Directors of the Company were requested to prepare all necessary steps to be able comply with, as a precautionary measure, article 524 of the Belgian Companies Code (as then applicable) in connection with the proposed decisions of the Board of Directors of the Company in respect of the terms and implementation of the debt restructuring of the Group (the "Group" being the Company and its subsidiaries) (the "Restructuring") pursuant to a lock-up agreement entered into by certain members of the

Group and certain of the Group's lenders, including Trafigura Group Pte. Ltd. (together with its affiliates, "Trafigura") on 14 April 2019 (the "Lock-up Agreement"), which contemplated, among other things:

1. a transfer by Nyrstar of (i) all its subsidiaries, excluding NN1 (as defined below) (the "Operating Group"), and (ii) all receivables owed to Nyrstar by the Operating Group to NN2 NN2 Limited, a newly incorporated English indirect subsidiary ("NN2") for a consideration of USD 1; and
2. the subsequent transfer of majority ownership of NN2 (as sole owner of the underlying Operating Group) to a newly incorporated holding company ("Trafigura New Holdco") owned by Trafigura through the issuance by NN2 of a 98% equity stake in itself to Trafigura New Holdco (with the remaining 2% of equity in NN2 issued directly to Nyrstar), in connection with the coming into effect of all other steps that are fundamental to the implementation the Restructuring, including (but not limited to):
 - a. the release of the outstanding EUR 115 million convertible bonds due in 2022 issued by the Company (the "Convertible Bonds") and the Operating Group's existing EUR 500 million 6.875% senior notes due in 2024 (the "2024 Notes") and EUR 340 million 8.5% senior notes due in 2019 (the "2019 Notes" and, together with the 2024 Notes, the "Notes" and any holder of the Notes, a "Noteholder") which were guaranteed by the Company in exchange for new debt instruments issued to those bondholders by certain Trafigura entities (the "New Trafigura Instruments");
 - b. the restructuring of certain facilities entered into by the Operating Group and the release of the Company and NN1 from any guarantee obligations in respect of such facilities;
 - c. the provision of a EUR 160 million secured new money facility (by certain participating lenders under the Operating Group's existing facilities) to fund the general working capital of the restructured Operating Group (the "New Money Facility");
 - d. commitment by NN2 to use reasonable endeavours to procure the release of obligations owed by the Company to third parties in respect of financial, commercial or other obligations of the current members of the Operating Group (the "PCGs") (and an indemnity by NN2 to the extent such PCGs are not released);
 - e. the provision by NN2 of indemnities to the Company in respect of certain specified liabilities, including certain liabilities arising in relation to certain historic disposals by the Group and/or from certain historic mine closures;
 - f. the provision by NN2 and/or a Trafigura entity which is a holding company of the Operating Group of a limited recourse loan to the Company to fund its forecast ordinary course operating costs and any defence costs arising from any third-party litigation for a number of years following the restructuring; and
 - g. minority rights for the benefit of the Company in respect of its 2% equity in NN2 (including a tag right, a drag right, information rights and a put option at a price equal to EUR 20 million (adjusted pro rata depending on NN2's percentage holding from time to time) exercisable within certain time periods), (all transactions of the Restructuring together, the "Transactions").

The Board had requested this as a precautionary measure only, as it considered that Belgian law does not deem Trafigura and its affiliates to be an affiliate because of its relatively low shareholding, the fact that it has not exercised control as defined in the Belgian Companies Code (as then applicable) and the restrictions included in the Relationship Agreement.

13.3.2.b Conclusion of independent expert and the Committee

The GT opinion concluded that *"Based on and subject to the foregoing, it is our opinion, as of the date hereof, that the financial impact of the Transactions for the Company and its shareholders is a result of negotiations between its creditors*

(involving the Company), given the financial situation of the Company, is not less favourable than the feasible financial alternatives (if any) available with respect to the Company.”

The Committee prepared a report, as a precautionary measure, in line with article 524, §2 of the Belgian Companies Code (as then applicable). The Committee has considered the Transactions, the final draft of the NNV-Trafigura Deed (note: an agreement between the Company, Trafigura PTE Ltd and Nyrstar Holdings Limited, a newly-incorporated member of the Trafigura Group (“Trafigura New HoldCo”) (the “NNV-Trafigura Deed”), pursuant to which Trafigura will (among other things), upon becoming the ultimate majority owner of NN2: (i) procure that the Company becomes the holder of a 2% shareholding in NN2; (ii) provide or Trafigura New HoldCo will provide the Company with certain minority rights in respect of its 2% equity stake in NN2, including certain information rights, tag and drag rights and a put option in respect of the entirety of its 2% equity stake in NN2 for a price equal to EUR 20 million (adjusted pro rata depending on NN2’s holding from time to time); and (iii) ensure that financial support, in the form of a committed facility up to a total amount of EUR 13.5 million, is provided to the Company on a limited-recourse basis for an availability period of 5 years from the Restructuring Effective Date (subject to certain early termination events), by Trafigura procuring that such agreed financial support is provided by NN2 or a subsidiary of Trafigura which is a holding company of the Operating Group, to fund the Company’s liabilities incurred in the ordinary course of business and to fund litigation defence costs incurred by the Company arising from any third party litigation (if any) (the “Funding Agreement”), the final draft of the term sheet for the Funding Agreement, the final draft of the NNV-NN2 SPA (note: an agreement for the sale and transfer by the Company of substantially all of its assets including 100% of its shareholding in Nyrstar Netherlands (Holdings) BV (“NNH”) and also its holdings (direct and indirect) in NNH’s subsidiaries (NNH and its subsidiaries together being the “Operating Group”), but excluding its shares in NN1, to NN2) and the final draft of the NN2 Subscription Deed (note: an agreement between Trafigura PTE Ltd and Trafigura New HoldCo and NN2, whereby (i) NN2 undertakes to issue shares amounting to 98% of its equity to Trafigura New HoldCo, such that Trafigura New HoldCo becomes its new immediate parent company, and (ii) Trafigura and Trafigura New HoldCo will issue and/or procure the issuance of three different notes to the holders of the Notes and Convertible Bonds (the “New Trafigura Instruments”)), as well as all documentation and analysis related thereto made available to it by the Company.

On the basis of the considerations set out above, the Committee was of the opinion that the Transactions were not such as to imply a disadvantage to the Company that, in light of its current policies, would be manifestly illegitimate. Furthermore, the Committee was of the opinion that it is unlikely that the Transactions would lead to disadvantages for the Company which will not be outweighed by the benefits for the Company of the Transactions.

The conclusion of the report of the Committee reads as follows: “On the basis of the considerations set out above, including LoO” (note: GT’s Letter of Opinion)”, the Committee is of the opinion that the Transactions are not such as to imply a disadvantage to the Company that, in light of its current policies, would be manifestly illegitimate.

Furthermore, the Committee is of the opinion that it is unlikely that the Transactions would lead to disadvantages for the Company which will not be outweighed by the benefits for the Company of the Transaction.”

13.3.2.c Decision of the Board of Directors

The Board concluded that the restructuring options realistically available to the Group had narrowed to a single proposal. In addition, it was noted that the Ad Hoc Group and the Bank Coordinating Committee, which had access to all relevant information, agreed that the proposed Restructuring was the preferred option, notwithstanding that the proposed Restructuring crystallised losses on a significant proportion of such creditors’ investments and would result in Trafigura acquiring substantive ownership of the Group.

The Board also concluded that (in contrast to some other company restructurings) none of the Company’s shareholders had proposed an alternative to the Restructuring at any point. This was despite the Group having commenced its capital structure review in October 2018 and having announced on 15 March 2019 the resulting anticipated significant shareholder dilution. The Board confirmed that it was not aware of any suggestion of a restructuring proposal from a shareholder, other than Trafigura. The Board therefore concluded that it would be reasonable for the Board to regard the Group as facing a binary choice between the proposed Restructuring and multiple local insolvency filings.

In its meeting of 19 June 2019, the Board has approved the Restructuring. The extract of the minutes of the meeting of the Board on 19 June 2019 relating to the Restructuring, reads as follows:

“UPDATE ON RESTRUCTURING

The Chairman reminded the Board of Directors (the “Board”) of the developments since the last Board meeting in respect of the lock-up agreement [of 15 April 2019] (the “Lock-up Agreement”) entered into by certain members of the Group (the “Group”, being composed of the Company and its subsidiaries) and certain of the Group’s lenders with a view to providing certainty in respect of the requisite consents in respect of the Restructuring, and more generally the restructuring it contemplates (the “Restructuring” and the transactions of the Restructuring together, the “Transactions”).

Such developments included the preparation of the Restructuring, including, among other things:

- *The incorporation of NN1 NN2 Limited (“NN1”) as a wholly-owned subsidiary of the Company, and the incorporation of NN2 NN2 Limited (“NN2”) as wholly-owned subsidiary of NN1;*
- *The preparation of the Intercompany Reconciliations (as defined below);*
- *The preparation of the accession of NN2 to the EUR 500 million 6.875% senior notes due in 2024 issued by Nyrstar Netherlands (Holdings) B.V. (“NNH”) (the “2024 Notes”), the EUR 340 million 8.5% senior notes due in 2019 issued by NNH (the “2019 Notes” and, together with the 2024 Notes, the “Notes”)) and the EUR 115 million convertible bonds due in 2022 issued by the Company (the “Convertible Bonds”) as Co-Obligor and/or Co-Issuer, and the accession of NN1 to the USD250 million bridge finance facility agreement with Trafigura, the Notes, the Convertible Bonds and the Hydra / GS III Prepayment agreements of the Group as Guarantor;*
- *The extensive negotiations between the Company and the Trafigura Group in respect of the following agreements (the “Restructuring Agreements”):*
 - o *an agreement between the Company, Trafigura PTE Ltd and Nyrstar Holdings Limited, a newly-incorporated member of the Trafigura Group (“Trafigura New HoldCo”) (the “NNV-Trafigura Deed”), pursuant to which Trafigura will (among other things), upon becoming the ultimate majority owner of NN2: (i) procure that the Company becomes the holder of a 2% shareholding in NN2; (ii) provide or Trafigura New HoldCo will provide the Company with certain minority rights in respect of its 2% equity stake in NN2, including certain information rights, tag and drag rights and a put option in respect of the entirety of its 2% equity stake in NN2 for a price equal to EUR 20 million (adjusted pro rata depending on NN2’s holding from time to time); and (iii) ensure that financial support, in the form of a committed facility up to a total amount of EUR 13.5 million, is provided to the Company on a limited-recourse basis for an availability period of 5 years from the Restructuring Effective Date (subject to certain early termination events), by Trafigura procuring that such agreed financial support is provided by NN2 or a subsidiary of Trafigura which is a holding company of the Operating Group, to fund the Company’s liabilities incurred in the ordinary course of business and to fund litigation defence costs incurred by the Company arising from any third party litigation (if any) (the “Funding Agreement”). ;*
 - o *an agreement for the sale and transfer by the Company of substantially all of its assets including 100% of its shareholding in Nyrstar Netherlands (Holdings) BV (“NNH”) and also its holdings (direct and indirect) in NNH’s subsidiaries (NNH and its subsidiaries together being the “Operating Group”), but excluding its shares in NN1, to NN2 (the “NNV-NN2 SPA”);*
 - o *a put option deed between the Company, Trafigura and Trafigura New HoldCo (the “Put Option Deed”).*
- *The agreement between Trafigura PTE Ltd and Trafigura New Holdco and NN2, whereby (i) NN2 undertakes to issue shares amounting to 98% of its equity to Trafigura New Holdco, such that Trafigura New Holdco becomes its new immediate parent company, and (ii) Trafigura and Trafigura New HoldCo will issue*

and/or procure the issuance of three different notes to the holders of the Notes and Convertible Bonds (the “**New Trafigura Instruments**”) (the “**NN2 Subscription Deed**”);

- The preparation of the scheme of arrangement to be proposed by NN2 under Part 26 of the UK Companies Act 2006, containing the following proposals:
 - (a) the release and cancellation of the Convertible Bonds in full (resulting in the release of NN2 and the Company as co-obligors from their primary liabilities, and the guarantors from their secondary liabilities, thereunder);
 - (b) the release of NN2 from all its liabilities as co-issuer of the Notes;
 - (c) following the release under (b), the transfer of 100% of the Notes to NN2; and
 - (d) in exchange for sub-paragraphs (a), (b) and (c) above, NN2 agrees to procure the issuance of the New Trafigura Instruments by the relevant Trafigura entities to the holders of the Notes and the Convertible Bonds by the relevant Trafigura entities on a pro rata basis (in accordance with the NN2 Subscription Deed);
- The preparation of the restructuring of the other Group debt in accordance with the Lock-up Agreement.

[...]

DISCUSSION ON THE REPORT OF GRANT THORNTON AND OF THE REPORT OF THE COMMITTEE

Introduction

The Chairman reminded the Board of the discussions during the previous Board meeting on the Board's resolution taken during the meeting held on 28 March 2019 to request the independent directors to prepare all necessary steps, as a precautionary measure, to be able to comply with article 524 BCC in connection with the proposed decisions on the Restructuring, including the Restructuring Agreements to be entered into between NSM and Urion Holdings (Malta) Limited.

Against this background, the Chairman explained that the independent directors appointed Grant Thornton UK LLP (“**GT**”) as independent expert under article 524 BCC (supported by Willkie Farr & Gallagher as GT's legal adviser), to provide an independent opinion on the Restructuring. To this extent, an engagement letter has been agreed between GT and the Committee, which has been countersigned by the Company for acceptance of the fees and expenses which will be payable by the Company.

The Chairman also explained that GT has prepared a Letter of Understanding (“**LoU**”), which sets out their understanding of a number of factual matters pertaining to the Group, and through which they sought confirmation from the Company as to the accuracy and completeness of this understanding, prior to delivering their report.

The independent directors informed the Board that (i) GT had completed a lot of work and was well advanced in the preparation of the LoU and its opinion, however, as the transaction documents had been negotiated until late the day before, it had not yet been able to finalise its LoU and opinion and that (ii) accordingly the Committee has not yet been able to finalise its report.

The Board agreed that a new Board meeting would be convened later today to discuss the LoU, Report of GT and the Report of the Committee and discuss and approve the various transactions. The meeting was then closed around 15:00 CEST.

The meeting reopened at 23:00 CEST. Mr Christopher Cox had given his apologies for this meeting. All other directors were present (including Carole Cable).

DISCUSSION ON THE REPORT OF GRANT THORNTON AND OF THE REPORT OF THE COMMITTEE

GT LoU

The directors confirmed that, together with the Company's Management and legal and financial advisors, they have reviewed the contents of the draft LoU and consider the draft LoU as accurate and complete in all material respects. The Board also reviewed the summary of key provisions of the Group's existing funding agreements prepared by GT.

The Board unanimously **resolved** to approve the LoU and to grant a power of attorney to each director, the CFO and Peter Zmidzinski to amend, finalise, execute, sign and deliver, on behalf and in the name of the Company, the LoU.

Discussion on the GT Report

GT issued its report on 19 June 2019 (the "**GT Report**"), which is attached to these minutes as Annex 1. The Board acknowledged the conclusion of the GT Report which stated that the financial impact of the Transactions for the Company and its shareholders is a result of negotiations between its creditors (involving the Company), given the financial situation of the Company, is not less favourable than the feasible financial alternatives (if any) available with respect to the Company.

Discussion on the Report of the Committee

Procedure

As a precautionary measure, article 524 BCC has been applied on a voluntary basis. The Chairman reminded the Board that article 524 BCC contains the following procedure:

In accordance with article 524, §2 jo. §5 BCC, prior to any decision or transaction between (a subsidiary of) a listed company and any affiliated company of a listed company, a committee of three independent directors must provide an assessment thereof. Such committee shall be assisted by one or more independent experts appointed by the committee. The expert shall be remunerated by the company.

Further pursuant to article 524, §2 BCC, the opinion must detail the nature of the decision or transaction, assess its costs and benefits for the company and its shareholders (highlighting, amongst other considerations, its financial impact) and advise whether the proposed transaction may imply a disadvantage to the company that, in light of its current policies, would be manifestly illegitimate. If the committee does not believe the decision to be manifestly illegitimate but nevertheless to create a disadvantage for the company, the report must identify the advantages of the decision that outweigh any disadvantages. The committee shall issue a written substantiated advice to the board of directors, mentioning each of the above-mentioned elements.

Pursuant to article 524, §3 BCC, after having taken note of the advice of the committee, the board of directors shall deliberate on the proposed decision or transaction. The minutes of the meeting of the board of directors must mention whether the procedure described above has been applied, and, as the case may be, on which grounds the advice of the committee has not been followed.

Further pursuant to article 524, §3 BCC, the statutory auditor shall issue an opinion on the accuracy of the information set out in the committee's advice and the board minutes. This opinion shall be attached to the board minutes. The committee's report, an extract of the board minutes and the statutory auditor's opinion shall be published in the annual report.

The Committee confirmed that it has reviewed the GT Report and discussed it with GT. The Committee confirmed, on the basis of the information provided to it by GT and the Company, that GT satisfies the independence requirements in article 524, §2 BCC. Taking into account the GT Report and the Company's considerations expressed to the Committee, the Committee has issued its report on 19 June 2019 (the "**Report of the Committee**"), attached to these minutes as Annex 2.

Acknowledgment of the Report of the Committee

The Board confirmed to have received the Report of the Committee, including the annexes and attachments thereto, containing its advice in relation to the Transactions.

The Board acknowledged the conclusion of the Report of the Committee, stating that the Transactions are not such as to imply a disadvantage to the Company that, in light of its current policies, would be manifestly illegitimate.

Furthermore, the Committee was of the opinion that it is unlikely that the Transactions would lead to disadvantages for the Company which will not be outweighed by the benefits for the Company of the Transactions, as stated in the Report of the Committee.

[...]

DELIBERATION ON, JUSTIFICATION AND BENEFIT OF THE TRANSACTIONS AND THE RESTRUCTURING AGREEMENTS AND DESCRIPTION OF THE FINANCIAL CONSEQUENCES

[Freshfields] then explained the main proposed terms of the Transactions and the Restructuring Agreements, as set out in detail in the Report of the Committee.

The Board considered that the Restructuring Agreements will enable the Company to (i) proceed with the Restructuring, and (ii) upon the Restructuring completing, become a viable company post-Restructuring holding a 2% interest in NN2.

