

Calderys Danmark A/S

Hammerholmen 48

2650 Hvidovre

CVR No. 23102714

Annual Report 2021

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 12 July 2022



Aurélien Cadars
Chairman

R.M.

Calderys Danmark A/S

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Calderys Danmark A/S

Management's Statement

Today, Management has considered and adopted the Annual Report of Calderys Danmark A/S for the financial year 1 January 2021 - 31 December 2021.


The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January 2021 - 31 December 2021.

We recommend that the Annual Report be adopted at the Annual General Meeting.

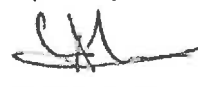
Hvidovre, 12 July 2022

Executive Board



Allan Højdorf
Man. Director

Supervisory Board



Aurélien Cadars
Chairman



Allan Højdorf



Urban Drotz

Calderys Danmark A/S

Independent Auditors' Report

To the shareholder of Calderys Danmark A/S

Opinion

We have audited the financial statements of Calderys Danmark A/S for the financial year 1 January 2021 - 31 December 2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of its operations for the financial year 1 January 2021 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility for the Audit of the Financial Statements" section of this auditor's report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management considers necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting in preparing the financial statements unless Management either intends to either liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements in the financial statements, 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or override of internal control.

Independent Auditors' Report

- * 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 whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control which we identify during our audit.

Statement on Management's commentary

Management is responsible for the Management's commentary.

Our opinion on the financial statements does not cover the Management's commentary, and we do not express any form of opinion providing assurance regarding the Management's commentary.

Our responsibility in connection with our audit of the financial statements is to read the Management's commentary and, in doing so, consider whether the Management's commentary is materially inconsistent with the financial statements or with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's commentary meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's commentary is not materially misstated.

Copenhagen, 12 July 2022

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR-no. 33963556



Flemming Larsen

State Authorised Public Accountant

mne27790

Calderys Danmark A/S

Company details

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CVR No.	23102714
Supervisory Board	Aurélien Cadars Allan Højdorf Urban Drotz
Executive Board	Allan Højdorf, Man. Director
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 P.O. Box 1600 0900 København K CVR-no.: 33963556

Management's Review

The Company's principal activities

The Company's principal activities consist of sale and installation of refractories for refuse disposal plants and ovens.

Development in the activities and the financial situation of the Company

The Company's Income Statement of the financial year 1 January 2021 - 31 December 2021 shows a loss of DKK 3.5 million, which is not satisfactory and actions are taken so that the result will improve in the coming year. The Balance Sheet at 31 December 2021 shows a balance sheet total of DKK 334.2 million and an equity of DKK 66.3 million.

Post financial year events

No events have occurred which may change the financial position of the entity substantially. In 2022 we will continue to build a strong position and brand in Denmark and group related activities.

Uncertainty in regards to measurement of investment in subsidiary company

The financial performance of the subsidiary company has been impacted by a number of factors the last couple of years. Management has commenced a turning-around process with the aim to ensure that the company becomes profitable again. This will likely not happen next year though.

The turn-around process is dependent on a number of factors. Some internal and some factors that Management cannot fully impact. E.g. is a successful turn-around dependent on the future energy prices and whether the war in Ukraine impact the building and construction industry for a longer period of time. Management has updated its impairment analysis of the investment and concluded that no additional impairment loss is warranted at present. Meanwhile, for the reasons above, there is some uncertainty to the turn-around and therefore also the measurement of the investment in the subsidiary company.

Calderys Danmark A/S

Accounting Policies

Reporting Class

The annual report of Calderys Danmark A/S for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Consolidated Financial Statements

With reference to § 112 of the Danish Financial Statements Act, no Consolidated Financial Statement have been prepared because the Group enterprises are subsidiaries of a higher-ranking group.

Reporting currency

The annual report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

Income statement

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Raw materials and consumables used

Costs for raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary write-downs of the relevant inventories.

Other external expenses

Other external expenses include expenses for sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Staff costs

Staff costs include wages and salaries, compensated absence and pension to the Companies employees, as well as other social security contributions etc. less refunds from public authorities.

Amortisation, depreciation and impairment losses

Amortization and impairment of property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life
Properties	33 years
Other fixtures and fittings, tools and equipment	3-10 years

Land is not amortized.

