

Celsa Steel Service A/S

Frodebjergvej 6
3650 Ølstykke
Denmark

CVR no. 32 98 82 10

Annual report 2022

The annual report was presented and approved at
the Company's annual general meeting on

27 June 2023

Utku Öner
Chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Celsa Steel Service A/S for the financial year 1 January – 31 December 2022.

The annual report has been 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 assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters, of the results for the year and of the Company's financial position.

We recommend that the annual report be approved at the annual general meeting.

Ølstykke, 27 June 2023

Executive Board:

Magnus Lundgren
CEO

Board of Directors:

Utku Öner
Chairman

David Mark Smith

Magnus Lundgren

Independent auditor's report

To the shareholder of Celsa Steel Service A/S

Opinion

We have audited the financial statements of Celsa Steel Service A/S for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including 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 assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our 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 that Management determines is 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, 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 liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities 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 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 ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 made on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the company 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 one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Independent auditor's 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 the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may 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 auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent 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 that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 27 June 2023

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Henrik Y. Jensen
State Authorised
Public Accountant
mne35442

Malene Haaber Glahn Christiansen
State Authorised
Public Accountant
mne47773

Celsa Steel Service A/S
Annual report 2022
CVR no. 32 98 82 10

Management's review

Company details

Celsa Steel Service A/S
Frodebjergvej 6
3650 Ølstykke
Denmark

Telephone: 47 16 00 30
Fax: 47 16 00 40
Website: www.celsa-steelservice.com

CVR no.: 32 98 82 10
Established: 30 September 1964
Registered office: Egedal
Financial year: 1 January – 31 December

Board of Directors

Utku Öner, Chairman
David Mark Smith
Magnus Lundgren

Executive Board

Magnus Lundgren, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Financial highlights

DKK'000	2022	2021	2020	2019	2018
Key figures					
Revenue	413,802	310,401	190,849	238,957	234,606
Gross profit	63,129	55,363	24,862	26,153	26,752
Operating profit/loss	24,834	19,975	-8,843	-7,775	-4,342
Profit/loss from financial income and expenses	-2,184	-1,531	-659	-1,606	-1,671
Profit/loss for the year	18,834	17,679	-9,502	-9,381	-4,871
Total assets					
Equity	112,408	101,822	74,764	75,855	91,505
Investment in property, plant and equipment	77,578	58,744	41,065	50,567	59,947
	2,615	3,843	1,555	3,840	3,270
Ratios					
Gross margin	15.3%	17.8%	13.0%	10.9%	11.4%
Operating margin	6.0%	6.4%	-4.6%	-3.3%	-1.9%
Return on equity	27.6%	35.4%	-20.7%	-16.7%	-7.8%
Solvency ratio	69.0%	57.7%	54.9%	66.7%	65.1%
Average number of full-time employees					
	82	85	88	95	85

The financial ratios have been calculated as follows:

Gross margin
$$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

Operating margin
$$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$$

Return on equity
$$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$$

Solvency ratio
$$\frac{\text{Equity ex. non-controlling interests at year-end} \times 100}{\text{Total equity and liabilities at year-end}}$$

Management's review

Operating review

Principal activity

The Company reprocesses and sells reinforced steel produced by the group entity in Norway.

Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK 18,834 thousand as against DKK 17,679 thousand in 2021. Equity in the Company's balance sheet at 31 December 2022 stood at DKK 77,578 thousand as against DKK 58,744 thousand at 31 December 2021.

Targets and expectations for the year ahead

The budgeted result for 2023 shows a positive profit before financial income and expenses of TDKK 4.160 and a slightly increase in volume. The market will be influenced by lower prices on raw material, but the management have a positive view on the future although the prices on raw material are decreasing.

Environmental impact

Environmental considerations are an integrated part of the Company's activities. The Company's environmental goal is to limit the environmental impact as much as possible through a reduction in use of resources, utilization of environmentally sound technology and through disposal/recycling with the least environmental impact.

Events after the balance sheet date

There have not been any event after the balance date, that have an impact on the 2022 result.