The Board discussed the financial consequences of the Transactions and the Restructuring Agreements:

a. Assessment of the costs and benefits for the Company and the Company's shareholders

Having regard to the above considerations, the Committee deems the Transactions to be in the interest and to the benefit of the Company and all stakeholders. In particular, the Committee considers the following summary that was made during the Board meeting held on 9 April 2019:

"At the Board's request, [Morgan Stanley] also set out to the Board the process of, and alternatives to, the Capital Structure Review as this has been discussed and reviewed by the Board in the last months:

The Capital Structure Review was initiated primarily to address the maturity of the Group's €350,000,000 8.5% senior notes due in September 2019. At the time it was recognised that it was looking increasingly difficult to pursue a 'regular way' capital markets refinancing of those instruments given the Group's financial performance.

At the time the Capital Structure Review was initiated, it was reasonably believed that the Company should consider various options then available to it in order to arrive at a solution that best ensured the sustainability of the Company. These included (i) equity raising; (ii) asset sales in part or in full; (iii) debt refinancing; (iv) balance sheet restructuring / recapitalisation.

The announcement of the Q3 2018 results on 31 October 2018, combined with high levels of off-balance sheet financing triggered a very significant liquidity crisis in the business. The crisis was the result of, as discussed during previous Board meetings:

- withdrawal of uncommitted trade finance lines
- inability to roll over previously committed prepayment agreements
- tightening of trade credit terms
- off-balance sheet liabilities

The liquidity crisis would have resulted in the inevitable insolvency of the Group but for the \$650m TFFA entered into with Trafigra in November and December 2018.

Notwithstanding the financing provided under the TFFA, as of 9 April 2019, the Company is again in a critical liquidity position. Without further additional funding, the Group will have no option but to place its operating assets on so-called “care and maintenance” leading to the inevitable insolvency of the Group. Significant additional funding is [also in that scenario] required within one to two weeks.

The severity of the liquidity deterioration, the urgent requirement for additional funding, and the extent of the Group's financial underperformance have effectively, immediately or after a while, ruled out a number of options as representing credible alternatives to a financial restructuring:

- M&A / Asset Sales

Options to dispose of the group and/or its assets on a going concern basis were regularly considered but were not believed to represent a viable funding solution:

- The potential buyer universe for a sale of the whole group was believed to be very limited (and the Company has not received any indications of interest)
- Any sale of the Group that delivered value to shareholders would have necessitated an enterprise valuation in excess of c.€2 billion, which was not, in the circumstances, believed by the Board and its financial advisors to have been a credible basis for the Company to go out and solicit offers for the Group
- With the liquidity constraints, the time to execute sales processes would not provide the funding the Group needed to survive at the time, as such process would not have allowed the Group access to liquidity in order to complete the process met the Group's funding needs

So as a result, although the Board, consulting [with] its financial advisors, considered at the time going out and seeking third party offers for the business, the realities of the Company's situation and the severity of its financial position effectively ruled it out. Going through that process with no reasonable expectation that it would be successful would have resulted in more harm to the Group and not less, particularly given the liquidity constraints that the Group was under.

The Board indeed considered that:

- No credible buyer interest has been expressed for the Group during the period of the publicly announced capital structure review
- In extensive creditor discussions, no proposal has been made to facilitate a sale of the Group.

Accordingly, an M&A / asset sale would not have been a feasible means of addressing the Company's position.

- Refinancing / equity

The Company would not have access to capital markets in order to facilitate a refinancing of the Group. In processes like this it is customary for a company to tend to negotiate only with the in-the-money parties, which the shareholders were clearly not. The shareholders have been kept informed of the process through the Company's public statements, but given (i) the depth of the Group's liquidity crisis and the zero economic recovery set out above as well as (ii) the lack of any known large (institutional or other) holders of the Company's equity [other than Trafigura], the shareholders cannot be reasonably viewed as a viable source for a solution.

[Morgan Stanley] concluded that the restructuring options realistically available to the Group had also narrowed down to a single proposal, even amongst those creditors that have had full access to all of the information, have been fully engaged in the process throughout, and have had a real opportunity to propose their own proposal. All of the representative creditors have agreed that this transaction is the transaction they would prefer to support, even in view of crystallising losses on a very significant amount of their own investment, and seeing Trafigura substantially take ownership of the Group.”

b. Assessment of the financial consequences of the Transactions

The financial consequences of the Transactions consist in the following main components:

i. Valuation

1. Company valuation and Company EPM

As part of the preparations of the annual accounts of the Company for the financial year ended 31 December 2018, Management has prepared a valuation of the Company's assets, as detailed in these draft annual accounts published on the Company's website on 26 May 2019.

The Company EPM, as referenced above, implies that each group of existing creditors will receive a better financial outcome under the terms of the Restructuring than in an insolvency scenario. It also indicates that various existing creditors have agreed to incur a material write-down of their outstanding principal debt claims against the Group as part of the Restructuring. Consequently, the Company EPM analysis confirms that the issuance of a 2% equity stake in the restructured Operating Group is a better recovery for the Company's shareholders than the anticipated recovery in an insolvency scenario of zero cents in the Euro.

2. D&P Valuation

Duff & Phelps, LLC ("**D&P**") has prepared a valuation of the assets of NNV at the request of the Board.

D&P's analysis within the D&P Valuation of the Group considered the following three different scenarios:

- a) The first scenario is a valuation of the Company's shares under the current Group structure, which assumes that the debt and intercompany balances currently in place will remain unchanged.
- b) The second scenario assumes that the Restructuring is imminent, resulting in a change of control and tax implications related to the net operating loss limitations of the Group's US business. This scenario also incorporates an adjustment to intercompany debt between the Company and Nyrstar Belgium NV, as described above. This scenario also assumes that approximately two thirds of corporate costs currently borne directly by the Company will be moved into the Restructured Group as part of the Restructuring.
- c) The third and final scenario assumes that the Company transfers its holdings in the assets to NN2, in which the Company will hold a direct 2% equity interest and Trafigura New Holdco will hold the remaining 98% equity interest, in consideration for which the Company will receive certain releases and an indemnity and the New Trafigura Instruments will be issued – as further described above.

The conclusions reached by the D&P Valuation of the Group, for each of the three scenarios referred to above, is summarised in the table below:

Overview of Equity Values			
€'k	Fair Value Scenario 1	Fair Value Scenario 2	Fair Value Scenario 3
Value of Equity	(292,874)	(327,903)	746,785

Under scenarios 1 and 2 (as described above), D&P has concluded that the Company's equity has nil value. Following the conclusion of the proposed Restructuring, and the restructuring of the debt held, D&P has concluded that the equity of the Group could be valued at EUR 746.8 million.

The portion of value attributable to NNV, including the 2% interest in NN2 2 and other assets and liabilities directly held by NNV, therefore exceeds the current value attributable to the Company's shareholders according to D&P.

The Committee considers that D&P scenario 3 valuation provides an indication of the equity value in NN2 (EUR 746.8 million), following completion of the Restructuring. As such, it should not be used as the basis upon which to assess the equity value of the existing Group, pre-Restructuring.

3. GT valuation assessment

GT has assessed the FMV of 100% of the equity in the Operating Group to inform their work on the Letter of Opinion (the “LoO”).

The table below summarises the equity valuation assessment by Grant Thornton (as at 4 June 2019). GT has concluded that there is no value attributable to the equity holders of the Company as at 4 June 2019:

Summary of Equity Value Range

€million	Low	High
Value of Equity (rounded)	(920)	(620)

The 2% equity interest in the Restructured Group that is granted to NNV therefore exceeds the current value attributable to the Company’s shareholders according to GT’s valuation assessments of the FMV of 100% of the equity in the Operating Group.

ii. Summary of impact of the Transactions on current debt and security of creditors

This section is a summary of the comparison of the pre-Restructuring and post-Restructuring treatment of the Group’s creditors under its existing debt agreements.

1. Notes and Convertible Bonds

Holders of the Notes and holders of the Convertible Bonds will be treated equally with one another under the Restructuring, with the EUR 955 million of outstanding principal debt under the Notes and Convertible Bonds being written-off and replaced by the New Trafigura Instruments, at a materially reduced aggregate principal amount of EUR 568.1 million. Holders of the Notes and Convertible Bonds will receive a pro-rata share of the New Trafigura Instruments.

In addition, certain holders of the Notes and Convertible Bonds will be entitled to receive certain fees pursuant to the Restructuring, including the “Bond Timely Consent Fee”. It is a term of the Lock-Up Agreement that, on the Restructuring Effective Date and subject to certain conditions, the Company, NNH or NSM must pay, or shall procure the payment of, a fee (the “**Bond Timely Consent Fee**”) equal to 1.5 per cent. of the aggregate principal amount of the Notes and/or Convertible Bonds that were subject to the Lock-Up Agreement on or prior to 7 May 2019:

2. SCTF

The revolving structured commodity trade finance facility (the “**SCTF**”) will be terminated, with lenders being reinstated under a new agreement in an aggregate amount equalling the USD equivalent of between €510 million and €600 million, comprised of:

- a) 85 per cent. of the principal amount outstanding under the SCTF; and
- b) lenders choosing to participate in up to the USD equivalent of €100 million of the New Money Facility, will, for each €1 of participation, receive additional reinstatement of €0.90.

(the “**Reinstated SCTF**”).

The Reinstated SCTF will be divided equally between a revolving borrowing base facility and a term loan facility, each with a five-year bullet maturity and an interest margin of LIBOR/EURIBOR + 1.00 per cent. per annum and will benefit from comprehensive security in respect of the European subsidiaries of the Operating Group and a corporate guarantee

from the Trafigura Parent, in addition to the existing borrowing base security over certain inventories and receivables of NSM.

3. Amendment and Restatement of the USD 650M Trafigura Facility

The USD 650M Trafigura Facility will be reinstated in full. All security and guarantees will be released on the Restructuring Effective Date. Its term will be extended to a new five year maturity and it will have an interest margin of LIBOR/EURIBOR + 0.75 per cent. per annum (the **"Reinstated USD 650M Trafigura Facility"**).

4. The Bridge Finance Facility

The Bridge Finance Facility will be converted to unsecured on-demand intercompany debt with no fixed maturity, which will be subordinated to the Reinstated SCTF, the Reinstated Unsecured Facilities (defined below) and the New Money Facility.

5. Reinstatement of certain unsecured facilities

Certain of the Group's unsecured facilities (the **"Unsecured Facilities"**) will be terminated, with the lenders to the Unsecured Facilities being reinstated under a new agreement in the following amounts:

- c) a blended rate of 35 per cent. of the principal amount outstanding (calculated in respect of principal and accrued interest owing as at 15 March 2019, save in respect of the amounts paid under certain Unsecured Facilities in late March 2019). This will be structured as a term loan owing by NSM to the reinstated lenders; and
- d) those reinstated lenders choosing to participate in their pro rata share of up to EUR 60 million of the New Money Facility will for each €1 of participation receive additional reinstatement (on a blended rate) of €0.50 (up to 47.5 cents in the Euro in aggregate).

(the **"Reinstated Unsecured Facilities"**).

The Reinstated Unsecured Facilities will have a five year maturity and an interest margin of LIBOR + 1.5 per cent. per annum with a six month run-off period in the final year and will benefit from a corporate guarantee by the Trafigura Parent plus security over a collection account through which will flow the proceeds of certain sales by the Operating Group.

6. Unaffected facilities

Existing working capital facilities of the Group not specifically referenced above will remain unaffected by the Restructuring, save that the Company's guarantee of certain obligations will be released in full.

Under the terms of the NNV-NN2 SPA, NN2 will use reasonable endeavours to procure the release of the Company's other guarantees granted in respect of the obligations of members of the Operating Group and will indemnify the Company for any liabilities arising from such obligations to the extent they are not released.

7. Provision of New Money

The New Money Facility is a new revolving credit facility of €160 million which will be provided by participating lenders under the SCTF and Unsecured Facilities.

The New Money Facility will have a four year maturity and an interest margin of LIBOR/EURIBOR + 1.25 per cent. per annum.

The New Money Facility will share on a *pari passu* basis the same security and guarantee package (including the corporate guarantee from the Trafigura Parent) as the Reinstated SCTF, save for having second ranking security over the inventory and receivables securing the borrowing base which, after the discharge of the borrowing base tranche of the Reinstated SCTF, shall rank *pari passu* with the security for the term loan tranche of the Reinstated SCTF.

All of the lenders under the SCTF and Unsecured Facilities have been given the opportunity to participate in the New Money Facility.

iii. Summary of impact of the Transactions on the Company

Following the Restructuring, the Company will retain an indirect 2% equity stake in the Restructured Group (via its direct 2% shareholding in NN2). The Transactions will also result in:

- a) the Company's principal obligations as issuer of the Convertible Bonds (of which we understand the principal amount outstanding to be EUR 115 million) being released in full;
- b) the release of the Company's guarantee obligations in respect of the Group debt that is subject to the Restructuring;
- c) NN2 agreeing to use reasonable endeavours to procure the release of the Company from any obligations it owes to third parties under any Parent Company Guarantees ("PCGs"), and pending the release of any such PCGs, NN2 indemnifying the Company for any and all liabilities in relation to such PCG in respect of the failure by the applicable member of the Operating Group to fully comply with its principal obligations; and
- d) to the extent not covered by the release and/or indemnification of PCGs mentioned in (b) above, NN2 indemnifying the Company in respect of any and all liabilities, costs and expenses incurred in connection with certain other specified liabilities of the Company, including certain liabilities arising in relation to certain historic disposals by the Group and/or from certain historic mine closures.

Trafigura will procure, pursuant to its obligations under the NNV-Trafigura Deed, and NN2 will also procure, that the former operating subsidiaries of the Company will not make any demands for payment from the Company, except (i) under the Funding Agreement provided by NN2 (or a Trafigura entity), (ii) as agreed after the Restructuring, or (iii) to the extent that the Company has sufficient funds to meet such demands (excluding among other things any dividends or sale proceeds in respect of the Company's direct 2% shareholding in NN2).

1. Put option, tag and drag rights

Under the terms of the NNV-Trafigura Deed, if Trafigura New Holdco (or the relevant Trafigura entity which holds NN2) proposes at any time a transfer of any right or interest to a third party purchaser (on arms' length terms, for cash or non-cash consideration), that would result in the Trafigura group holding 50% or less of the shares in NN2, then Trafigura New Holdco (or the relevant Trafigura entity which holds NN2) will have the right to oblige the Company to transfer (drag right), and the Company will have an equivalent right to participate in such transfer (tag right), of its entire 2% equity stake in NN2 on the same terms and for the same consideration per share as the Trafigura transfer.

In addition, the Company will have the right, exercisable on the earlier of: (i) 6 months following the Restructuring Effective Date; (ii) the date on which NN2 proposes any issuance of equity securities (or rights relating to equity securities); and (iii) the date on which NN2 proposes to transfer the Operating Group (or Trafigura New Holdco proposes to transfer NN2) to a third party purchaser outside of the Trafigura group, to sell all (but not part only) of its 2% equity stake in NN2 to Trafigura New Holdco at a price equal to EUR 20 million in aggregate (adjusted pro rata depending on NN2's holding from time to time (which adjustment, in the case of any issuance of equity securities (or rights relating to equity securities) can be avoided by the exercise of the put option) (the "**NNV Put Option**"). The NNV Put Option is exercisable until the earlier of (i) 3 years from the Restructuring Effective Date or (ii) the completion of a public takeover bid of the Company by Trafigura New Holdco.

2. Post-Restructuring funding of the Company

As outlined above, the Funding Agreement will assist the Company in meeting its day-to-day liabilities post-Restructuring, including liabilities not effectively released under the terms of the Restructuring. In addition, NN2 will also provide certain ongoing services for the Company for up to 3 years (subject to agreed early termination triggers) which will reduce the Company's operating costs during such period.

3. Summary of impact of the Transactions on shareholders

As a holding company, the value of the Company depends entirely on the value of its subsidiaries and their continued trading. Given the current, pre-Restructuring level of financial indebtedness of the Group, which the Group cannot afford to service without a material deleveraging, the Board (as advised by Morgan Stanley and Alvarez & Marsal) expects the Company's shareholders to recover nothing on the value of their shares in the event of the insolvency of the Company and the Group, which the Board (as advised by Morgan Stanley and Alvarez & Marsal) considers to be the only alternative to the Restructuring (see above). Existing shareholders, including Trafigura, would therefore suffer a total loss in the event of insolvency. This is the outcome shown by the Company EPM analysis, referred to above.

As announced by the Company on 15 April 2019, in view of the material principal impairment of the Group's senior ranking debt facilities, including the EUR 955 million (in aggregate principal amount) of unsecured Notes and Convertible Bonds, and the significant funding requirements of the Group, the economic effect will be that current shareholders will be materially diluted as a consequence of the Restructuring. This will result in very limited economic recovery to such shareholders, which will depend on any future distributions made to the Company on the 2% participation that the Company will hold in the Restructured Group.

On the other hand, the Company's existing shareholders will benefit (when compared with the alternative, which is to suffer a total loss in the event of the insolvency of the Company and the Group) from the fact that the Company will continue, post-Restructuring, to be a holding company, holding (directly) 2% of the equity of NN2 and, therefore, indirectly in the Restructured Group in circumstances where: (i) the Company will be released of its liabilities under pre-existing financial indebtedness and guarantees; and (ii) the Company will, subject to certain terms and conditions, be provided with up to EUR 13.5 million of committed funds under the Funding Agreement towards its continued ordinary course operating costs and costs arising from the defence of litigation.

The Company will also benefit from minority rights as provided above.

In accordance with the business plan of the Restructured Group, as published on the Company's website on 15 April 2019 and included as Annex 2, the Restructured Group will yield such EBITDA levels that will be providing a platform for distributions to shareholders. The NNV-Trafigura Deed, described above, will also contain the following provisions on NN2 shareholder distributions to ensure, as far as possible, that any NN2 profits are distributed to the NN2 shareholders: Trafigura New Holdco will procure that: (i) the board of NN2 meets at least on an annual basis to assess whether NN2 has any profits lawfully available for distribution (in which case, NN2 will make such distribution in accordance with applicable law); and (ii) NN2 and the other members of the Restructured Group will not, under the terms of any financing or other agreement to which they are or shall be party (other than financing or other agreements entered into on arm's length terms with third parties), be subject to any limitations (other than those contained in any agreements the terms of which are described in the Lock-up Agreement) on making dividends or other distributions to their respective shareholders.