Calderys Danmark A/S

Accounting Policies

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies and surcharges and allowances under the advance-payment of tax scheme.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the date of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

Equity investments in group enterprises and associates

Equity investments in group enterprises and associates are measured at cost. Dividends that exceed accumulated earnings of the group enterprise or the associate during the ownership period are treated as a reduction of the cost. If cost exceeds the net realizable value, a write-down to this lower value will be performed.

Inventories

Inventories are measured at cost using weighted average prices. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the reporting date and total expected income from the work in progress.

Where it is difficult to determine a reliable selling price, the selling price is measured at the lower of costs incurred and the net realizable value.

Work in progress is recognised in the balance sheet under receivables or payables depending on the net value of the selling price less invoicing on account.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

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Accounting Policies

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise bank deposits.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Provisions

Other provisions comprise expected costs of non-recourse guarantee commitments in connection with contracts concluded.

Other provisions are recognised and measured at the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Once it is likely that total costs will exceed total income from a contract in progress, provisions are made for the total loss estimated to result from the relevant contract.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Other financial liabilities

Other liabilities, comprising deposits, trade payables and other accounts payable, are measured at amortised cost, which usually corresponds to the nominal value.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

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Income Statement

	Note	2021 TDKK	2020 TDKK
Revenue		27.570	49.643
Raw materials and consumables used		-19.767	-42.793
Other external expenses		-5.182	-4.597
Gross result		2.621	2.253
Staff costs	2, 3	-5.447	-6.369
Depreciation, amortisation and impairment losses		-289	-264
Profit from ordinary operating activities		-3.115	-4.380
Income from investments in group enterprises	4	0	-54.595
Other financial income	5	0	45
Other financial expenses	6	-1.410	-1.748
Profit from ordinary activities before tax		-4.525	-60.678
Tax expense on ordinary activities	7	982	518
Profit		-3.543	-60.160
Proposed distribution of results			
Retained earnings		-3.543	-60.160
Distribution of profit		-3.543	-60.160

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Calderys Danmark A/S

Balance Sheet as of 31 December

	Note	2021 TDKK	2020 TDKK
Assets			
Land and buildings	8	1.015	1.248
Fixtures, fittings, tools and equipment	9	139	205
Property, plant and equipment		1.154	1.453
Long-term Investments in group enterprises	10, 11	317.305	317.305
Deposits		16	16
Fixed asset investments		317.321	317.321
Fixed assets		318.475	318.774
Raw materials and consumables		2.154	2.342
Inventories		2.154	2.342
Short-term trade receivables		4.464	13.315
Contract work in progress	12	0	7.400
Short-term receivables from group enterprises		1.570	962
Current deferred tax		2.245	1.262
Short-term tax receivables		774	0
Prepayments		398	174
Receivables		9.451	23.113
Cash and cash equivalents		4.170	1.104
Current assets		15.775	26.559
Assets		334.250	345.333

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Balance Sheet as of 31 December

	Note	2021 TDKK	2020 TDKK
Liabilities and equity			
Contributed capital		1.300	1.300
Retained earnings		65.002	68.545
Equity		66.302	69.845
Other provisions		495	0
Provisions		495	0
Other payables		0	223
Long-term liabilities other than provisions		0	223
Contract work in progress		91	0
Trade payables		804	430
Payables to group enterprises		259.450	265.921
Other payables		7.108	8.914
Short-term liabilities other than provisions		267.453	275.265
Liabilities other than provisions within the business		267.453	275.488
Liabilities and equity		334.250	345.333
Contingent liabilities	13		
Ownership	14		
Liabilities under off-balance sheet leases	15		
Related parties	16		

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Calderys Danmark A/S

Statement of changes in Equity

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
	DKK	DKK	DKK	DKK
Equity 1 January 2021	1.300	68.545	0	69.845
Profit (loss)	0	-3.543		-3.543
Equity 31 December 2021	<u>1.300</u>	<u>65.002</u>	<u>0</u>	<u>66.302</u>

The share capital has remained unchanged for the last 5 years.

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Notes

1. Uncertainty in regards to measurement of investment in subsidiary company

The financial performance of the subsidiary company has been impacted by a number of factors the last couple of years. Management has commenced a turning-around process with the aim to ensure that the company becomes profitable again. This will likely not happen next year though.