Financial statements 1 January – 31 December

Income statement

DKK'000	Note	2022	2021
Revenue		413,802	310,401
Production costs	2	<u>-350,673</u>	<u>-255,038</u>
Gross profit		63,129	55,363
Distribution costs	2	-25,634	-23,647
Administrative expenses	2	<u>-12,661</u>	<u>-11,741</u>
Profit before financial income and expenses		24,834	19,975
Other financial income		333	108
Other financial expenses	3	<u>-2,517</u>	<u>-1,639</u>
Profit before tax		22,650	18,444
Tax on profit for the year	4	<u>-3,816</u>	<u>-765</u>
Profit for the year	5	<u><u>18,834</u></u>	<u><u>17,679</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2022	31/12 2021
ASSETS			
Fixed assets			
Intangible assets			
Completed development projects	6	1,716	1,685
Property, plant and equipment			
Land and buildings	7	17,589	16,460
Plant and machinery		11,642	12,178
		29,231	28,638
Total fixed assets		30,947	30,323
Current assets			
Inventories			
Raw materials and consumables		37,921	29,563
Work in progress		417	1,735
Finished goods and goods for resale		21,363	17,896
		59,701	49,194
Receivables			
Trade receivables		7,495	12,430
Receivables from group entities		7,752	1,505
Deferred tax asset	8	4,322	6,045
Prepayments	9	2,191	2,325
		21,760	22,305
Total current assets		81,461	71,499
TOTAL ASSETS		112,408	101,822

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2022	31/12 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital	10	4,300	4,300
Revaluation reserve for land and buildings		5,753	5,753
Reserve for development costs		1,338	1,314
Retained earnings		<u>66,187</u>	<u>47,377</u>
Total equity		<u>77,578</u>	<u>58,744</u>
Liabilities			
Non-current liabilities			
Other payables	11	<u>1,296</u>	<u>1,290</u>
Current liabilities			
Current portion of non-current liabilities	11	0	293
Trade payables		7,050	10,598
Payables to group entities		16,858	18,615
Corporation tax		1,761	606
Other payables		<u>7,865</u>	<u>11,676</u>
		<u>33,534</u>	<u>41,788</u>
Total liabilities		<u>34,830</u>	<u>43,078</u>
TOTAL EQUITY AND LIABILITIES		<u>112,408</u>	<u>101,822</u>
Staff costs and incentive schemes	2		
Contractual obligations, contingencies, etc.	12		
Mortgages and collateral	13		
Related party disclosures	14		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Revaluation reserve for land and buildings	Reserve for development costs	Retained earnings	Total
Equity at 1 January 2022	4,300	5,753	1,314	47,377	58,744
Transferred over the profit appropriation	0	0	24	18,810	18,834
Equity at 31 December 2022	4,300	5,753	1,338	66,187	77,578

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Celsa Steel Service A/S for 2022 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Celsa Nordic AS.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Revenue

Revenue from sale of goods for resale and finished goods is recognised in the income statement provided that transfer of risk to the buyer has taken place before year-end and that the income can be reliably measured and is expected to be received.

Production costs

Production costs comprise costs, including depreciation and amortisation and salaries, incurred in generating revenue for the year. Such costs include direct and indirect costs for raw materials and consumables, wages and salaries, rent and leases, and depreciation of production plant.

Distribution costs

Distribution costs comprise costs incurred in distributing goods sold during the year and in conducting sales campaigns, etc. Also, costs relating to sales staff, advertising, and amortisation are recognised as distribution costs.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Administrative expenses

Administrative expenses comprise expenses incurred during the year for the management and administration of the Company, including expenses for administrative staff, office premises and office expenses and depreciation.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Intangible assets

On initial recognition, intangible assets are measured at cost.

Development costs comprise costs, wages, salaries and amortisation directly and indirectly attributable to development activities.

Development costs recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Upon completion of development work, development costs are amortised on a straight-line basis over the estimated useful lives. The amortisation period is usually 5 years.

Property, plant and equipment

Land and buildings are measured at fair value less accumulated depreciation and impairment losses.

Plant and machinery are measured at cost less accumulated depreciation and impairment losses.