In addition, the NNV-Trafigura Deed provides that, subject to compliance with applicable law, Trafigura will procure that NNV is provided with such financial or other information in relation to the New Nyrstar Group or any member of the New Nyrstar Group as is required by NNV, in its capacity as a shareholder of the New Nyrstar Group, in order to comply with its legal, regulatory or tax obligations, including for the purposes of its accounting or financial control requirements, for the purposes of enabling NNV to assess the fair market value of its equity shareholding in NN2 if a member of the Trafigura Group offers to purchase all or part of such equity shareholding, or as may otherwise be reasonably requested by NNV.

Trafigura, currently the Company's largest shareholder with a 24.42% equity stake, will take control of the Restructured Group and will indirectly (via its shareholding in NN2) hold 98% of the Restructured Group's equity, in return for procuring the issuance of the New Trafigura Instruments to replace and refinance the Group's previous bond debt. In addition, the Trafigura Parent is providing a corporate guarantee of the Reinstated SCTF, the Reinstated Unsecured Facilities and the New Money Facility.

In addition, as part of the Restructuring, Trafigura (or members of its group) will have provided the Bridge Finance Facility to enable the Group to trade through to completion of the Restructuring (and which will convert post-Restructuring into an unsecured and unguaranteed, intercompany debt), and will have agreed to:

- a) extend the maturity of the USD 650M Trafigura Facility to 5 years;
- b) release all security and guarantees thereunder;

- c) procure that the Company is provided with up to EUR 13.5 million of committed, limited recourse funding intended to meet its ongoing liabilities for a maximum availability period of 5 years post-Restructuring subject to the terms and conditions of the Funding Agreement; and
- d) the fact that NN2 (majority owned post-Restructuring by Trafigura New HoldCo) will (i) use reasonable endeavours to procure the release of the Company from any obligations it owes to third parties under any PCGs, (ii) pending the release of any such PCGs, indemnify the Company for any and all liabilities in relation to such PCG in respect of the failure by the applicable member of the Operating Group to fully comply with its principal obligations; and (iii) to the extent not covered by the release and/or indemnification of PCGs mentioned above, indemnify the Company in respect of any and all liabilities, costs and expenses incurred in connection with certain other specified liabilities of the Company, including certain liabilities arising in relation to certain historic disposals by the Group and/or from certain historic mine closures.

The Committee is cognisant of the fact that the significant dilution of existing shareholders' (indirect) equity interests in the Operating Group as a result of the Restructuring appears, to retail investors, to be a negative outcome. However, as described above, the Company EPM analysis demonstrates that, in a liquidation scenario, the shareholders would receive EUR nil, due to the quantum of the Group's outstanding financial indebtedness and the priority ranking of the Group's creditors in any insolvency process. As described above, Management has explored various alternatives and discounted all but the Transactions and local insolvency filings. Given the current value of the Group's equity is nil, the Committee believes that retention of a 2% stake in a Restructured Group (which the Committee believes will be financially viable), combined with the release of the Company's liabilities in respect of financial indebtedness which is being restructured, is a better outcome for shareholders than a liquidation scenario.

iv. Summary of impact of Transactions on other stakeholders

1. Employees

The Transactions will provide the optimal outcome for the Group's employees because the majority of employee jobs will be preserved following the Restructuring Effective Date as the Restructured Group will continue to trade. While acknowledging that the Transactions will provide the optimal outcome for the Group's employees, the Committee also notes that some redundancies within the Group's executive, finance and commercial teams may be required once the transfer of majority ownership of the Restructured Group to Trafigura has taken place following the Restructuring Effective Date. The Group's corporate function in Zurich currently employs around 100 to 110 people.

Although the impact of an insolvency scenario on the Group's employees cannot be determined with any certainty, the Committee considers that an insolvency would likely place a large number of roles at risk, with some locations at risk of closure and all employees faced with greater uncertainty.

2. Local governments and communities

In the locations of certain of the Group's assets, local communities are heavily reliant on the employment provided by the Group, particularly in areas such as Hobart (Australia), Balen/ Overpelt (Belgium) and Aubry (France). As such, the continuation of operations, which the Transactions would provide, is a positive outcome for these local governments and communities.

As noted above in respect of the Company's employees, an insolvency scenario would likely place a number of roles at risk, which could adversely impact employment in the communities in which the Group operates.

3. Trade creditors

Following the Restructuring Effective Date, the relevant members of the Restructured Group will continue to pay their respective trade creditors in the ordinary course of business. As such, there will be no dilution in recoveries for the Restructured Group's trade creditors as a result of the Transactions. By contrast, in an insolvency scenario, the recovery for the Group's trade creditors is uncertain because of the priority ranking of secured creditor claims. The Committee in any event believes that it is likely that such recoveries would be relatively low or non-existent.

4. Tax authorities

The taxation implications of the proposed Restructuring on the Restructured Group have been assessed and no adverse tax consequences are envisaged. To the extent required, rulings are being sought from relevant tax authorities regarding the change in the ownership of the Restructured Group. The Restructuring is deemed to be tax-neutral due to either the Transactions not being taxable, or their being sheltered by current period losses, although we understand there is a low risk of a cash tax exposure of less than EUR 10 million in Belgium.

APPROVAL OF THE TRANSACTIONS AND THE RESTRUCTURING AGREEMENTS

Upon deliberation, taking into account the GT Report and the Report of the Committee, the directors, excluding Mr Cox, unanimously resolved:

- (a) to the extent necessary, that the Transactions and the Restructuring Agreements, and the assumption of any obligation by the Company under the Restructuring Agreements and any other document to implement the Transactions (together with the Restructuring Agreements, the “**Documents**”) to be entered into by the Company, is in the corporate interest of the Group and relates to and serves its corporate purpose, taking into account all relevant circumstances in which the Group currently operates, including the current liquidity and solvency position, and the fact that the Restructuring Agreements will enable the Company to (i) proceed with the Restructuring, and (ii) become a viable company post-Restructuring holding a 2% interest in NN2;
- (b) to approve the terms of, the transactions contemplated by, and the execution, delivery and performance of the Documents, and any other agreements, documents, declarations, certificates, notifications, deeds and formalities (including ancillary documents and written shareholders’ resolutions or similar corporate approvals) in connection with the Transactions;
- (c) to grant a power of attorney to each director, the CFO and Peter Zmidzinski (each an “**Authorised Representative**”), acting alone and with power of substitution and subdelegation:
 - (i) to amend, negotiate, finalise, execute, sign and deliver, on behalf and in the name of the Company, the Documents, and such other agreements and documents as are necessary or appropriate to effect the Transactions, to be entered into by the Company, in each case subject to such amendments and modifications as an Authorised Representative deems appropriate in his or her discretion; and
 - (ii) from time to time to take such actions and to execute, deliver and dispatch such acknowledgments, agreements, certificates, contracts, powers of attorney, instruments, notices, corporate authorisations and other documents, or to effect any filings with any and all appropriate regulatory authorities as may be required or as such Authorised Representative may deem necessary, advisable or appropriate in his discretion in order to carry out the transactions contemplated by, and the purposes and intents of, the foregoing resolutions, all such actions to be performed in such manner, and all such acknowledgments, agreements, certificates, contracts, powers of attorney, instruments, notices, corporate authorisations and other documents to be executed and delivered in such form as the Authorised Representative performing or executing the same shall approve, the performance or execution thereof by such Authorised Representative to be conclusive evidence of the approval thereof by such Authorised Representative and by the Board, without the necessity of further approval by the Board.

The Board finally resolved to fully indemnify each Authorised Representative (to the extent permitted by law), and to keep each such person fully indemnified, against any costs, claims, expenses, losses, liabilities and damages suffered by such person in connection with the powers granted to him/her in the above resolutions or in the exercise of any of the powers conferred, or purported to be conferred, on him by such resolutions.”

13.3.2.d Statutory auditor's opinion

On 20 January 2020, the statutory auditor delivered its report, which has been attached as to the minutes of the Board meeting of 19 June 2019. The conclusion of the report of the statutory auditor reads as follows:

In accordance with article 524 of the Companies Code we issue in our capacity as statutory auditor of Nyrstar NV (the "Company") our judgement on the accuracy of the information mentioned in the advice by the committee of independent directors and in the minutes of the board of directors. This report is attached to the minutes of the board of directors.

We have taken note of:

- *The advice by the committee of independent directors (undated) prepared in accordance with article 524 §2 of the Companies Code;*
- *The report of the independent expert, Grant Thornton UK LLP, dated 19 June 2019 and included as appendix to the advice by the committee of independent directors; and*
- *The minutes of the meeting of the board of directors of 19 June 2019. The application of article 524 is addressed in chapters "3. Discussion on the Report of Grant Thornton and of the Report of the Committee", "4. Discussion on the Report of Grant Thornton and of the Report of the Committee", "7. Deliberation on, justification and benefit of the Transactions and the restructuring agreements and description of the financial consequences" and "8. Approval of the transactions and the restructuring agreements" (together the "Relevant Chapters").*

Responsibilities of the statutory auditor

Our responsibility is to issue a judgement on the accuracy of the information mentioned in the advice by the committee of independent directors and in the minutes of the board of directors in accordance with article 524 §3 of the Companies Code. Our report is not intended to express a judgement on the fairness or opportunity of the contemplated transaction nor whether the transaction is rightful and fair ("no fairness opinion"). Our judgement relates to the information, more specifically the financial and accounting data, included in the advice by the committee of independent directors and in the Relevant Chapters of the minutes of the board of directors.

We have performed our engagement in accordance with the standards applicable in Belgium and the procedures as recommended by the Institut des Réviseurs d'Entreprises / Instituut van de Bedrijfsrevisoren for similar engagements. In the framework of this engagement, we have to assess whether we have identified facts that suggest the financial and accounting data as a whole - included in the advice by the committee of independent directors and in the Relevant Chapters of the minutes of the board of directors - are not accurate in all material respects. We have complied with all ethical requirements applicable in Belgium in relation to this engagement, including those regarding independence.

To make our assessment on the financial and accounting data included in the advice by the committee of independent directors and the Relevant Chapters of the minutes of the board of directors we:

- *Verify whether the conclusion in the minutes of the board of directors corresponds to the conclusion in the advice by the committee of independent directors;*
- *Verify whether the financial and accounting data included in the advice by the committee of independent directors and the Relevant Chapters of the minutes of the board of directors corresponds with the underlying documentation, including but not limited to the report of the independent expert, Grant Thornton UK LLP, and the lock-up agreement dated 14 April 2019; and*
- *Confirm that there are no material inconsistencies between these financial and accounting data and the information that we became aware of during our audit procedures as statutory auditor of the Company.*

The above procedures do not constitute an audit in accordance with International Standards on Auditing. Had we performed additional procedures or had we performed an audit on the financial and accounting data in accordance with International Standards on Auditing (or relevant national standards or practices), other matters might have come to our attention that would have been reported to you. Therefore, we do not express an audit opinion on the financial and accounting data.

Conclusion

Based on the procedures performed and as already noted in our statutory auditor's report to the shareholders' meeting on the annual accounts for the year ended 31 December 2018 dated 27 September 2019, the combined effect of the following elements could result in information that we were not aware of that has not been reflected in the advice of the committee of independent directors and in the Relevant Chapters of the minutes of the board of directors:

- *the exceptional nature of the operational and financial circumstances the Group has been facing resulting in the Capital Structure Review initiated in October 2018 and the following restructuring activities concluded on 31 July 2019 with Trafigura becoming the owner of 98% of all of the subsidiaries of the Company (excluding a newly incorporated English holding company of NewCo) and the highly fluid nature of decision making during this time;*
- *the significance and quantum of the related party transactions entered into by the Group of which the most significant are with Trafigura; as well as*
- *control deficiencies identified in relation to the financial reporting environment, including but not limited to complete and accurate recordkeeping of discussions held at meetings of the board of directors and relevant special or ad hoc sub-committees.*

As a result we are unable to issue a judgement on the accuracy of the information included in the advice by the independent directors committee and in Relevant Chapters of the minutes of the board of directors.

Limitation of use of our report

Our report is solely for the purpose set forth above and is provided to you solely for the information and use by the board of directors of the Company in the framework of the application of article 524 of the Companies Code. Hence it cannot be used for any other purpose.

Antwerp, 20 January 2020

The statutory auditor

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises CVBA/SCRL

Represented by Ine Nuyts

14. Information provided in accordance with article 34 of the Royal Decree dated 14 November 2007

The elements that need to be provided in accordance with article 34 of the Royal Decree dated 14 November 2007 to the extent that these elements could have consequences in the event of a public takeover bid are discussed in detail in the corporate governance statement as attached to this report as annex B.

15. Audit committee

The Audit Committee consists of at least three directors. All members of the Audit Committee are non-executive directors. According to the Belgian Code of Companies and Associations, all members of the Audit Committee must be non-executive directors, and at least one member must be independent within the meaning of the 2020 Belgian Code on Corporate Governance. The members of the Audit Committee at 31 December 2019 were Anne Fahy (Chairman), Jane Moriarty and Carole Cable. The current composition of the Audit Committee complies with the Belgian Code of Companies and Associations.

The members of the Audit Committee must have a collective competence in the business activities of the Company as well as accounting, auditing and finance. The current Chairman of the Audit Committee is competent in accounting and auditing as evidenced by her previous role as Chief Financial Officer of BP's Aviation Fuels business. According to the Board of Directors, the other members of the Audit Committee also satisfy this requirement, as evidenced by the different senior management and director mandates that they have held in the past and currently hold (see also "*—Other mandates*").

The role of the Audit Committee is to:

- inform the Board of Directors of the result of the audit of the financial statements and the manner in which the audit has contributed to the integrity of the financial reporting and the role that the Audit Committee has played in that process;
- monitor the financial reporting process, and to make recommendations or proposals to ensure the integrity of the process;
- monitor the efficiency of the Company's internal control and risk management systems, and the Company's internal audit process and its effectiveness;
- monitor the audit of the financial statements, including the follow-up questions and recommendations made by the statutory auditor;
- assess and monitor the independence of the statutory auditor, in particular with respect to the appropriateness of the provision of additional services to the Company; and
- make recommendations to the Board of Directors on the selection, appointment and remuneration of the statutory auditor.

The Audit Committee regularly reports to the Board of Directors on the exercise of its missions, including when preparing the financial statements.

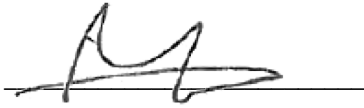
In principle, the Audit Committee meets as frequently as necessary for the efficiency of the operation of the Audit Committee, but at least four times a year. The members of the Audit Committee must have full access to the Chief Financial Officer.

16. Discharge

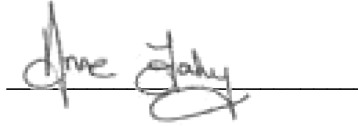
The Board of Directors requests the shareholders of the Company to approve the statutory financial statements attached hereto and to grant discharge to the Directors of the Company and to the statutory auditor for the exercise of their mandate during this financial year of the Company.

Brussels, 12 February 2020.

On behalf of the Board of Directors,

A handwritten signature in black ink, consisting of a stylized 'M' followed by a horizontal line and a small flourish.

Martyn Konig
Director

A handwritten signature in black ink, consisting of the name 'Anne Fahy' written in a cursive style.

Anne Fahy
Director

Annex A: Statutory financial statements of Nyrstar NV for the year ended 31 December 2019

Annex B: Statement of responsibility of Nyrstar NV for the year ended 31 December 2019

Annex C: Corporate governance statement in accordance with article 3:6 §2 of Belgian Code of Companies and Associations

Annex D: Remuneration Report in accordance with article 3:6 §3 of Belgian Code of Companies and Associations

Annex A

Statutory financial statements of Nyrstar NV for the year ended 31 December 2019

[Separate document]

Annex B

Statement of responsibility of Nyrstar NV for the year ended 31 December 2019

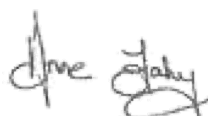
The undersigned, Martyn Konig, Chairman of the Board of Directors, and Anne Fahy, Director, declare that, to the best of their knowledge:

- a. the statutory financial statements for the year ended 31 December 2019 which have been prepared in accordance with Belgian Code of Companies and Associations give a true and fair view of the assets, the financial position and income statement of the issuer;
- b. any significant transactions with related parties and their impact on the statutory financial statements have been disclosed in the financial information;
- c. there have been no material changes to the risks and uncertainties for the Group as outlined in the 2018 Annual Report; these risks and uncertainties remain applicable for the financial performance of the Company until the finalisation of the Nyrstar Group restructuring at 31 July 2019. For the remainder of 2019 the risks and uncertainties relate primarily to the Company's 2% ownership in the Operating Group.

Brussels, 12 February 2020



Martyn Konig
Chairman of the Board of Directors



Anne Fahy
Director

Annex C

Corporate governance statement in accordance with article 96 3:6 §2 par. 2 of Belgian Code of Companies and Associations

[Separate document]

Annex D

Remuneration Report in accordance with article 3:6 §3 of Belgian Code of Companies and Associations

[Separate document]

40				1	EUR	
NAT.	Date of the deposition	No. 0888728945	pp.	E.	D.	C 1

**ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE DEPOSITED
IN ACCORDANCE WITH THE COMPANIES CODE**

IDENTIFICATION (on the date of deposition)

NAME: **Nyrstar**

Legal form: **PLC**

Address: **Zinkstraat**

Nr.: **1**

Postal Code: **2490**

City: **Balen**

Country: **Belgium**

Register of Legal Persons (RLP) - Office of the Business Court at: **Antwerpen, Division Turnhout**

Internet address : ¹

Company number: **0888728945**

DATE **9/04/2019** of the deposition of the partnership deed OR of the most recent document mentioning the date of publication of the partnership deed and the act changing the articles of association.

ANNUAL ACCOUNTS **IN EURO (2 decimals)** ²

ANNUAL ACCOUNTS approved by the General Meeting of

16/04/2020

concerning the financial year covering the period from

1/01/2019

till

31/12/2019

Previous period from

1/01/2018

till

31/12/2018

The amounts of the previous financial year are / ~~are not~~ ³ identical to those which have been previously published.

Total number of pages deposited: **47**

Number of the pages of the standard form not deposited for not being of service: 6.1, 6.2.1, 6.2.2, 6.2.3, 6.2.4, 6.2.5, 6.3.1, 6.3.3, 6.3.4, 6.3.5, 6.3.6, 6.4.2, 6.5.2, 6.17, 6.18.2, 7, 8, 9, 11, 12, 13, 14, 15, 16

Signature
(name and position)

Martyn Konig
Director

Signature
(name and position)

Anne Fahy
Director

¹ Optional statement.