The turn-around process is dependent on a number of factors. Some internal and some factors that Management cannot fully impact. E.g is a successful turn-around dependent on the future energy prices and whether the war in Ukraine impact the building and construction industry for a longer period of time. Management has updated its impairment analysis of the Investment and concluded that no additional impairment loss is warranted at present. Meanwhile, for the reasons above, there is some uncertainty to the turn-around and therefore also the measurement of the investment in the subsidiary company.

2. Staff costs

	2021	2020
	TDKK	TDKK
Wages and salaries	5.240	6.195
Pension costs	207	174
	<u>5.447</u>	<u>6.369</u>
Average number of full-time employees	<u>18</u>	<u>18</u>

3. Staff costs

Total staff costs comprise:

Wages and salaries	11.043	13.752
Pension costs	207	174
Other social security costs	154	168
	<u>11.404</u>	<u>14.094</u>

Total staff costs are allocated as follows:

Project costs	6.164	7.899
Staff costs	5.240	6.195
	<u>11.404</u>	<u>14.094</u>

4. Income from investments in group enterprises

Dividend	0	0
Revaluations	0	54.595
	<u>0</u>	<u>54.595</u>

5. Other financial income

Other financial income	0	45
	<u>0</u>	<u>45</u>

6. Other financial expenses

Finance expenses arising from group enterprises	1.391	1.387
Other financial expenses	10	361
	<u>1.410</u>	<u>1.748</u>

Calderys Danmark A/S

Notes

7. Tax expense

	2021	2020
	TDKK	TDKK
Change in deferred tax	982	518
	<u>982</u>	<u>518</u>

8. Land and buildings

Cost at the beginning of the year	8.697	8.697
Cost at the end of the year	<u>8.697</u>	<u>8.697</u>
Depreciation and amortisation at the beginning of the year	-7.449	-7.216
Amortisation for the year	-233	-233
Impairment losses and amortisation at the end of the year	<u>-7.682</u>	<u>-7.449</u>
Carrying amount at the end of the year	<u>1.015</u>	<u>1.248</u>

9. Fixtures, fittings, tools and equipment

Cost at the beginning of the year	289	99
Addition during the year, incl. improvements	0	190
Disposal during the year	-11	0
Cost at the end of the year	<u>278</u>	<u>289</u>
Depreciation and amortisation at the beginning of the year	-84	-54
Amortisation for the year	-55	-30
Impairment losses and amortisation at the end of the year	<u>-139</u>	<u>-84</u>
Carrying amount at the end of the year	<u>139</u>	<u>205</u>

10. Long-term investments in group enterprises

Cost at the beginning of the year	462.491	462.491
Cost at the end of the year	<u>462.491</u>	<u>462.491</u>
Revaluations at the beginning of the year	-145.186	-90.591
Revaluations for the year	0	-54.595
Revaluations at the end of the year	<u>-145.186</u>	<u>-145.186</u>
Carrying amount at the end of the year	<u>317.305</u>	<u>317.305</u>

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Calderys Danmark A/S

Notes

11. Disclosure in long-term investments in group enterprises and associates

Group enterprises

Name	Registered office	Share held in %	Equity	Profit
Imerys Industrial Minerals Denmark A/S (DKK thousands)	Skive	100,00	24.655	-15.298
			<u>24.655</u>	<u>-15.298</u>

12. Contract work in progress

	2021 TDKK	2020 TDKK
Sales value of the production for the period	749	7.426
Payments on account received	-840	-26
Net value of contract work	<u>-91</u>	<u>7.400</u>

Progress billings are divided as follows in the balance sheet:

Net receivables	0	7.400
Net liabilities	-91	0
	<u>-91</u>	<u>7.400</u>

13. Contingent liabilities

Recourse and non-recourse guarantee commitments	2.772	3.234
	<u>2.772</u>	<u>3.234</u>

14. Ownership

The Company has registered the following shareholder to hold more than 5% of the voting share capital or of the nominal value of the share capital:

Calderys Nordic AB, Sweden.

15. Unrecognised rental and lease commitments

Commitments under rental agreements or leases until expiry	359	599
	<u>359</u>	<u>599</u>

16. Related parties

Imerys, 154 Rue de l'Université, F-75007 Paris, France is the Ultimate Parent and has controlling interest via other group companies.

The Company is included in the Group Annual Report of Imerys, France. The Group Annual Report may be obtained at www.imerys.com

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