Land and buildings are revalued at fair value corresponding to the market's selling price. The revaluation is made based on the carrying amount, and the difference is recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprise direct and indirect costs of materials, components, subsuppliers as well as wages and salaries.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are as follows:

Buildings	30-50 years
Plant and machinery	5-20 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Leases

On initial recognition, leases for fixed assets that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are recognised in the balance sheet at the lower of fair value and the net present value of future lease payments. When calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently treated as the Company's other fixed assets.

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Inventories

Inventories are measured at cost in accordance with the average cost method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Equity

Revaluation reserve for land and buildings

The reserve for revaluation at fair value relates to net revaluation of the Company's land and buildings with respect to cost.

The reserve cannot be eliminated by way of the Company's losses or be reduced in any other way. The reserve may be dissolved or reduced as the revalued assets are realised or discontinued from the activity or reversed due to changes in accounting estimates. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Reserve for development costs

The reserve for development costs comprises capitalised development costs. The reserve cannot be used for dividend, distribution or to cover losses. If the recognised development costs are sold or in other ways excluded from the Company's operations, the reserve will be dissolved and transferred directly to the distributable reserves under equity. If the recognised development costs are written down, the part of the reserve corresponding to the write-down of the developments costs will be reversed. If a write-down of development costs is subsequently reversed, the reserve will be re-established. The reserve is reduced by amortisation of capitalised development costs on an ongoing basis.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction. Deferred net assets are recognised at net realisable value.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement.

Liabilities

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Finance lease obligations comprise the capitalised residual lease obligation of finance leases.

Other liabilities are measured at net realisable value.

Financial statements 1 January – 31 December

Notes

DKK'000	<u>2022</u>	<u>2021</u>
2 Staff costs and incentive schemes		
Wages and salaries	41,260	43,274
Pensions	3,183	4,245
Other social security costs	799	671
	<u>45,242</u>	<u>48,190</u>
Average number of full-time employees	<u>82</u>	<u>85</u>
3 Financial expenses		
Interest expense to group entities	58	13
Other financial costs	2,179	1,490
Exchange losses	280	136
	<u>2,517</u>	<u>1,639</u>
4 Tax on profit/loss for the year		
Current tax for the year	2,093	0
Deferred tax for the year	2,807	542
Adjustment of tax concerning previous years	0	223
Adjustment of deferred tax concerning previous years	-1,084	0
	<u>3,816</u>	<u>765</u>

Financial statements 1 January – 31 December

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DKK'000	2022	2021	
5 Proposed profit appropriation			
Reserve for development costs	24	-181	
Retained earnings	18,810	17,860	
	<u>18,834</u>	<u>17,679</u>	
6 Intangible assets			
DKK'000		Completed development projects	
Cost at 1 January 2022		6,393	
Additions for the year		594	
Cost at 31 December 2022		<u>6,987</u>	
Amortisation and impairment losses at 1 January 2022		-4,708	
Amortisation for the year		<u>-563</u>	
Amortisation and impairment losses at 31 December 2022		<u>-5,271</u>	
Carrying amount at 31 December 2022		<u>1,716</u>	
7 Property, plant and equipment			
DKK'000	Land and buildings	Plant and machinery	Total
Cost at 1 January 2022	17,747	66,759	84,506
Additions for the year	<u>1,788</u>	<u>827</u>	<u>2,615</u>
Cost at 31 December 2022	19,535	67,586	87,121
Revaluations at 1 January 2022	<u>8,677</u>	<u>0</u>	<u>8,677</u>
Revaluations at 31 December 2022	<u>8,677</u>	<u>0</u>	<u>8,677</u>
Depreciation and impairment losses at 1 January 2022	-9,964	-54,581	-64,545
Depreciation for the year	<u>-659</u>	<u>-1,363</u>	<u>-2,022</u>
Depreciation and impairment losses at 31 December 2022	<u>-10,623</u>	<u>-55,944</u>	<u>-66,567</u>
Carrying amount at 31 December 2022	<u>17,589</u>	<u>11,642</u>	<u>29,231</u>

Financial statements 1 January – 31 December

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DKK'000	<u>31/12 2022</u>	<u>31/12 2021</u>
8 Deferred tax asset		
Provision for deferred tax at 1 January	6,045	6,045
Adjustment of deferred tax for the year	<u>0</u>	<u>0</u>
	<u>6,045</u>	<u>6,045</u>

The Company's deferred tax asset amounts to DKK XX million and is recognised by DKK X million at 31 December 2022. The residual value is not recognised as utilisation is considered uncertain. The Company has been loss-making in 2017-2020 and though Management expects to be profit-making going forward, the measurement of the deferred tax asset is associated with risk related to the market development and the expected improvement in sales and margin.