² If necessary, adjust the unit and currency in which the amounts are expressed

³ Delete where appropriate.

**LIST OF DIRECTORS, MANAGERS AND AUDITORS
AND DECLARATION ABOUT SUPPLEMENTARY
AUDITING OR ADJUSTMENT MISSION****LIST OF DIRECTORS, MANAGERS AND AUDITORS**

COMPLETE LIST WITH name, first name, profession, residence-address (address, number, postal code, municipality) and position with the enterprise

Konig Martyn

Zinkstraat 1, 2490 Balen, Belgium

Title : President of the board of directors

Mandate : 5/11/2019- 27/06/2023

Cox Christopher

Zinkstraat 1, 2490 Balen, Belgium

Title : Director

Mandate : 29/04/2015- 5/11/2019

Cable Carole

Zinkstraat 1, 2490 Balen, Belgium

Title : Director

Mandate : 20/04/2017- 29/06/2021

Fahy Anne

Zinkstraat 1, 2490 Balen, Belgium

Title : Director

Mandate : 27/04/2016- 30/06/2020

Fernandez Jesús

Zinkstraat 1, 2490 Balen, Belgium

Title : Director

Mandate : 27/04/2016- 24/02/2019

Rode Hilmar

Zinkstraat 1, 2490 Balen, Belgium

Title : Director

Mandate : 20/04/2017- 30/09/2019

Moriarty Jane

Zinkstraat 1, 2490 Balen, Belgium

Title : Director

Mandate : 14/03/2019- 27/06/2023

Deloitte Bedrijfsrevisoren CVBA 0429.053.863

Gateway building, Luchthaven Brussel Nationaal 1, box J, 1930 Zaventem, Belgium

Title : Auditor, Membership number : IBR 00025

Mandate : 19/04/2018- 29/06/2021

Represented by:

1. Nuyts Ine

Lange Lozanastraat 270 , 2018 Antwerpen 1, Belgium

, Membership number : IBR A02183

DECLARATION ABOUT SUPPLEMENTARY AUDITING OR ADJUSTMENT MISSION

The managing board declares that the assignment neither regarding auditing nor adjusting has been given to a person who was not authorised by law pursuant to art. 34 and 37 of the Law of 22nd April 1999 concerning the auditing and tax professions.

Have the annual accounts been audited or adjusted by an external accountant or auditor who is not an statutory auditor ? ~~Yes~~ / No

If YES, mention here after: name, first names, profession, residence-address of each external accountant or auditor, the number of membership with the professional Institute ad hoc and the nature of this engagement:

- A. Bookkeeping of the undertaking **,
- B. Preparing the annual accounts **,
- C. Auditing the annual accounts and/or
- D. Adjusting the annual accounts.

If the assignment mentioned either under A or B is performed by authorised accountants or authorised accountants-tax consultants, information will be given on: name, first names, profession and residence-address of each authorised accountant or accountant-tax consultant, his number of membership with the Professional Institute of Accountants and Tax consultants and the nature of this engagement.

Name, first name, profession, residence-address	Number of membership	Nature of the engagement (A, B, C and/or D)

* Delete where appropriate.

** Optional disclosure.

ANNUAL ACCOUNTS

BALANCE SHEET AFTER APPROPRIATION

	Notes	Codes	Period	Previous period
ASSETS				
FORMATION EXPENSES	6.1	20		
FIXED ASSETS		21/28	50.000,88	26.942.964,71
Intangible fixed assets	6.2	21		
Tangible fixed assets	6.3	22/27		531,94
Land and buildings		22		
Plant, machinery and equipment		23		531,94
Furniture and vehicles		24		
Leasing and other rights		25		
Other tangible fixed assets		26		
Tangible assets under construction and advance payments made		27		
Financial fixed assets	6.4 / 6.5.1	28	50.000,88	26.942.432,77
Affiliated enterprises	6.15	280/1	0,88	15.395.252,57
Participating interests		280	0,88	15.395.252,57
Amounts receivable		281		
Other enterprises linked by participating interests	6.15	282/3		
Participating interests		282		
Amounts receivable		283		
Other financial assets		284/8	50.000,00	11.547.180,20
Shares		284		
Amounts receivable and cash guarantees		285/8	50.000,00	11.547.180,20

	Notes	Codes	Period	Previous period
CURRENT ASSETS		29/58	<u>17.148.936,52</u>	<u>378.334.332,81</u>
Amounts receivable after more than one year		29		270.000.000,00
Trade debtors		290		
Other amounts receivable		291		270.000.000,00
Stocks and contracts in progress		3		
Stocks		30/36		
Raw materials and consumables		30/31		
Work in progress		32		
Finished goods		33		
Goods purchased for resale		34		
Immovable property intended for sale		35		
Advance payments		36		
Contracts in progress		37		
Amounts receivable within one year		40/41	344.345,34	103.160.091,26
Trade debtors		40		3.114.771,72
Other amounts receivable		41	344.345,34	100.045.319,54
Current investments	6.5.1 / 6.6	50/53	15.395.000,00	
Own shares		50		
Other investments and deposits		51/53	15.395.000,00	
Cash at bank and in hand		54/58	1.274.246,37	382.010,52
Deferred charges and accrued income	6.6	490/1	135.344,81	4.792.231,03
TOTAL ASSETS		20/58	17.198.937,40	405.277.297,52

	Notes	Codes	Period	Previous period
EQUITY AND LIABILITIES				
EQUITY		10/15	10.987.654,69	12.424.467,77
Capital	6.7.1	10	114.134.760,97	114.134.760,97
Issued capital		100	114.134.760,97	114.134.760,97
Uncalled capital ⁴		101		
Share premium account		11	1.216.395.875,47	1.216.395.875,47
Revaluation surpluses		12		
Reserves		13	16.257.028,06	16.257.028,06
Legal reserve		130	16.257.028,06	16.257.028,06
Reserves not available		131		
In respect of own shares held		1310		
Others		1311		
Untaxed reserves		132		
Available reserves		133		
Accumulated profits (losses)(+)/(-)		14	-1.335.800.009,81	-1.334.363.196,73
Investment grants		15		
Advance to associates on the sharing out of the assets ⁵		19		
PROVISIONS AND DEFERRED TAXES		16	2.327.785,00	101.695.382,00
Provisions for liabilities and charges		160/5	2.327.785,00	101.695.382,00
Pensions and similar obligations		160		
Taxation		161		
Major repairs and maintenance		162		
Environmental liabilities		163		
Other risks and costs	6.8	164/5	2.327.785,00	101.695.382,00
Deferred taxes		168		

⁴ Amount to be deducted from the issued capital.

⁵ Amount to be deducted from the other components of equity.

	Notes	Codes	Period	Previous period
AMOUNTS PAYABLE		17/49	3.883.497,71	291.157.447,75
Amounts payable after more than one year	6.9	17		105.372.142,67
Financial debts		170/4		105.372.142,67
Subordinated loans		170		
Unsubordinated debentures		171		105.372.142,67
Leasing and other similar obligations		172		
Credit institutions		173		
Other loans		174		
Trade debts		175		
Suppliers		1750		
Bills of exchange payable		1751		
Advances received on contracts in progress		176		
Other amounts payable		178/9		
Amounts payable within one year	6.9	42/48	3.881.031,95	183.085.999,43
Current portion of amounts payable after more than one year falling due within one year		42		
Financial debts		43	3.000.000,00	
Credit institutions		430/8		
Other loans		439	3.000.000,00	
Trade debts		44	756.917,15	4.052.409,68
Suppliers		440/4	756.917,15	4.052.409,68
Bills of exchange payable		441		
Advances received on contracts in progress		46		
Taxes, remuneration and social security	6.9	45	40.588,13	617.855,30
Taxes		450/3	15.970,53	27.450,01
Remuneration and social security		454/9	24.617,60	590.405,29
Other amounts payable		47/48	83.526,67	178.415.734,45
Accrued charges and deferred income	6.9	492/3	2.465,76	2.699.305,65
TOTAL LIABILITIES		10/49	17.198.937,40	405.277.297,52

INCOME STATEMENT

	Notes	Codes	Period	Previous period
Operating income and charges		70/76A	3.412.614,97	15.211.955,20
Turnover	6.10	70	3.412.614,97	15.211.955,20
Increase (decrease) in stocks of finished goods, work and contracts in progress(+)/(-)		71		
Own construction capitalised		72		
Other operating income	6.10	74		
Non-recurring operating income	6.12	76A		
Operating charges		60/66A	15.415.570,39	124.376.483,24
Raw materials, consumables		60		
Purchases		600/8		
Decrease (increase) in stocks(+)/(-)		609		
Services and other goods		61	11.841.853,21	15.070.686,86
Remuneration, social security costs and pensions ..(+)/(-)	6.10	62	1.245.586,04	2.251.056,84
Depreciation of and amounts written off formation expenses, intangible and tangible fixed assets		630	346,14	4.775.391,76
Increase, Decrease in amounts written off stocks contracts in progress and trade debtors: Appropriations (write-backs)(+)/(-)		631/4		
Provisions for risks and charges - Appropriations (uses and write-backs)(+)/(-)	6.10	635/8		-3.656.601,98
Other operating charges	6.10	640/8		
Operation charges carried to assets as restructuring costs		649		
Non-recurring operating charges	6.12	66A	2.327.785,00	105.935.949,76
Operating profit (loss)(+)/(-)		9901	-12.002.955,42	-109.164.528,04

	Notes	Codes	Period	Previous period
Financial income		75/76B	115.352.998,57	11.509.195,69
Recurring financial income		75	5.412.275,83	11.509.195,69
Income from financial fixed assets		750		
Income from current assets		751	5.009.161,57	11.494.650,47
Other financial income	6.11	752/9	403.114,26	14.545,22
Non-recurring financial income	6.12	76B	109.940.722,74	
Financial charges	6.11	65/66B	104.782.460,06	1.236.702.696,11
Recurring financial charges		65	6.154.576,87	16.677.799,57
Debt charges		650	6.034.170,58	16.672.293,66
Amounts written down on current assets except stocks, contracts in progress and trade debtors(+)/(-)		651		
Other financial charges		652/9	120.406,29	5.505,91
Non recurring financial charges	6.12	66B	98.627.883,19	1.220.024.896,54
Profit (loss) for the period before taxes(+)/(-)		9903	-1.432.416,91	-1.334.358.028,46
Transfer from postponed taxes		780		
Transfer to postponed taxes		680		
Income taxes(+)/(-)	6.13	67/77	4.396,17	5.168,27
Income taxes		670/3	4.396,17	5.168,27
Adjustment of income taxes and write-back of tax provisions		77		
Profit (loss) for the period(+)/(-)		9904	-1.436.813,08	-1.334.363.196,73
Transfer from untaxed reserves		789		
Transfer to untaxed reserves		689		
Profit (loss) for the period available for appropriation(+)/(-)		9905	-1.436.813,08	-1.334.363.196,73

APPROPRIATION ACCOUNT

	Codes	Period	Previous period
Profit (loss) to be appropriated(+)/(-)	9906	-1.335.800.009,81	-1.350.013.017,73
Gain (loss) to be appropriated(+)/(-)	(9905)	-1.436.813,08	-1.334.363.196,73
Profit (loss) to be carried forward(+)/(-)	14P	-1.334.363.196,73	-15.649.821,00
Transfers from capital and reserves	791/2		15.649.821,00
from capital and share premium account	791		15.649.821,00
from reserves	792		
Transfers to capital and reserves	691/2		
to capital and share premium account	691		
to the legal reserve	6920		
to other reserves	6921		
Profit (loss) to be carried forward(+)/(-)	(14)	-1.335.800.009,81	-1.334.363.196,73
Owner's contribution in respect of losses	794		
Profit to be distributed	694/7		
Dividends	694		
Director's or managers' entitlements	695		
Workers	696		
Other beneficiaries	697		

	Codes	Period	Previous period
PLANT, MACHINERY AND EQUIPMENT			
Acquisition value at the end of the period	8192P	xxxxxxxxxxxxxxx	6.260,00
Movements during the period			
Acquisitions, including produced fixed assets	8162		
Sales and disposals	8172	6.260,00	
Transfers from one heading to another(+)/(-)	8182		
Acquisition value at the end of the period	8192		
Revaluation surpluses at the end of the period	8252P	xxxxxxxxxxxxxxx	
Movements during the period			
Recorded	8212		
Acquisitions from third parties	8222		
Cancelled	8232		
Transfers from one heading to another(+)/(-)	8242		
Revaluation surpluses at the end of the period	8252		
Depreciation and amounts written down at the end of the period	8322P	xxxxxxxxxxxxxxx	5.728,00
Movements during the period			
Recorded	8272	346,14	
Written back	8282		
Acquisitions from third parties	8292		
Cancelled owing to sales and disposals	8302	6.074,14	
Transfers from one heading to another(+)/(-)	8312		
Depreciation and amounts written down at the end of the period	8322		
NET BOOK VALUE AT THE END OF THE PERIOD	(23)		

STATEMENT OF FINANCIAL FIXED ASSETS

	Codes	Period	Previous period
AFFILIATED ENTERPRISES - PARTICIPATING INTERESTS AND SHARES			
Acquisition value at the end of the period	8391P	xxxxxxxxxxxxxx	3.225.781.690,00
Movements during the period			
Acquisitions, including produced fixed assets	8361	0,88	
Sales and disposals	8371	3.225.781.690,00	
Transfers from one heading to another(+)/(-)	8381		
Acquisition value at the end of the period	8391	0,88	
Revaluation surpluses at the end of the period	8451P	xxxxxxxxxxxxxx	
Movements during the period			
Recorded	8411		
Acquisitions from third parties	8421		
Cancelled	8431		
Transfers from one heading to another(+)/(-)	8441		
Revaluation surpluses at the end of the period	8451		
Amounts written down at the end of the period	8521P	xxxxxxxxxxxxxx	3.210.386.437,00
Movements during the period			
Recorded	8471		
Written back	8481		
Acquisitions from third parties	8491		
Cancelled owing to sales and disposals	8501	3.210.386.437,00	
Transfers from one heading to another(+)/(-)	8511		
Amounts written down at the end of the period	8521		
Uncalled amounts at the end of the period	8551P	xxxxxxxxxxxxxx	
Movements during the period(+)/(-)	8541		
Uncalled amounts at the end of the period	8551		
NET BOOK VALUE AT THE END OF THE PERIOD	(280)	0,88	
AFFILIATED ENTERPRISES - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	281P	xxxxxxxxxxxxxx	
Movements during the period			
Additions	8581		
Repayments	8591		
Amounts written down	8601		
Amounts written back	8611		
Exchange differences(+)/(-)	8621		
Other(+)/(-)	8631		
NET BOOK VALUE AT THE END OF THE PERIOD	(281)		
ACCUMULATED AMOUNTS WRITTEN OFF ON AMOUNTS RECEIVABLE AT THE END OF THE PERIOD	8651		

	Codes	Period	Previous period
OTHER ENTERPRISES - PARTICIPATING INTERESTS AND SHARES			
Acquisition value at the end of the period	8393P	xxxxxxxxxxxxxxx	
Movements during the period			
Acquisitions, including produced fixed assets	8363		
Sales and disposals	8373		
Transfers from one heading to another(+)/(-)	8383		
Acquisition value at the end of the period	8393		
Revaluation surpluses at the end of the period	8453P	xxxxxxxxxxxxxxx	
Movements during the period			
Recorded	8413		
Acquisitions from third parties	8423		
Cancelled	8433		
Transfers from one heading to another(+)/(-)	8443		
Revaluation surpluses at the end of the period	8453		
Amounts written down at the end of the period	8523P	xxxxxxxxxxxxxxx	
Movements during the period			
Recorded	8473		
Written back	8483		
Acquisitions from third parties	8493		
Cancelled owing to sales and disposals	8503		
Transfers from one heading to another(+)/(-)	8513		
Amounts written down at the end of the period	8523		
Uncalled amounts at the end of the period	8553P	xxxxxxxxxxxxxxx	
Movements during the period(+)/(-)	8543		
Uncalled amounts at the end of the period	8553		
NET BOOK VALUE AT THE END OF THE PERIOD	(284)		
OTHER ENTERPRISES - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	285/8P	xxxxxxxxxxxxxxx	11.547.180,20
Movements during the period			
Additions	8583	50.000,00	
Repayments	8593	11.547.180,20	
Amounts written down	8603		
Amounts written back	8613		
Exchange differences(+)/(-)	8623		
Other(+)/(-)	8633		
NET BOOK VALUE AT THE END OF THE PERIOD	(285/8)	50.000,00	
ACCUMULATED AMOUNTS WRITTEN OFF ON AMOUNTS RECEIVABLE AT THE END OF THE PERIOD	8653		

INFORMATION RELATING TO THE SHARE IN THE CAPITAL

SHARE IN THE CAPITAL AND OTHER RIGHTS IN OTHER COMPANIES

List of both enterprises in which the enterprise holds a participating interest (recorded in the headings 280 and 282 of assets) and other enterprises in which the enterprise holds rights (recorded in the headings 284 and 51/53 of assets) in the amount of at least 10% of the capital issued.

NAME, full address of the REGISTERED OFFICE and for the enterprise governed by Belgian law, the COMPANY NUMBER	Shares held by				Information from the most recent period for which annual accounts are available			
	Nature	directly		subsidiaries	Primary financial statement	Mone- tary unit	Capital and reserves	Net result
		Number	%	%			(+) of (-) (in units)	
NN1 NewCo Limited Suite 1, 3rd Floor 11 , box 12 SW1Y4LB London United Kingdom 12049737	ordinary shares	1	100,00	0,00	30/06/2020	USD	1	0

OTHER INVESTMENTS AND DEPOSIT, DEFFERED CHARGES AND ACCRUED INCOME (ASSETS)

INVESTMENTS: OTHER INVESTMENTS AND DEPOSITS

Shares and current investments other than fixed income investments ..

Shares - Book value increased with the uncalled amount

Shares - Uncalled amount

Precious metals and works of art

Fixed income securities

Fixed income securities issued by credit institutions

Fixed term accounts with credit institutions

With residual term or notice of withdrawal

up to one month

between one month and one year

over one year

Other investments not mentioned above

Codes	Period	Previous period
51	15.395.000,00	
8681	15.395.000,00	
8682		
8683		
52		
8684		
53		
8686		
8687		
8688		
8689		

DEFFERED CHARGES AND ACCRUED INCOME

Allocation of heading 490/1 of assets if the amount is significant.

Insurance expenses

Period
135.344,81

STATEMENT OF CAPITAL AND SHAREHOLDING STRUCTURE

STATEMENT OF CAPITAL

Social capital

Issued capital at the end of the period

Issued capital at the end of the period

Codes	Period	Previous period
100P	XXXXXXXXXXXXXX	114.134.760,97
(100)	114.134.760,97	

Changes during the period

Structure of the capital

Different categories of shares

Registered shares

Shares dematerialized

Codes	Amounts	Number of shares
	114.134.761,00	109.873.001
8702	XXXXXXXXXXXXXX	78.864
8703	XXXXXXXXXXXXXX	109.794.137

Capital not paid

Uncalled capital

Capital called, but not paid

Shareholders having yet to pay up in full

Codes	Uncalled capital	Capital called, but not paid
(101)		XXXXXXXXXXXXXX
8712	XXXXXXXXXXXXXX	

OWN SHARES

Held by the company itself

Amount of capital held

Number of shares held

Held by the subsidiaries

Amount of capital held

Number of shares held

Commitments to issue shares

Owing to the exercise of conversion rights

Amount of outstanding convertible loans

Amount of capital to be subscribed

Corresponding maximum number of shares to be issued

Owing to the exercise of subscription rights

Number of outstanding subscription rights

Amount of capital to be subscribed

Corresponding maximum number of shares to be issued

Authorized capital, not issued

Codes	Period
8721	
8722	
8731	
8732	
8740	
8741	
8742	
8745	
8746	
8747	
8751	

Shared issued, not representing capital

Distribution

Number of shares held

Number of voting rights attached thereto

Allocation by shareholder

Number of shares held by the company itself

Number of shares held by its subsidiaries

Codes	Period
8761	
8762	
8771	
8781	

STRUCTURE OF SHAREHOLDINGS OF THE ENTERPRISE AT YEAR-END CLOSING DATE

as shown by the notifications received by the company in accordance with the Companies Code, Article 631 §2 and Article 632 §2; the act of 2 May 2007 on the disclosure of major holdings, Article 14, paragraph four; and the Royal Decree of 21 August 2008 comprising further rules on certain multilateral trading facilities, Article 5.

Shareholder structure**Share capital**

The registered capital amounts to € 114,134,760.97 represented by 109,873,001 shares.

Voting rights

The current number of voting rights (the "denominator") amounts to 109,873,001.

Company thresholds

In addition to the legal thresholds of 5%, or any multiple of 5%, Nyrstar has adopted the following lower and intermediate thresholds: 3% and 7.5%. (Article 8 of Nyrstar's Articles of Association).

Shareholder structure

Nyrstar's investor base primarily consists of institutional investors in the UK, the US, Belgium and other European countries, as well as Belgian retail investors.

Notifications of shareholdings above the 3% threshold have been received from the following shareholders:

Urion Holdings (Malta) Ltd, a subsidiary of Trafigura B.V. 24,42%

Kris Vansanten, 5,01%

PROVISIONS FOR OTHER LIABILITIES AND CHARGES

ANALYSIS OF THE HEADING 164/5 OF LIABILITIES IF THE AMOUNT IS SIGNIFICANT

Provision for liquidation

Provision for DSU's

Period
2.300.000,00
27.785,00

STATEMENT OF AMOUNTS PAYABLE, ACCRUED CHARGES AND DEFERRED INCOME

BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM

Current portion of amounts payable after more than one year falling due within one year

Financial debts	8801
Subordinated loans	8811
Unsubordinated debentures	8821
Leasing and other similar obligations	8831
Credit institutions	8841
Other loans	8851
Trade debts	8861
Suppliers	8871
Bills of exchange payable	8881
Advance payments received on contracts in progress	8891
Other amounts payable	8901

Total amounts payable after more than one year, not more than one year (42)

Amounts payable after more than one year, between one and five years

Financial debts	8802
Subordinated loans	8812
Unsubordinated debentures	8822
Leasing and other similar obligations	8832
Credit institutions	8842
Other loans	8852
Trade debts	8862
Suppliers	8872
Bills of exchange payable	8882
Advance payments received on contracts in progress	8892
Other amounts payable	8902

Total amounts payable after more than one year, between one and five years 8912

Amounts payable after more than one year, over five years

Financial debts	8803
Subordinated loans	8813
Unsubordinated debentures	8823
Leasing and other similar obligations	8833
Credit institutions	8843
Other loans	8853
Trade debts	8863
Suppliers	8873
Bills of exchange payable	8883
Advance payments received on contracts in progress	8893
Other amounts payable	8903

Total amounts payable after more than one year, over five years 8913

Codes	Period

AMOUNTS PAYABLE GUARANTEED (headings 17 and 42/48 of liabilities)

Amounts payable guaranteed by Belgian public authorities

	Codes	Period
Financial debts	8921	
Subordinated loans	8931	
Unsubordinated debentures	8941	
Leasing and other similar obligations	8951	
Credit institutions	8961	
Other loans	8971	
Trade debts	8981	
Suppliers	8991	
Bills of exchange payable	9001	
Advance payments received on contracts in progress	9011	
Remuneration and social security	9021	
Other amounts payable	9051	
Total amounts payable guaranteed by Belgian public authorities	9061	

Amounts payable guaranteed by real guarantees given or irrevocably promised by the enterprise on its own assets

Financial debts	8922	3.000.000,00
Subordinated loans	8932	
Unsubordinated debentures	8942	
Leasing and other similar obligations	8952	
Credit institutions	8962	
Other loans	8972	3.000.000,00
Trade debts	8982	
Suppliers	8992	
Bills of exchange payable	9002	
Advance payments received on contracts in progress	9012	
Taxes, remuneration and social security	9022	
Taxes	9032	
Remuneration and social security	9042	
Other amounts payable	9052	
Total amounts payable guaranteed by real guarantees given or irrevocably promised by the enterprise on its own assets	9062	3.000.000,00

AMOUNTS PAYABLE FOR TAXES, REMUNERATION AND SOCIAL SECURITY
Taxes (headings 450/3 and 178/9 of the liabilities)

Expired taxes payable	9072	
Non expired taxes payable	9073	15.970,53
Estimated taxes payable	450	
Remuneration and social security (headings 454/9 and 178/9 of the liabilities)		
Amount due to the National Office of Social Security	9076	
Other amounts payable relating to remuneration and social security	9077	24.617,60

ACCRUED CHARGES AND DEFERRED INCOME

Allocation of heading 492/3 of liabilities if the amount is significant

TR Accrued Interest Payable

Period
2.465,76

OPERATING RESULTS

OPERATING INCOME

Net turnover

Broken down by categories of activity

Allocation into geographical markets

Other operating income

Operating subsidies and compensatory amounts received from public authorities

OPERATING COSTS

Employees for whom the company has submitted a DIMONA declaration or are recorded in the general personnel register

Total number at the closing date

Average number of employees calculated in full-time equivalents

Number of actual worked hours

Personnel costs

Remuneration and direct social benefits

Employers' social security contributions

Employers' premiums for extra statutory insurances

Other personnel costs

Old-age and widows' pensions

Codes	Period	Previous period
740		
9086		9
9087	9,0	9,9
9088	7.786	15.812
620	937.087,34	1.488.668,00
621	193.991,17	418.516,00
622	107.542,25	329.582,00
623	6.965,28	14.290,84
624		

	Codes	Period	Previous period
Provisions for pensions			
Additions (uses and write-back) (+)/(-)	635		
Amounts written off			
Stocks and contracts in progress			
Recorded	9110		
Written back	9111		
Trade debtors			
Recorded	9112		
Written back	9113		
Provisions for risks and charges			
Additions	9115		
Uses and write-back	9116		3.656.601,98
Other operating charges			
Taxes related to operation	640		
Other charges	641/8		
Hired temporary staff and persons placed at the enterprise's disposal			
Total number at the closing date	9096		1
Average number calculated as full-time equivalents	9097	0,4	0,8
Number of actual worked hours	9098	756	1.591
Charges to the enterprise	617	42.843,00	89.088,00

INCOME AND CHARGE OF EXCEPTIONAL SIZE OR INCIDENCE

	Codes	Period	Previous period
NON-RECURRING INCOME	76	109.940.722,74	
Non-recurring operating income	(76A)		
Write-back of depreciation and of amounts written off intangible and tangible fixed assets	760		
Write-back of provisions for extraordinary operating liabilities and charges	7620		
Capital gains on disposal of intangible and tangible fixed asset	7630		
Other non-recurring operating income	764/8		
Non-recurring financial income	(76B)	109.940.722,74	
Write-back of amounts written down financial fixed assets	761		
Write-back of provisions for extraordinary financial liabilities and charges	7621		
Capital gains on disposal of financial fixed assets	7631		
Other non-recurring financial income	769	109.940.722,74	
NON-RECURRING EXPENSES	66	100.955.668,19	1.325.960.846,30
Non-recurring operating charges	(66A)	2.327.785,00	105.935.949,76
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	660		4.240.567,76
Provisions for extraordinary operating liabilities and charges: Appropriations (uses)	6620	-39.357.213,17	101.695.382,00
Capital losses on disposal of intangible and tangible fixed assets	6630		
Other non-recurring operating charges	664/7	41.684.998,17	
Non-recurring operating charges carried to assets as restructuring costs	6690		
Non-recurring financial charges	(66B)	98.627.883,19	1.220.024.896,54
Amounts written off financial fixed assets	661		1.220.024.896,54
Provisions for extraordinary financial liabilities and charges - Appropriations (uses)	6621		
Capital losses on disposal of financial fixed assets	6631		
Other non-recurring financial charges	668	98.627.883,19	
Non-recurring financial charges carried to assets as restructuring costs	6691		

INCOME TAXES AND OTHER TAXES

INCOME TAXES

Income taxes on the result of the period	
Income taxes paid and withholding taxes due or paid	
Excess of income tax prepayments and withholding taxes paid recorded under assets	
Estimated additional taxes	
Income taxes on the result of prior periods	
Additional income taxes due or paid	
Additional income taxes estimated or provided for	

In so far as taxes of the period are materially affected by differences between the profit before taxes as stated in annual accounts and the estimated taxable profit

Movement in the taxable provisions 2019
Other disallowed expenses

Codes	Period
9134	4.396,17
9135	4.396,17
9136	
9137	
9138	
9139	
9140	
	-101.695.382,00

Impact of non recurring results on the amount of the income taxes relating to the current period

Period

Status of deferred taxes

Deferred taxes representing assets	
Accumulated tax losses deductible from future taxable profits	
Other deferred taxes representing assets	
Excess DRD	
Deferred taxes representing liabilities	
Allocation of deferred taxes representing liabilities	

Codes	Period
9141	227.396.534,71
9142	122.354.275,45
	105.042.259,26
9144	

VALUE ADDED TAXES AND OTHER TAXES BORNE BY THIRD PARTIES

Value added taxes charged

To the enterprise (deductible)	
By the enterprise	

Amounts withheld on behalf of third party

For payroll withholding taxes	
For withholding taxes on investment income	

Codes	Period	Previous period
9145	3.402.963,59	2.022.371,00
9146	12.326,27	1.714.951,00
9147	539.324,30	708.737,00
9148		

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

	Codes	Period
PERSONAL GUARANTEES PROVIDED OR IRREVOCABLY PROMISED BY THE ENTERPRISE AS SECURITY FOR DEBTS AND COMMITMENTS OF THIRD PARTIES	9149	235.167.760,30
Of which		
Bills of exchange in circulation endorsed by the enterprise	9150	
Bills of exchange in circulation drawn or guaranteed by the enterprise	9151	
Maximum amount for which other debts or commitments of third parties are guaranteed by the enterprise	9153	
 REAL GUARANTEES		
Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of the enterprise		
Mortgages		
Book value of the immovable properties mortgaged	9161	
Amount of registration	9171	
Pledging of goodwill - Amount of the registration	9181	
Pledging of other assets - Book value of other assets pledged	9191	
Guarantees provided on future assets - Amount of assets involved	9201	
 Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of third parties		
Mortgages		
Book value of the immovable properties mortgaged	9162	
Amount of registration	9172	
Pledging of goodwill - Amount of the registration	9182	
Pledging of other assets - Book value of other assets pledged	9192	
Guarantees provided on future assets - Amount of assets involved	9202	
 GOODS AND VALUES, NOT DISCLOSED IN THE BALANCE SHEET, HELD BY THIRD PARTIES IN THEIR OWN NAME BUT AT RISK TO AND FOR THE BENEFIT OF THE ENTERPRISE		
 SUBSTANTIAL COMMITMENTS TO ACQUIRE FIXED ASSETS		
 SUBSTANTIAL COMMITMENTS TO DISPOSE OF FIXED ASSETS		
 FORWARD TRANSACTIONS		
Goods purchased (to be received)	9213	
Goods sold (to be delivered)	9214	
Currencies purchased (to be received)	9215	
Currencies sold (to be delivered)	9216	

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

COMMITMENTS RELATING TO TECHNICAL GUARANTEES IN RESPECT OF SALES OR SERVICES

Period

AMOUNT, NATURE AND FORM CONCERNING LITIGATION AND OTHER IMPORTANT COMMITMENTS

Period

SUPPLEMENT RETIREMENTS OR SURVIVORS PENSION PLANS IN FAVOUR OF THE PERSONNEL OR THE EXECUTIVES OF THE ENTERPRISE

Brief description

Measures taken by the enterprise to cover the resulting charges

PENSIONS FUNDED BY THE ENTERPRISE

Estimated amount of the commitments resulting from past services

Methods of estimation

Code	Period
9220	

NATURE AND FINANCIAL IMPACT OF SIGNIFICANT EVENTS AFTER THE CLOSING DATE NOT INCLUDED IN THE BALANCE SHEET OR THE INCOME STATEMENT

Disclosed in C 6.20

Period

COMMITMENTS TO PURCHASE OR SALE AVAILABLE TO THE COMPANY AS ISSUER OF OPTIONS FOR SALE OR PURCHASE

Put option the company holds over the investment of the remaining 2% of NN2 with the strike price of EUR 20.0 million that the Company can exercise between 1 February 2020 and 31 July 2022.

Period
20.000.000,00

NATURE AND COMMERCIAL OBJECTIVE OF TRANSACTIONS NOT REFLECTED IN THE BALANCE SHEET

Provided that the risks or advantages coming from these transactions are significant and if the disclosure of the risks or advantages is necessary to appreciate the financial situation of the company

We refer to the put option as described above and in C 6.20.

Period

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

OTHER RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET (including those which can not be quantified)

Parent company guarantees

Until 31 July 2019 the Company was the holding company of the Nyrstar Group. In addition, until 31 July 2019 the Company was a guarantor under the USD 650 million Trade Finance Framework Agreements ("TFFA") and under the USD 250 million Bridge Finance Facility Agreement ("BFFA") both provided to the Company's subsidiary at that time, Nyrstar Sales & Marketing AG by Trafigura. Both guarantees have been released on completion of the Restructuring at 31 July 2019.

Additionally, Nyrstar NV has been released of liabilities for existing financial indebtedness and obligations owed under parent company guarantees of commercial or other obligations of the current members of the Operating Group (or indemnified by NN2 to the extent such guarantee liabilities are not released). The disclosed amount represents the Parent Company guarantees to third parties that have not yet been released per 31.12.2019 for which the company is indemnified. (see 2.3 in C6.20)

Period
235.167.760,30

RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS ENTERPRISES LINKED BY PARTICIPATING INTERESTS

	Codes	Period	Previous period
AFFILIATED ENTERPRISES			
Financial fixed assets	(280/1)	0,88	15.395.252,57
Participating interests	(280)	0,88	15.395.252,57
Subordinated amounts receivable	9271		
Other amounts receivable	9281		
Amounts receivable	9291		377.766.800,00
Over one year	9301		270.000.000,00
Within one year	9311		107.766.800,00
Current investments	9321		
Shares	9331		
Amounts receivable	9341		
Amounts payable	9351		179.717.273,00
Over one year	9361		
Within one year	9371		179.717.273,00
Personal and real guarantees			
Provided or irrevocably promised by the enterprise as security for debts or commitments of affiliated enterprises	9381		2.768.400.232,00
Provided or irrevocably promised by affiliated enterprises as security for debts or commitments of the enterprise	9391		
Other significant financial commitments	9401		
Financial results			
Income from financial fixed assets	9421		
Income from current assets	9431	5.009.157,77	11.494.645,00
Other financial income	9441	27.894,19	14.545,00
Debt charges	9461	748.986,64	2.305.945,00
Other financial charges	9471	29,99	5.506,00
Disposal of fixed assets			
Capital gains obtained	9481		
Capital losses suffered	9491		

RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS ENTERPRISES LINKED BY PARTICIPATING INTERESTS

	Codes	Period	Previous period
ASSOCIATED ENTERPRISES			
Financial fixed assets	9253		
Participating interests	9263		
Subordinated amounts receivable	9273		
Other amounts receivable	9283		
Amounts receivable	9293		
Over one year	9303		
Within one year	9313		
Amounts payable	9353		
Over one year	9363		
Within one year	9373		
Personal and real guarantees			
Provided or irrevocably promised by the enterprise as security for debts or commitments of associated enterprises	9383		
Provided or irrevocably promised by associated enterprises as security for debts or commitments of the enterprise	9393		
Other significant financial commitments	9403		
OTHER ENTERPRISES LINKED BY PARTICIPATING INTERESTS			
Financial fixed assets	9252		
Participating interests	9262		
Subordinated amounts receivable	9272		
Other amounts receivable	9282		
Amounts receivable	9292		
Over one year	9302		
Within one year	9312		
Amounts payable	9352		
Over one year	9362		
Within one year	9372		

**RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS
ENTERPRISES LINKED BY PARTICIPATING INTERESTS**

**TRANSACTIONS WITH ENTERPRISES LINKED BY PARTICIPATING INTERESTS OUT OF MARKET
CONDITIONS**

Mention of these transactions if they are significant, including the amount of the transactions, the nature of the link, and all information about the transactions which should be necessary to get a better understanding of the situation of the company

The relationship with Trafigura is disclosed further in C 6.20

Period

FINANCIAL RELATIONSHIPS WITH

DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS

Amounts receivable from these persons

Conditions on amounts receivable, rate, duration, possibly reimbursed amounts, canceled amounts or renounced amounts

Guarantees provided in their favour

Other significant commitments undertaken in their favour

Amount of direct and indirect remunerations and pensions, included in the income statement, as long as this disclosure does not concern exclusively or mainly, the situation of a single identifiable person

To directors and managers

To former directors and former managers

Codes	Period
9500	
9501	
9502	
9503	615.314,98
9504	

AUDITORS OR PEOPLE THEY ARE LINKED TO

Auditor's fees

Fees for exceptional services or special missions executed in the company by the auditor

Other attestation missions

Tax consultancy

Other missions external to the audit

Fees for exceptional services or special missions executed in the company by people they are linked to

Other attestation missions

Tax consultancy

Other missions external to the audit

Codes	Period
9505	180.000,00
95061	75.000,00
95062	
95063	
95081	
95082	
95083	

Mentions related to article 134 from the Companies Code

INFORMATION RELATING TO CONSOLIDATED ACCOUNTS

INFORMATION TO DISCLOSE BY EACH ENTERPRISE THAT IS SUBJECT TO COMPANY LAW ON THE CONSOLIDATED ACCOUNTS OF ENTERPRISES

~~The enterprise has drawn up published a consolidated annual statement of accounts and a management report*~~

The enterprise has not published a consolidated annual statement of accounts and a management report, since it is exempt for this obligation for the following reason*

~~The enterprise and its subsidiaries on consolidated basis exceed not more than one of limits mentioned in art. 16 of Company Law*~~

The enterprise only has subsidiaries which, considering the assessment of the consolidated assets, consolidated financial position or consolidated results, individual or together, are of a negligible size* (Art. 110 of Company Law)

~~The enterprise itself is a subsidiary of an enterprise which does prepare and publish consolidated accounts in which annual accounts of the enterprise are included*~~

Name, full address of the registered office and, for an enterprise governed by Belgian Law, the company number of the parent company(ies) and the specification whether the parent company(ies) prepare(s) and publish(es) consolidated annual accounts in which the annual accounts of the enterprise are included**

If the parent company(ies) is (are) (an) enterprise(s) governed by foreign law disclose where the consolidated accounts can be obtained**

* Delete where no appropriate.