9 Prepayments

Insurance	225	426
IT-license	785	773
Real estate tax	318	311
Other prepayments	<u>850</u>	<u>705</u>
	<u>2,178</u>	<u>2,215</u>

10 Equity

The contributed capital consists of:

42 shares of DKK 100,000 each
9 shares of DKK 10,000 each
8 shares of DKK 1,000 each
2 shares of DKK 500 each
10 shares of DKK 100 each

All shares rank equally.

There have been no changes to the share capital in the previous five years.

11 Non-current liabilities other than provisions

Within a year	283	293
Between 1 and 5 years	1,013	1,260
>5 years	<u>0</u>	<u>30</u>
Total non-current liabilities other than provisions	<u>1,296</u>	<u>1,583</u>

12 Contractual obligations, contingencies, etc.

The Company has entered into operating leases. The total residual lease payment for the leases amounts to DKK 2,020 thousand (2021: DKK 1,775 thousand) and falls due within 5 years.

Financial statements 1 January – 31 December

Notes

13 Mortgages and collateral

The Company is a co-guarantor of a syndicated bank loan of EUR 50 million to Celsa Nordic AS. At 31 December 2022, EUR 32.5 million of the syndicated bank loan has been utilised.

The Company has provided collateral in real estate at a value of DKK 2,750 thousand at 31 December 2022.

14 Related party disclosures

Celsa Steel Service A/S' related parties comprise the following:

Control

Celsa Nordic Reinforcing AS, Mo Industripark 8626 Mo i Rana Norge, holds the majority of the contributed capital in the Company.

Celsa Steel Service A/S is part of the consolidated financial statements of Celsa Nordic Reinforcing AS, Mo Industripark 8626 Mo i Rana Norge, and the consolidated financial statements of Celsa Armeringsstål AS, Mo Industripark 8626 Mo i Rana Norge, which are the smallest and largest groups, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements of Celsa Nordic Reinforcing AS and the consolidated financial statements of Celsa Armeringsstål AS can be obtained by contacting the companies at the above addresses.

Related party transactions

DKK'000	2022	2021
Purchase of service from group entities	2,661	3,501
Purchase of goods group entities	282,121	203,291

Intercompany interest is disclosed in note 3 and intercompany outstandings are disclosed in the balance sheet.

PENNEO

The signatures in this document are legally binding. The document is signed using Penneo™ secure digital signature. The identity of the signers has been recorded, and are listed below.

"By my signature I confirm all dates and content in this document."

Magnus Ingvar Valter Lundgren

Direktionsmedlem

Serial number: 19771028xxxx

IP: 188.178.xxx.xxx

2023-06-27 09:17:26 UTC



Magnus Ingvar Valter Lundgren

Bestyrelsesmedlem

Serial number: 19771028xxxx

IP: 188.178.xxx.xxx

2023-06-27 09:17:26 UTC



UTKU ÖNER

Bestyrelsesformand

Serial number: 19820729xxxx

IP: 37.10.xxx.xxx

2023-06-27 10:40:52 UTC



DAVID MARK SMITH

Bestyrelsesmedlem

Serial number: 19700202xxxx

IP: 195.69.xxx.xxx

2023-06-27 11:22:25 UTC



Henrik Youphasook Jensen

Statsautoriseret revisor

Serial number: b6fe9db3-c7be-4306-9bfe-ba407b1bd3b6

IP: 83.151.xxx.xxx

2023-06-27 11:40:29 UTC



Malene Haaber Glahn Christiansen

Statsautoriseret revisor

On behalf of: KPMG Statsautoriseret Revisionspartners...

Serial number: 925d1a02-49d6-460c-95f2-2cf3ace931e6

IP: 83.151.xxx.xxx

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