** Where the accounts of the enterprise are consolidated at different levels, the information should be given for the consolidated aggregate at the highest level on the one hand and the lowest level on the other hand of which the enterprise is a subsidiary and for which consolidated accounts are prepared and published.

VALUATION RULES

Valuation rules Nyrstar NV

General:

The valuation rules are drafted in accordance with the statements of the Royal Decree dd. 29 April 2019 to the execution of the Code of Companies and Associations relating to valuation rules. As a consequence of the Restructuring and the outcomes of the 9 December 2019 EGM, where the shareholders rejected the continuation of the Company's activities, and subject to the outcome of the upcoming new EGM, the Company's intention is not to continue its activity. The Board of Directors of the Company is taking the necessary measures to prepare the necessary reports (Statement of assets and liabilities and the related legal reports) and the convening of a new extraordinary shareholders' meeting to formally decide on the dissolution of the Company, and if approved, appoint a liquidator. As such, the 31 December 2019 financial statements of the Company are prepared on a discontinuity basis. For further information on the Restructuring, we refer to C 6.20.

Specific valuation rules under going concern:

I. Formation expenses and cost of capital increase

Formation expenses are capitalized and depreciated over 3 years. The expenses of capital increase are also capitalized and depreciated over 3 years. The expenses of the issuance of loans are also capitalized and depreciated over the duration of the loan.

II. Intangible assets

Intangible fixed assets are valued at purchase cost. The depreciations are accounted for based on the following terms:

o software: 3 years

o other: 3 to 5 years

III. Tangible assets

Tangible assets are accounted for at historical purchase cost including incidental expenses. The depreciations for these assets is calculated based on the economical lifetime of the related asset and based on the straight-line method. The depreciation terms are defined as follows:

o Land: not amortised

o Buildings: 40 years

o Installations, machinery and equipment: 7 to 15 years

o Furniture and vehicles: 3 to 10 years

o Improvements to rented buildings: 10 year

IV. Financial fixed assets

Participations and receivables are accounted for at historical purchase cost. An impairment on these assets will be recognized in case of sustainable impairment that meets the requirements of prudence, honesty and fair view and is justified by the condition, profitability or outlook of the company. The impairment will be reversed in case it is no longer justified based on the current assessments.

Receivables denominated in foreign currencies are valued at the closing rates on the end of the financial year. The negative (unrealized) exchange rate differences are accounted for in the income statement. As of financial year 2011, based on the principles of prudence, the positive, unrealized exchange rate differences at year end closing date are accounted for as deferred income on the balance sheet.

V. Current assets and liabilities

These are valued at nominal value. Current assets and liabilities denominated in foreign currencies are valued at the closing rates on the end of the financial year. The negative (unrealized) exchange rate differences are accounted for in the income statement. As of financial year 2011, based on the principles of prudence, the positive, unrealized exchange rate differences at balance sheet date are accounted for as deferred income on the balance sheet. An impairment on the nominal value is recognized in case of uncertainty of the receivable at balance closing date. Cashpool positions are shown separately as other receivables (41) and other liabilities (48).

VI. Provisions for liabilities and charges

A provision is recognized to reflect liabilities and charges, resulting from a past event for which the nature is clearly defined, are considered probable or certain at balance sheet date, but for which the amount is uncertain. Provisions resulting from prior accounting years are regularly reviewed and are reversed if they are no longer required or the risks and charges are realized.

The Group operated a leveraged employee stock ownership plan and an executive long-term incentive plan, which, at the Group's discretion, were equity-settled or cash-settled share-based compensation plans. For these share-based payment transactions, the services received and the liability incurred were measured at the fair value of the liability at grant date. The initial measurement of the liability was recognised over the period that services were rendered. At each reporting date, and ultimately at settlement date, the fair value of the liability was remeasured with any changes in fair value recognised in the income statement for the period.

VII. Income statement

The income statement reflects all revenue realized and expenses incurred during the accounting period on an accrual basis, regardless the date on which these expenses and income are paid or collected.

Adjustments recorded with respect to the valuation and the classification of certain balance sheet items as a result of the Company applying the discontinuity basis for the preparation of the 31 December 2019 financial statements:

a) The formation expenses were fully depreciated as required by Article 3:6 of the Royal Decree dd. 29 April 2019 to the execution of the Code of Companies and Associations in the 2018 financial statements.

b) Explanation on determination of expected probable realization value in accordance with Article 3:6 of the Royal Decree dd. 29 April 2019 to the execution of the Code of Companies and Associations.

At 31 December 2019, the Company has, in its current investments, a 2% investment in NN2 at the cost of EUR 15,395,000 and in its participating interests a 100% investment in NN1 valued at USD 1 representing cost of these investments for the Company through the issuance by NN2 of a 2% equity in NN2 to the Company with the remaining 98% equity stake issued to Trafigura New Holdco. The investment in NN2 as at 31 December 2019 of EUR 15,395,000 is carried at the lower of cost and expected probable realisation value, taking into consideration that the Company has a put option to sell all (but not part only) of its 2% holding in NN2 to Trafigura at a price

VALUATION RULES

equal to EUR 20 million in aggregate payable to the Company resulting in no impairment required at 31 December 2019. This put option can be exercised by NNV between six months and three years of Trafigura or any member of the Trafigura Group becoming a parent company of NN2 or the Operating Group (i.e. between 1 February 2020 and 31 July 2022), subject to limited triggers allowing earlier exercise of the put option before 6 months or earlier termination of the put option before three years.

c) Additionally, as at 31 December 2018, the Company had contingent liabilities amounting to EUR 2,768m provided or irrevocably promised by the Company for debts and commitments of third parties. As at 31 December 2019 the Company had contingent liabilities amounting to EUR 235.2 million provided or irrevocably promised by the Company for debts and commitments of third parties that are yet to be transferred to the Trafigura Group. For more details refer to the parent company guarantees disclosures in note C 6.14 and C 6.20.

d) The decision of the 9 December 2019 EGM not to continue the Company's activities resulted in the requirement for the Company to recognize a provision for discontinuation representing the estimated costs that the Company expects to incur before the completion of the liquidation. At 31 December 2019 the Company recognised a provision for discontinuation of EUR 2.3 million representing the estimated costs that the Company expects to incur before the completion of an orderly liquidation process that would be finalised before the end of 2020. Should the liquidation process take longer, e.g. due to the potential legal or regulatory actions as discussed in the subsequent events note, the estimated costs to be incurred by the Company before the completion of the liquidation would be significantly higher. Assuming the completion of the liquidation between the end of 2024 and 2029 the Company would need to incur estimated costs between EUR 11 million and 20 million, which may require the Company to obtain additional funding beyond the proceeds from the exercise of the EUR 20 million put option and the repayment of the outstanding amount drawn on the Limited Recourse Loan Facility from the put option proceeds. These additional costs in excess of the provision of EUR 2.3 million recognised at 31 December 2019 would further decrease the equity of the Company subsequent to 31 December 2019.

OTHER INFORMATIONS TO DISCLOSE

GOING CONCERN

At the date of authorisation of the 31 December 2019 financial statements, Nyrstar NV (the "Company") has assessed that, taking into account its available cash, cash equivalents, facilities that became available to the Company as committed facilities at the completion of the restructuring of the Company and its subsidiaries ("Group") ("Restructuring") at 31 July 2019, the ability to exercise the put option that the Company has that enables it to sell its 2% investment in the Operating Group and its cash flow projections for the next 12 months from the authorisation of the 31 December 2019 financial statements, it has sufficient liquidity to meet its present obligations and cover working capital needs. The forecast available liquidity of the Company, that at the date of this report includes the fully drawn amount of EUR 3.7 million available to the Company for the first year of the Limited Recourse Loan Facility, is dependent on various matters including the expected appointment of a liquidator (refer below) and his or her next steps, the potential existence of legal claims against the company requiring funding of the legal proceedings and other matters not currently foreseen. As from 1 August 2020 the Company can draw further EUR 1.2 million under the Limited Recourse Loan Facility for the Company's ongoing ordinary course operating activities. The Company can also draw on the separate EUR 5 million tranche of the Limited Recourse Loan Facility intended for the payment of certain litigation defense costs, if required. Should the abovementioned funding options not provide the Company with sufficient funds when they are required, the Company can exercise its put option that enables the Company to sell its 2% investment in the Operating Group for EUR 20 million, repay the outstanding amount drawn on the Limited Recourse Loan Facility from the proceeds of the put option (refer to the Related party disclosures hereafter for further details) and generating sufficient funding for the Company.

However, at 9 December 2019 the Extraordinary General Meeting ("EGM") of the Company was held to deliberate on the continuation of the Company's activities and a proposed capital decrease. The shareholders rejected the continuation of the Company's activities. The Board of Directors of the Company is taking the necessary measures to prepare the necessary reports (Statement of assets and liabilities and the related legal reports) and the convening of a new extraordinary shareholders' meeting to formally decide on the dissolution of the Company, and if approved, appoint a liquidator. As such, the 31 December 2019 financial statements of the Company are prepared on a discontinuity basis.

As was the case for the 31 December 2018 financial statements, which were prepared under an other than going concern basis, the Board of Directors has assessed which adjustments had to be recorded with respect to the valuation and the classification of certain balance sheet items included in a balance sheet prepared on a discontinuity basis, as required and described under the valuation rules a) to d). The fixed and current assets have been recorded at the lower of cost and their expected probable realisation value. The decision of the 9 December 2019 EGM not to continue the Company's activities resulted in the requirement for the Company to recognize a provision for discontinuation representing the estimated costs that the Company expects to incur before the completion of the liquidation. At 31 December 2019 the Company recognised a provision for discontinuation of EUR 2.3 million representing the estimated costs that the Company expects to incur before the completion of an orderly liquidation process that would be finalised before the end of 2020. Should the liquidation process take longer, e.g. due to the potential legal or regulatory actions as discussed in the subsequent events note, the estimated costs to be incurred by the Company before the completion of the liquidation would be significantly higher. Assuming the completion of the liquidation between the end of 2024 and 2029 the Company would need to incur estimated costs between EUR 11 million and 20 million, which may require the Company to obtain additional funding beyond the proceeds from the exercise of the EUR 20 million put option and the repayment of the outstanding amount drawn on the Limited Recourse Loan Facility from the put option proceeds. These additional costs in excess of the provision of EUR 2.3 million recognised at 31 December 2019 would further decrease the equity of the Company subsequent to 31 December 2019.

RELATED PARTY DISCLOSURES

1. Restructuring of the Nyrstar Group

1.1. Introduction

The Group initiated a review of its capital structure (the "Capital Structure Review") in October 2018 in response to the challenging financial and operating conditions being faced by the Group. In November 2018, the Group experienced increased working capital requirements as its liquidity position suddenly and unexpectedly deteriorated following the third quarter 2018 results announcement, negative press coverage and credit rating downgrade. In particular, a significant portion of the Group's trade financing arrangements were suspended or terminated, or required to be cash collateralised, either partly or fully. These substantial working capital and liquidity outflows experienced by the Group during the fourth quarter of 2018 and first quarter of 2019 necessitated the raising of urgent funding to enable the Company and the Nyrstar Group to continue its operations. Combined with the Group's materially reduced Underlying EBITDA performance in 2018 and the maturing of certain liabilities during 2019, these factors resulted in the need to reconsider the Group's capital structure.

The Capital Structure Review identified a very substantial additional funding requirement that the Group was unable to meet without a material reduction of the Group's indebtedness. As a consequence, the Capital Structure Review necessitated negotiations between the Group's financial creditors in order to develop a deleveraging and funding plan. Alternatives were carefully considered but no alternative to address the financial issues was viable and failure to address these financial issues would have placed the future of the Company, its subsidiaries and its stakeholders at severe risk. Accordingly, on 15 April 2019, Nyrstar announced that it had entered into a lock-up agreement dated 14 April 2019 (the "Lock-Up Agreement") with representatives of its key financial creditor groups including Trafigura. The Lock-Up Agreement set out the terms for the recapitalisation of the Nyrstar Group (the "Recapitalisation Terms"). These Recapitalisation Terms included:

1. a transfer by Nyrstar NV of (i) all its subsidiaries, excluding NN1 (as defined below) (the "Operating Group"), and (ii) all receivables owed to Nyrstar by the Operating Group to NN2 for a consideration of USD 1; and
2. the subsequent transfer of majority ownership of NN2 (as sole owner of the underlying Operating Group) to a newly incorporated holding company ("Trafigura New Holdco") owned by Trafigura through the issuance by NN2 of a 98% equity stake in itself to Trafigura New Holdco (with the remaining 2% of equity in NN2 issued directly to Nyrstar), in connection with the coming into effect of all other steps that are fundamental to the implementation the Restructuring, including (but not limited to):
 - a. the release of the outstanding EUR 115 million convertible bonds due in 2022 issued by the Company (the "Convertible Bonds") and the

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Operating Group's existing EUR 500 million 6.875% senior notes due in 2024 (the "2024 Notes") and EUR 340 million 8.5% senior notes due in 2019 (the "2019 Notes" and, together with the 2024 Notes, the "Notes" and any holder of the Notes and the Convertible Bonds, a "Noteholder") which were guaranteed by the Company in exchange for new debt instruments issued to those Noteholders by certain Trafigura entities (the "New Trafigura Instruments");

b. the restructuring of certain facilities entered into by the Operating Group and the release of the Company and NN1 from any guarantee obligations in respect of such facilities;

c. the provision of a EUR 160 million secured new money facility (by certain participating lenders under the Operating Group's existing facilities) to fund the general working capital of the restructured Operating Group (the "New Money Facility");

d. commitment by NN2 to use reasonable endeavours to procure the release of obligations owed by the Company to third parties in respect of financial, commercial or other obligations of the current members of the Operating Group (the "PCGs") (and an indemnity by NN2 to the extent such PCGs are not released);

e. the provision by NN2 of indemnities to the Company in respect of certain specified liabilities, including certain liabilities arising in relation to certain historic disposals by the Group and/or from certain historic mine closures;

f. the provision by NN2 and/or a Trafigura entity which is a holding company of the Operating Group of a limited recourse loan to the Company to fund its forecast ordinary course operating costs and any defence costs arising from any third-party litigation for a number of years following the restructuring; and

g. minority rights for the benefit of the Company in respect of its 2% equity in NN2 (including a tag right, a drag right, information rights and a put option at a price equal to EUR 20 million (adjusted pro rata depending on NN2's percentage holding from time to time) exercisable within certain time periods).

Subsequently, on 29 April 2019, Nyrstar announced that formal consents to the Lock-Up Agreement had been received from, inter alia, over 79% of the aggregate outstanding principal amount under the senior notes due in 2019 and due in 2024, and over 87% of the aggregate outstanding principal amount under the convertible bonds. Under the Lock-Up Agreement, implementation of the Recapitalisation Terms was subject to various conditions precedent which included various third-party regulatory approvals which were all successfully obtained.

On 14 June 2019, NN2 was incorporated in England under the name of NN2 Newco Limited. On 20 June 2019, the Company announced that various steps to implement the Restructuring had been and were being undertaken, including that NN2 had acceded to the Notes and that NN2 had published a practice statement letter in relation to a scheme of arrangement to be proposed by NN2 in respect of the Notes. The English court held the convening hearing on 4 July and ordered the NN2 scheme meetings to be held on 22 July (or such later time or date as NN2 may have decided). The NN2 scheme meetings were held on 22 July. There were two creditor classes for the NN2 scheme - the Convertible Bonds in one class, and the Notes combined into a single second creditor class. For the first scheme creditor class (the Convertible Bonds), 98.87% by value voted and 100% by value and 100% by number of those voting supported the scheme. For the second scheme creditor class (the Notes), 95.57% by value voted and 99.96% by value and 98.93% by number of those voting supported the scheme. Accordingly, the NN2 scheme was supported by an overwhelming majority of the scheme creditors and well in excess of the requisite majorities (being 75% by value and a majority by number of those creditors voting in each scheme class).

The English court sanction hearing for the NN2 scheme of arrangement was held on 26 July 2019 when the sanction order was granted. The scheme of arrangement became effective on the same day. On 29 July, a meeting of holders of the convertible bonds was held and a resolution was passed to approve the NN2 scheme (98% by value of those entitled to vote did so and 100% of those voting approved the resolution scheme). On 30 July, the United States Bankruptcy Court Southern District of New York entered an order under Chapter 15 of title 11 of the United States Bankruptcy Code granting recognition of main proceedings and related relief giving full force to the UK scheme of arrangement of NN2 in the United States.

The Restructuring subsequently took full effect on 31 July 2019. As a result of the recapitalisation, Trafigura Group Pte. Ltd. has become the ultimate parent of the Operating Group.

Implementation of the Recapitalisation Terms has ensured the continuing operations of the Operating Group for the benefit of all stakeholders; failure to implement the Recapitalisation Terms would have highly likely lead to the insolvency of the Group as well as the Company, which was anticipated to have resulted in material harm to the Group's customers, suppliers and approximately 4,100 employees of the Group, as well as very substantial loss of value to the financial stakeholders, and a total loss to shareholders.

The agreements to which the Company is a party are discussed in further detail below.

1.2. Impact of the Restructuring on the 31 December 2019 financial statements

As the prior year financial statements as at 31 December 2018 were prepared on other than going concern basis, certain adjustments were reflected in line with the Belgian accounting provisions (Article 3:6 of the Royal Decree dd. 29 April 2019 to the execution of the Code of Companies and Associations). As such, the estimated impact of the Restructuring on the Company's Income Statement was recognised in the 31 December 2018 Income Statement when the Company recognised a provision of EUR 101.7 million representing the expected crystallization of the contingent liabilities that were expected to be off-set in 2019 against the remaining net financial receivable at the time when the restructuring would be completed. The amount also took into consideration the expected costs of disposal of the Company until the completion of the Restructuring of EUR 41.9 million that would increase the Company's net financial receivable position at that time. At the completion of the Restructuring at 31 July 2019, the Company settled and offset various positions between it and its former subsidiaries and derecognised the liability related to its outstanding convertible bonds. The loss arising from the settlement and the offset of these receivables and liabilities has been reflected against the provision of EUR 101.7 million recognised at 31 December 2018 by the Company. As the operating losses of the Company incurred in 2019 before the completion of the Restructuring were funded by its former subsidiaries, the final net receivable position of the Company at the completion of the Restructuring was lower than estimated at 31 December 2018 resulting in the release of the unutilised portion of the provision of EUR 11.4 million through the Income Statement in the

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year ended 31 December 2019, following the completion of the Restructuring.

Additionally, as at 31 December 2018, the Company had contingent liabilities amounting to EUR 2,768m provided or irrevocably promised by the Company for debts and commitments of third parties. As at 31 December 2019 the Company had contingent liabilities amounting to EUR 235.2 million provided or irrevocably promised by the Company for debts and commitments of third parties that are yet to be transferred to the Trafigura Group. For more details refer to the parent company guarantees disclosures in note C 6.14 and C 6.20.

At 31 December 2019, the Company has, in its current investments, a 2% investment in NN2 at the cost of EUR 15,395,000 and in its participating interests a 100% investment in NN1 valued at USD 1 representing cost of these investments for the Company through the issuance by NN2 of a 2% equity in NN2 to the Company with the remaining 98% equity stake issued to Trafigura New Holdco. The investment in NN2 as at 31 December 2019 of EUR 15,395,000 is carried at the lower of cost and their expected probable realisation value, taking into consideration that the Company has a put option to sell all (but not part only) of its 2% holding in NN2 to Trafigura at a price equal to EUR 20 million in aggregate payable to the Company resulting in no impairment required at 31 December 2019. This put option can be exercised by NNV between six months and three years of Trafigura or any member of the Trafigura Group becoming a parent company of NN2 or the Operating Group (i.e. between 1 February 2020 and 31 July 2022), subject to limited triggers allowing earlier exercise of the put option before 6 months or earlier termination of the put option before three years.

1.3. Transfers and the Article 524 Procedure

In the interests of all stakeholders of the Nyrstar group, including the Company's shareholders, in 2019 the Board of Directors voluntarily decided to apply the procedure provided for in article 524 of the Belgian Companies Code (the "Art. 524 Procedure") to the following steps of the Restructuring:

1. the transfer by the Company of (i) all its subsidiaries, excluding NN1 NewCo Limited ("NN1") (the "Operating Group"), and (ii) all receivables owed to the Company by the Operating Group, to NN2 (the Intragroup Reorganisation) at a nominal amount of USD 1, taking into account the fair market value of the assets (as adjusted by liabilities within the Operating Group). The Intragroup Reorganisation was undertaken pursuant to a deed of sale and purchase dated 19 June 2019 between the Company and NN2 (the NNV-NN2 SPA), further details of which are discussed below; and

2. the subsequent transfer of majority ownership of NN2 to Trafigura on the Restructuring Effective Date, through the issuance by NN2 of a 98% equity stake in itself to Nyrstar Holdings (with the remaining 2% issued directly to the Company) in connection with the coming into effect of certain other steps regarding implementation of the Restructuring.

The Art. 524 Procedure was voluntarily applied by the Board on 19 June 2019 and the independent expert appointed during this process included a review of the quantum of the consideration for the Intragroup Reorganisation.

2. The NNV-Traigura Deed

The Lock Up Agreement envisaged that the Company, Trafigura and Nyrstar Holdings Limited ("Nyrstar Holdings", a Trafigura special-purpose vehicle incorporated, amongst other things, for the purpose of implementing the Restructuring) would enter into a deed confirming their agreement in respect of (i) certain steps necessary for the implementation of the Restructuring as envisaged in the Lock Up Agreement and (ii) the terms of the ongoing relationship between the Company and the Trafigura group (the "NNV-Traigura Deed"). The NNV-Traigura Deed was duly executed on 19 June 2019. Certain key terms of the NNV-Traigura Deed can be summarised as follows.

"Distribution policy: under the NNV-Traigura Deed, Trafigura and Nyrstar Holdings have assumed obligations which are intended to ensure, as far as possible, that any profits realised by the former subsidiaries of the Company (referred to, prior to the Restructuring Effective Date, as the "Operating Group", and following the Restructuring Effective Date, which form part of the Trafigura group via Nyrstar Holding's 98% majority shareholding in NN2 NewCo Limited ("NN2") and are referred to as the "Restructured Operating Group") are distributed to the shareholders of NN2 (including the Company as 2% minority shareholder). To this end, Nyrstar Holdings has agreed to procure that: (i) the board of NN2 will meet at least on an annual basis to assess whether NN2 has any profits lawfully available for distribution (in which case, NN2 will make such distribution in accordance with applicable law); and (ii) NN2 and the other members of the Restructured Operating Group will not, under the terms of any financing or other agreement to which they are or shall be party (other than financing or other agreements entered into on arm's length terms with third parties), be subject to any limitations on making dividends or other distributions to their respective shareholders.

"Drag / tag rights: under the terms of the NNV-Traigura Deed, if Nyrstar Holdings or any Trafigura entity or entities which hold(s) the 98% stake in NN2 (being the "Majority Shareholder(s)") proposes at any time a transfer of any right or interest to a third party purchaser (on arm's length terms, for cash or non-cash consideration) that would result in a member of the Trafigura group holding 50% or less of the shares in NN2, then the Majority Shareholder(s) proposing the transfer will have the right to oblige the Company to transfer (a "drag right"), and the Company will have an equivalent right to participate in such transfer (a "tag right"), its entire 2% equity stake in NN2 on the same terms and for the same consideration per share as for the Majority Shareholder(s).

"NN2 change of control: the NNV-Traigura Deed places obligations on Trafigura and Nyrstar Holdings to procure that the Trafigura group shall only implement any intragroup reorganisation within the Trafigura group which would result in at least 75% of the net assets (by value) of the Restructured Operating Group no longer being held by NN2 but being held by another member of the Trafigura group (the "Replacement HoldCo"), if (i) it is bona fide and undertaken in good faith, (ii) the financial position of Replacement HoldCo is substantially the same as that of NN2 immediately prior to such intragroup reorganisation, (iii) arrangements are put in place such that shareholders in Replacement HoldCo (including the Company) have substantially equivalent rights and obligations with respect to Replacement HoldCo as they did with respect to NN2, and (iv) the Company has an equity interest in Replacement HoldCo equivalent to its equity interest in NN2 immediately prior to the intragroup reorganisation, with substantially the same rights and protections. If such conditions are met, then the Company shall take all steps and provide such reasonable assistance as is necessary to effectuate the intragroup reorganisation, and shall cooperate in good-faith. Any costs reasonably incurred by the Company in doing so (including reasonable advisor fees), shall be borne by Trafigura.

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2.1. The Put Option Deed

Pursuant to the NNV-Trafigura Deed, the Company and Trafigura also agreed that Trafigura shall grant to the Company an option to require a Trafigura entity to purchase the Company's entire interest in NN2, the terms of which are set in a separate deed, dated 25 June 2019, between the Company, Trafigura and Nyrstar Holdings (the "Put Option Deed"). Under the terms of the Put Option Deed, the Company can put all (but not only a part) of its 2% holding in NN2 to Trafigura at a price equal to EUR 20 million (the "Put Option"). The Put Option can be exercised by the Company between six months and three years of the completion of the Restructuring (i.e. between 1 February 2020 and 31 July 2022), subject to limited triggers allowing earlier exercise of the Put Option before 6 months, or earlier termination of the Put Option before 3 years.

2.2. Release from parent company guarantees in favour of Trafigura

As stated above, prior to the Restructuring Effective Date, the Company was ultimate parent company of the Nyrstar group, and had previously issued various parent company guarantees in respect of the obligations of its subsidiaries, including, but not limited to, two parent company guarantees (the "Trafigura PCGs") granted in respect of the primary financial obligations of the Company's indirect subsidiary at that time, Nyrstar Sales & Marketing AG ("NSM"), to Trafigura, namely under the USD 650 million Trade Finance Framework Agreements ("TFFA") and the USD 250 million Bridge Finance Facility Agreement ("BFFA"). The Trafigura PCGs as well as all other security and / or guarantees provided to Trafigura by the Operating Group in respect of the TFFA and BFFA, were released in full on the Restructuring Effective Date.

In the interests of all stakeholders of the Group, including the Company's shareholders, the Board of Directors decided voluntarily to apply the Art. 524 Procedure to the TFFA in 2018 and to the BFFA in 2019.

2.3. The Company's Release from parent company guarantees in favour of third-parties and the Company's rights to indemnification by NN2 under the NNV-NN2 SPA

In addition to the release of the Trafigura PCGs, the Company benefits from contractual agreements with NN2 and Trafigura in respect of its release from, or indemnification for, liabilities for existing financial indebtedness and obligations owed to third parties in respect of financial, commercial or other obligations of the then current members of the Operating Group (the "PCGs"), such that those third parties should no longer have recourse to the Company. The release and / or indemnification obligations of NN2 from which the Company benefits can be summarised as follows.

"Release of PCGs and general indemnity: As part of the Intragroup Reorganisation, the NNV-NN2 SPA includes a commitment by NN2 to use reasonable endeavours to procure the release of obligations owed by the Company under Third-party PCGs. This procurement obligation is combined with an obligation on NN2 to indemnify the Company, to the extent such PCGs are not released, for any and all liabilities in relation to such PCGs in respect of the failure by the applicable member of the Operating Group to comply fully with its principal obligations.

"Indemnity for specified historic liabilities: Further, the NNV-NN2 SPA also contains an obligation on NN2 to indemnify the Company, to the extent not covered by the release and/or indemnification of PCGs mentioned above, in respect of certain specified liabilities, including certain liabilities arising in relation to certain historic disposals by the Nyrstar group and/or from certain historic mine closures, which are specified in a schedule to the NNV-NN2 SPA.

"Limitation on recourse to the Company of former subsidiaries: To limit and release further any financial obligations on the Company, the NNV-NN2 SPA obliges NN2 to procure that, and the NNV-Trafigura Deed obliges Trafigura to procure that no former subsidiaries of the Company will make any demands for payment from the Company except (i) under the Limited Recourse Loan Facility, (ii) as otherwise agreed following the completion of the Restructuring; or (iii) to the extent that the Company has sufficient funds available (excluding any dividends or sale proceeds in respect of the Company's direct 2% shareholding in NN2).

2.4. Financial transactions with Trafigura entities - the Limited Recourse Loan Facility

2.4.1. Introduction

On the Restructuring Effective Date, the Company entered into a EUR 13.5 million committed, limited recourse, loan facility (the "Limited Recourse Loan Facility") provided to it by NN2 (as "Lender"). The key terms of the Limited Recourse Loan Facility are described below. The Limited Recourse Loan Facility is made available in two separate tranches: (i) up to EUR 8.5 million to be applied towards the Company's ongoing ordinary course operating activities ("Facility A"); and (ii) up to EUR 5 million intended for the payment of certain litigation defense costs ("Facility B"). No security, collateral or guarantees have been granted in respect of the Company's obligations under the Limited Recourse Loan Facility.

2.4.2. Available commitments, amounts outstanding and interest

As at 31 December 2019, the Company owed EUR 3.0 million under Facility A. Facility A can be used by the Company, amongst other things, to cover reasonable director and employee costs, D&O insurance premium (to the extent not paid prior to the Restructuring Effective Date), audit fees, legal costs (except those relating to litigation or other actual or threatened proceedings against the Company, which should be funded from Facility B (defined below)), listing fees and investor relations costs. The funding under Facility A is provided to the Company based on the quarterly cash flow forecast prepared by the Company and provided to Trafigura as a condition of the funding. The total quantum of funds to be made available under Facility A was agreed based on the Company's forecast operating costs for a five year period following the completion of the Restructuring, taking into account the ongoing operational services provided to the Company by NN2, as agreed in the NNV-NN2 SPA, for a period of three years (subject to agreed early termination triggers) (the "Ongoing Services"). The Ongoing Services to be provided by NN2 to the Company include finance, tax, corporate counsel, IT and administration services. The provision of the Ongoing Services to the Company is intended to reduce the Company's operating costs in the period following the Restructuring Effective Date.

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As at 31 December 2019, the Company had not drawn any amount under Facility B. Subject to the restrictions detailed below, Facility B can be applied by the Company towards payment or reimbursement of costs in respect of any litigation, proceeding, action or claims (including tax claims) made, asserted or threatened against the Company, NN1 Newco Limited ("NN1") or any of their current or former directors or officers (each being a "Claim").

Under Facility A, the Company can borrow up to EUR 3.7 million before 31 July 2020 and then up to a further EUR 1.2 million annually until 2024. Funding under Facility B can be drawn based on costs incurred in respect of any litigation, proceeding, action or claims (subject to the restrictions detailed below, and on the delivery of an invoice for such costs). Utilisation of each Facility is limited to a maximum of three drawings per financial quarter per Facility (excluding any PIK Loans (defined below)). As at the date of this report, the Company has drawn EUR 3.7 million under Facility A and nil under Facility B.

The rate of interest on amounts outstanding under the Limited Recourse Loan Facility is the aggregate of EURIBOR plus a margin of 0.5%. It shall be payable within 10 business days of the anniversary of the date on such amount was made available, provided that such interest will be capitalised if it has accrued for a period of one year or more and the Company has given a notice in the form prescribed by the Limited Recourse Loan Facility. Any interest which is capitalised shall be treated as a new loan (a "PIK Loan") under the relevant Facility. Any PIK Loan shall itself accrue interest, and that interest may also be capitalised.

2.4.3. Restrictions on use of proceeds

The Company must not use any amount borrowed under either Facility A or Facility B for funding (directly or indirectly) any of the costs related to asserting or bringing or assisting in the pursuit of claims (including any counterclaim or defence) against Trafigura, other members of the Trafigura group, NN2 and / or any Replacement Holdco, and / or any other member of the Restructuring Operating Group), against any of such entities' current or former directors, officers, or advisers, against any creditor in respect of such entities (other than with the consent of NN2, such consent not to be unreasonably withheld or delayed) or in connection with any challenge to the Restructuring, including in relation to the TFFA and the BFFA or any other document contemplated by the Restructuring Implementation Deed.

2.4.4. Mandatory prepayment obligations

If at any time after 31 July 2020, the amount of the available cash, after allowing for the minimum headroom amount of EUR 2 million in the first year and EUR 1 million in the second year, of the Company (less any amount of the proceeds of any Facility B intended to be applied towards costs incurred by the Company to which Facility B Loan relates, but not yet so applied) exceeds EUR 1.5 million, the Company has to apply, within five business days of the excess cash arising, the relevant excess cash to prepay any amounts outstanding under Facility B. If any excess cash remains after such repayment, the Company shall apply 50% of that remaining excess cash to repay the outstanding amount under Facility A, and shall (to the extent permitted under applicable law and regulation) apply the remaining 50% of that excess cash towards payment of dividends to the Company's shareholders. The above only applies until the later of (i) the date on which the Company ceases to own its 2% equity interest in the Restructured Operating Group (such equity interest being as a result either of a direct shareholding in NN2 or Replacement Holdco (as defined above) - the "Company Equity Interest", and such date being the "Company Exit Date") and (ii) the receipt of all proceeds (subject to any deductions permitted / required under the terms of the Limited Recourse Loan Facility) from any disposal(s) of the Company Equity Interest which result in the occurrence of the Company Exit Date (the "Disposal Proceeds").

Immediately upon receipt of any Disposal Proceeds, the Company shall procure that these shall be applied first to prepay any amount outstanding under Facility B, and secondly, if (i) any Disposal Proceeds remain after any required prepayment of Facility B, and (ii) the aggregate amount of all amounts outstanding under Facility A exceeds EUR 5 million, to prepay such Facility A amounts to or towards an aggregate amount of EUR 5 million.

The Company shall ensure that, if any distribution is paid to the Company's shareholders on or after the Company Exit Date, an amount equal to that distribution is applied to repay or prepay amount outstanding under Facility A before or simultaneously with such distribution.

The Company has agreed also that, if it receives any amounts from costs awards, damages awards and / or any other recovery from any counterparty to a Claim (as defined above) (such amounts constituting "Claims Proceeds"), then such Claims Proceeds must be used immediately to repay or prepay any amounts outstanding under Facility B.

Additionally, there are customary provisions that require mandatory prepayment of amounts outstanding under either or both Facility A and B in the case of an event of default followed by acceleration by the Lender.

2.4.5. Information, consultation and litigation strategy undertakings

If any Claim arises as a result of which the Company reasonably anticipates that it may make a utilisation under Facility B, the Company must:

- promptly notify NN2 and Trafigura of the Claim;
- subject to compliance with applicable law or confidentiality obligations to third parties, make available to NN2 and Trafigura all information in its possession and control as reasonably requested by NN2 or Trafigura in connection with assessing, contesting, disputing, defending, appealing or compromising the Claim, provided that NN2 and Trafigura shall maintain confidentiality and/or privilege with regard to such information;
- keep NN2 and Trafigura informed of the progress / developments in respect of the Claim, and promptly provide any correspondence or other information received in connection with the Claim;
- consult and take into account the views of NN2 and Trafigura as to the applicable legal advisors that will represent the Company, NN1, or the applicable directors or officers. NN1 shall also procure that such legal advisors provide fee estimates as requested by NN2 or Trafigura;

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- consult with and take into account the views of NN2 and Trafigura in relation to the conduct of the defence / negotiations / settlements in respect of the Claim; and
 - whilst any amount is outstanding under Facility B in relation to a civil Claim, not make any admission of Liability, agreement, settlement or compromise in relation to that Claim without the prior written approval of Trafigura.
- The Company must consult with Trafigura prior to taking any action relating to insolvency or bankruptcy proceedings, including under Book XX of the Belgian Code of Economic Law.
- The Company is also obliged to provide NN2 with certain financial information, including quarterly cashflow forecasts (and any revisions thereto required under the terms of the Limited Recourse Loan Facility), half-yearly financial statements and audited annual financial statements, drawn up on a consolidated basis (to the extent the Company has subsidiaries) and in accordance with the accounting principles agreed under the terms of the Limited Recourse Loan Facility.

2.5 Relationship Agreement

At the completion of the Restructuring at 31 July 2019, the "Relationship Agreement" between Trafigura Group Pte Ltd and the Company (dated 9 November 2015) was terminated. The Relationship Agreement governed the relationship between the Company (and the broader Nyrstar Group) and Trafigura Group Pte. Ltd. and its affiliated persons between its execution on 9 November 2015 and the completion of the Restructuring on 31 July 2019.

2.6 Commercial transactions with Trafigura

The Company has not entered into any commercial transactions with Trafigura.

SUBSEQUENT EVENTS

At 7 January 2020 the Company announced that the President of the Commercial Court in Antwerp rendered a judgment in the summary proceedings initiated by a group of minority shareholders representing less than 3.5% of the Company's share capital (the "Minority Shareholders"). The Minority Shareholders had requested the court to suspend the resolutions of the general meeting of 5 November 2019, and subsequently also those of the extraordinary general meeting of 9 December 2019, as well as to appoint a provisional administrator to convene a new general meeting. The Minority Shareholders had also requested to impose certain measures on Nyrstar, including the prohibition to enter into certain loans. The President rejected all claims of the Minority Shareholders in a fully reasoned judgment. The President did not grant the claim of Nyrstar to order the Minority Shareholders to pay damages but did order them to pay the legal costs, including an indemnification for legal fees for Nyrstar. The Minority Shareholders did not appeal the judgement.

There have been various press reports in Q4 2019 and in January 2020 related to potential legal or regulatory actions by minority shareholders. The press reported in Q4 2019 that three criminal complaints have been lodged by three shareholders against unknown person and in January 2020 that the minority shareholders would shortly initiate the complaints on the merit related to the Company's Restructuring. There has not been any formal notification to the Company or any director, or detail provided in relation to these alleged criminal complaints or actions. Additionally, the Company is also aware of press coverage from Q4 2019 where it was stated by the Belgian securities regulator, the FSMA, that it was conducting a regulatory investigation into the Company. The Company has not been formally advised of this or any other regulatory investigation into the Company.

At 20 January 2020 the Company disclosed that RSQ Investors (division of Quanteus Group BV), Kris Vansanten BVBA, Kris Vansanten, E3V & Partners BV and an unnamed physical person hold 5.01% of the voting rights of Nyrstar.

SOCIAL BALANCE SHEET

Number of joint industrial committee:

224

STATEMENT OF THE PERSONS EMPLOYED

EMPLOYEES FOR WHOM THE ENTERPRISE SUBMITTED A DIMONA DECLARATION OR WHO ARE RECORDED IN THE GENERAL PERSONNEL REGISTER

During the current period	Codes	Total	1. Men	2. Women
Average number of employees				
Full-time	1001	9,0	5,0	4,0
Part-time	1002			
Total in full-time equivalents	1003	9,0	5,0	4,0
Number of hours actually worked				
Full-time	1011	7.786	4.412	3.374
Part-time	1012			
Total	1013	7.786	4.412	3.374
Personnel costs				
Full-time	1021	1.245.586,04	705.821,42	539.764,62
Part-time	1022			
Total	1023	1.245.586,04	705.821,42	539.764,62
Advantages in addition to wages	1033			

During the preceding period	Codes	P. Total	1P. Men	2P. Women
Average number of employees in FTE	1003	9,9	6,0	3,9
Number of hours actually worked	1013	15.812	9.705	6.107
Personnel costs	1023	2.251.056,00	1.430.546,00	820.510,00
Advantages in addition to wages	1033			

EMPLOYEES FOR WHOM THE ENTERPRISE SUBMITTED A DIMONA DECLARATION OR WHO ARE RECORDED IN THE GENERAL PERSONNEL REGISTER (continuation)

	Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
At the closing date of the period				
Number of employees	105			
By nature of the employment contract				
Contract for an indefinite period	110			
Contract for a definite period	111			
Contract for the execution of a specifically assigned work	112			
Replacement contract	113			
According to gender and study level				
Men	120			
primary education	1200			
secondary education	1201			
higher non-university education	1202			
university education	1203			
Women	121			
primary education	1210			
secondary education	1211			
higher non-university education	1212			
university education	1213			
By professional category				
Management staff	130			
Employees	134			
Workers	132			
Others	133			

HIRED TEMPORARY STAFF AND PERSONNEL PLACED AT THE ENTERPRISE'S DISPOSAL

	Codes	1. Hired temporary staff	2. Persons placed at the enterprise's disposal
During the period			
Average number of persons employed	150	0,4	
Number of hours actually worked	151	756	
Costs for the enterprise	152	42.843,00	

LIST OF PERSONNEL MOVEMENTS DURING THE PERIOD

ENTRIES

	Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
Number of employees for whom the enterprise submitted a DIMONA declaration or who have been recorded in the general personnel register during the financial year	205			
By nature of employment contract				
Contract for an indefinite period	210			
Contract for a definite period	211			
Contract for the execution of a specifically assigned work	212			
Replacement contract	213			

DEPARTURES

	Codes	1. Full-time	2. Part-time	3. Total full-time equivalents
Number of employees whose contract-termination date has been entered in DIMONA declaration or in the general personnel register during the financial year	305	9		9,0
By nature of employment contract				
Contract for an indefinite period	310	9		9,0
Contract for a definite period	311			
Contract for the execution of a specifically assigned work	312			
Replacement contract	313			
By reason of termination of contract				
Retirement	340			
Unemployment with extra allowance from enterprise	341			
Dismissal	342			
Other reason	343	9		9,0
Of which the number of persons who continue to render services to the enterprise at least half-time on a self-employed basis	350			

INFORMATION ON TRAININGS PROVIDED TO EMPLOYEES DURING THE PERIOD

	Codes	Men	Codes	Women
Total of initiatives of formal professional training at the expense of the employer				
Number of employees involved	5801	1	5811	1
Number of actual training hours	5802	33	5812	8
Net costs for the enterprise	5803	2.906,00	5813	1.055,00
of which gross costs directly linked to training	58031	2.906,00	58131	1.055,00
of which fees paid and payments to collective funds	58032		58132	
of which grants and other financial advantages received (to deduct).. ..	58033		58133	
Total of initiatives of less formal or informal professional training at the expense of the employer				
Number of employees involved	5821		5831	
Number of actual training hours	5822		5832	
Net costs for the enterprise	5823		5833	
Total of initiatives of initial professional training at the expense of the employer				
Number of employees involved	5841		5851	
Number of actual training hours	5842		5852	
Net costs for the enterprise	5843		5853	



Nyrstar NV

Statutory auditor's report to the shareholders' meeting for the year ended
31 December 2019 - Annual accounts

The original text of this report is in Dutch

Statutory auditor's report to the shareholders' meeting of Nyrstar NV for the year ended 31 December 2019 - Annual accounts

In the context of the statutory audit of the annual accounts of Nyrstar NV (the "Company"), we hereby submit our statutory audit report. This report includes our report on the annual accounts and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 19 April 2018, in accordance with the proposal of the board of directors, issued upon recommendation of the audit committee. Our mandate will expire on the date of the shareholders' meeting deliberating on the annual accounts for the year ending 31 December 2020. We have performed the statutory audit of the annual accounts of Nyrstar NV for 8 consecutive periods and this is the second year Deloitte Bedrijfsrevisoren CVBA has been represented by the current representative.

Report on the annual accounts

Qualified opinion

We have audited the annual accounts of the Company, which comprises the balance sheet as at 31 December 2019 and the income statement for the year then ended, as well as the explanatory notes. The annual accounts show total assets of 17 199 (000) EUR and the income statement shows a loss for the year then ended of 1 437 (000) EUR.

In our opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of our report, the annual accounts give a true and fair view of the Company's net equity and financial position as of 31 December 2019 and of its results for the year then ended, in accordance with the financial reporting framework applicable in Belgium.

Basis for qualified opinion

With respect to the year ended 31 December 2018, we were unable to obtain sufficient appropriate audit evidence as to the completeness of the information received regarding the related party transactions and disclosures for the relationship with Trafigura Group Pte. Ltd. and its affiliated entities (collectively "Trafigura") as well as of the completeness of information on the sequence of events initiated in October 2018 that have resulted in the review of the capital structure of the Company and its subsidiaries (jointly the "Group" until 31 July 2019) (the "Capital Structure Review") as a result of the combined effect of the following elements:

- the exceptional nature of the operational and financial circumstances the Group had been facing resulting in the Capital Structure Review initiated in October 2018 and the following restructuring activities concluded on 31 July 2019 ("Restructuring") with Trafigura becoming the owner of 98% of all of the subsidiaries of the Company (excluding a newly incorporated English company, NN1 Newco Limited) (the "Operating Group") and the highly fluid nature of decision making during this time;
- the significance and quantum of the related party transactions entered into by the Group; as well as
- control deficiencies identified in relation to the financial reporting environment, including but not limited to complete and accurate recordkeeping of discussions held at meetings of the board of directors and relevant special or ad hoc sub-committees.

The elements listed above arose in the year ended 31 December 2018 and continued to exist during the year ended 31 December 2019. As a result, the annual accounts for the year ended 31 December 2019 may omit information relevant to the related party disclosures on the relationship with Trafigura and on the sequence of events that have resulted in the Capital Structure Review and the Restructuring as disclosed in note 6.20 to the annual accounts.

Other responsibilities

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the annual accounts" section of our report. We have complied with all ethical requirements relevant to the statutory audit of the annual accounts in Belgium, including those regarding independence.

Except for the matter described above, we have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of matter – Annual accounts prepared on a discontinuity basis

We draw attention to note 6.19 to the annual accounts, which indicate that the annual accounts have been prepared on a discontinuity basis as a result of the decision of the extraordinary shareholders' meeting of 9 December 2019 to reject the continuation of the Company's activities. As a result, the valuation rules have been adjusted in accordance with article 3:6 of the Royal Decree of 29 April 2019. In addition, and as described in note 6.20 to the annual accounts, the Company's ability to meet its future obligations is dependent upon existing financing facilities (the "Limited Recourse Loan Facility") and its ability to exercise the put option that enables the Company to sell its 2% investment in the former Operating Group.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the "Basis for qualified opinion" section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
Debt restructuring	
On 14 April 2019, the Group signed a lock-up agreement (the "lock-up agreement") with representatives of its key financial creditor groups. The Restructuring has been consensual save for the creditor schemes of arrangement under the UK Companies Act 2006 applied in respect of the 500 million EUR 6.875% senior notes due in 2024, 340 million EUR 8.5% senior notes due in 2019 and 115 million EUR convertible bonds due in 2022 (together the "notes"). On 31 July 2019, the Company completed the Restructuring and Trafigura became the owner of 98% of the Operating Group with the Company owning the remaining balance of 2%. The sequence of the different steps agreed upon as part of the Restructuring in the lock-up agreement has been reflected in the annual accounts of the Company as per 31 December 2019. Considering the overall significance of the debt restructuring and its importance for the users' understanding of the annual accounts, we consider the debt restructuring to be a significant matter in our audit. We refer to the related disclosure in note 6.20 to the annual accounts.	• We challenged the accounting treatment of the different steps agreed upon as part of the Restructuring based upon the underlying contractual agreements, as well as the related presentation of the impact in the income statement. • We validated whether the value of the remaining balance of 2% of the Operating Group after Restructuring, presented as other investments and deposits in the balance sheet of the Company as per 31 December 2019, reflects the value of the Operating Group after Restructuring as agreed upon between the different parties at the time of the transaction. • We critically assessed and challenged disclosures in the annual accounts with a particular focus on the clarity, completeness and accuracy of disclosures around the accounting impact of the Restructuring. • The results of our testing were satisfactory and we consider that the impact of the Restructuring has been appropriately accounted for and disclosed in the annual accounts.

Responsibilities of the board of directors for the preparation of the annual accounts

The board of directors is responsible for the preparation and fair presentation of the annual accounts in accordance with the financial reporting framework applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of the annual accounts that are free from material misstatement, whether due to fraud or error.

As a result of the decision of the extraordinary shareholders' meeting of 9 December 2019 to reject the continuation of the Company's activities, the annual accounts have been prepared on a discontinuity basis. In this context, it is the responsibility of the board of directors to include the necessary disclosures regarding the impact of the discontinuity basis and to apply the provisions of article 3:6, §2 of the Royal Decree of 29 April 2019 in execution of the Code of companies and associations.

Responsibilities of the statutory auditor for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of annual accounts in Belgium. The scope of the audit of annual accounts does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the board of directors use of the discontinuity basis and the adequacy of relating disclosures, considering the decision of the extraordinary shareholders' meeting of 9 December 2019 to reject the continuation of the Company's activities; and
- evaluate the overall presentation, structure and content of the annual accounts, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the annual accounts and other matters disclosed in the directors' report, for the documents to be filed according to the legal and regulatory requirements, for maintaining the Company's accounting records in compliance with the legal and regulatory requirements applicable in Belgium, as well as for the Company's compliance with the Companies Code, the Code of companies and associations and the Company's articles of association.

Responsibilities of the statutory auditor

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the annual accounts and other matters disclosed in the directors' report, those documents to be filed according to the legal and regulatory requirements and compliance with certain obligations referred to in the Companies Code, the Code of companies and associations and the articles of association, as well as to report on these matters.

Aspects regarding the directors' report

In our opinion, after performing the specific procedures on the directors' report on the annual accounts and except for the possible effects of the matter described in the section "Basis for qualified opinion", the directors' report on the annual accounts is consistent with the annual accounts for that same year and has been established in accordance with the requirements of articles 3:5 and 3:6 of the Code of companies and associations.

In the context of our statutory audit of the annual accounts we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the annual accounts is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed and except for the possible effects of the matter described in the section "Basis for qualified opinion", we are not aware of such material misstatement.

Statement on the social balance sheet

The social balance sheet, to be filed at the National Bank of Belgium in accordance with article 3:12 §1, 8° of the Code of companies and associations, includes, both in form and in substance, all of the information required by the Companies Code or the Code of companies and associations and is free from any material inconsistencies with the information available to us in the context of our mission.

Statements regarding independence

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the Company during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit of the annual accounts, as defined in article 3:65 of Code of companies and associations, have been properly disclosed and disaggregated in the notes to the annual accounts.

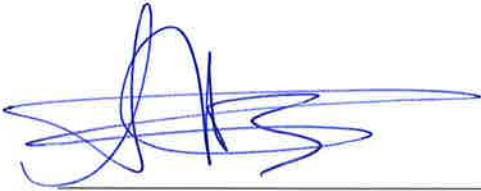
Other statements

- Without prejudice to certain formal aspects of minor importance and except for the possible effects of the matter described in the section "Basis for qualified opinion", the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general shareholders meeting is in accordance with the relevant legal and regulatory requirements.
- We do not have to report any transactions undertaken or decisions taken which may be in violation of the Company's articles of association or the Companies Code or, as from 1 January 2020, the Code of companies and associations, except for:
 - Not convening a shareholder's meeting to deliberate and decide on the dissolution of the Company within the legal timeframe of 2 months as required by article 633 of the Companies Code; and
 - Not timely filing at the National Bank of Belgium of the annual accounts for the year ended 31 December 2018 i.e. within seven months after the closing of the year, in accordance with article 98 of the Companies Code.
- We report to you on the following decisions of the board of directors, where article 523 of the Companies Code was applied:
 - The decision of the board of directors on 20 February 2019 relating to the retention agreements signed to provide additional remuneration given the specific context of the Company, the increased demands resulting from the current situation (Mr Hilmar Rode) and the additional role in the capital structure review (Mr Martyn Konig). The financial consequences of the retention agreements consisted in, for Mr Hilmar Rode, an immediate payment of 250 (000) CHF, and a further payment of 1 250 (000) CHF upon completion of the Restructuring. For Mr Martyn Konig, there was an immediate payment of 135 (000) CHF and a further payment of 765 (000) CHF upon completion of the Restructuring. All payments were made by Nyrstar Sales & Marketing AG ("NSM").
 - The decisions of the board of directors with regard to the lock-up agreement, the 250 million USD bridge finance facility provided by Trafigura to NSM and the requests for consent by the noteholders at the meetings of the board of directors of 9, 10 and 15 April 2019 constitute a conflict of interest for Mr Martyn Konig and Mr Hilmar Rode as a result of the aforementioned retention agreements considering they both have an interest of a financial nature that could be in conflict with the proposed approval by the board of directors of the lock-up agreement, the 250 million USD bridge finance facility and the requests for consent by the noteholders which is part of the Restructuring.

- The net assets have decreased below one half of the issued capital. In accordance with article 633 of the Companies Code, the board of directors convened an extraordinary shareholder's meeting on 9 December 2019 where the shareholders rejected the continuation of the Company's activities. The Board of directors need to convene a new shareholder's meeting to decide on the dissolution of the Company.
- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) N° 537/2014.

Antwerp, 12 February 2020

The statutory auditor



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Represented by Ine Nuyts

Deloitte.

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