



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 914 975 042
Organisasjonsform: Aksjeselskap
Foretaksnavn: SPEIRA RECYCLING SERVICES NORWAY HOLDING AS
Forretningsadresse: Rødvikvegen 9
6460 EIDSVÅG I ROMSDAL

Regnskapsår

Årsregnskapets periode: 01.01.2021 - 31.12.2021

Konsern

Morselskap i konsern: Ja
Konsernregnskap lagt ved: Ja

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet: -

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Monica Tennoy
Dato for fastsettelse av årsregnskapet: 06.07.2022

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 07.02.2024



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad	1	-1 488	92 423
Sum kostnader		-1 488	92 423
Driftsresultat		1 488	-92 423
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	4		64 000
Sum finansinntekter			64 000
Nedskrivning av andre finansielle anleggsmidler	2	-6 117 451	1 100 000
Rentekostnad til foretak i samme konsern	4	4 723 420	4 439 663
Annen finanskostnad			1 270
Sum finanskostnader		-1 394 031	5 540 933
Netto finans		1 394 031	-5 476 932
Ordinært resultat før skattekostnad		1 395 518	-5 569 355
Skattekostnad på ordinært resultat	3		
Ordinært resultat etter skattekostnad		1 395 518	-5 569 355
Årsresultat		1 395 518	-5 569 355
Årsresultat etter minoritetsinteresser		1 395 518	-5 569 355
Totalresultat		1 395 518	-5 569 355
Overføringer og disponeringer			
Overført fra annen innskutt egenkapital	5		-5 569 355
Avsatt til annen egenkapital	5	1 395 518	
Sum overføringer og disponeringer		1 395 518	-5 569 355



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap	2	99 617 451	93 500 000
Sum finansielle anleggsmidler		99 617 451	93 500 000
Sum anleggsmidler		99 617 451	93 500 000
Omløpsmidler			
Varer			
Fordringer			
Andre kortsiktige fordringer	4	424 562	522 562
Sum fordringer		424 562	522 562
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter o.l.		1 745	4 148
Sum bankinnskudd, kontanter og lignende		1 745	4 148
Sum omløpsmidler		426 307	526 711
SUM EIENDELER		100 043 758	94 026 711
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	5	90 000	90 000
Beholdning av egne aksjer	5		
Overkurs	5	18 755 061	18 755 061
Annen innskutt egenkapital	5	4 278 138	4 278 138
Sum innskutt egenkapital		23 123 198	23 123 198



Balanse

Beløp i: NOK	Note	2021	2020
Opptjent egenkapital			
Annen egenkapital	5	1 395 518	
Sum opptjent egenkapital		1 395 518	
Sum egenkapital		24 518 717	23 123 198
Gjeld			
Langsiktig gjeld			
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	4	75 525 041	70 801 621
Sum annen langsiktig gjeld		75 525 041	70 801 621
Sum langsiktig gjeld		75 525 041	70 801 621
Kortsiktig gjeld			
Leverandørgjeld			17 891
Annen kortsiktig gjeld			84 000
Sum kortsiktig gjeld			101 891
Sum gjeld		75 525 041	70 903 513
SUM EGENKAPITAL OG GJELD		100 043 758	94 026 711



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REAL ALLOY UK HOLDCO Ltd
Registered No. 09329747

REAL ALLOY UK HOLDCO LTD.

Report and Financial Statements

31 December 2021



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REAL ALLOY UK HOLDCO Ltd

Registered No. 09329747

Directors

R Barr
T J Hogan
C Griffin

Auditors

Ernst & Young LLP
The Paragon
Counterslip
Bristol
BS1 6BX

Bankers

Barclays Bank
Swansea Business Centre
Pockets Wharf
Swansea
SA1 3YN

DNB

Storgate 25
6413 Molde
Norway

Registered office

Real Alloy UK Holdco Ltd
Westfield Industrial Park
Waunarwydd
Swansea
SA5 4SF



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Group Strategic Report

Results and dividends

The profit for the year after taxation amounted to £2,908,000 (2020 – £373,000). The directors do not recommend a final dividend (2020– €5,000,000).

Principal activities and review of the Group

The principal activities of the companies within the Group is the recycling of valuable aluminium waste materials for sale to the aluminium (wrought and casting alloy) industries within the UK, mainland Europe and Norway. There have been no significant changes in the Group's principal activities in the year under review.

The Group is a wholly owned subsidiary of RA Parent, Inc. and operates as part of the European recycling division.

The Group's key financial performance indicators during the year were as follows:

	2021	2020	Change
	£m	£m	%
Turnover	64.4	40.2	60%
Operating Profit	4.4	1.3	238%
Profit after tax	2.9	0.4	625%
Average number of employees	110	109	1%

The increase in turnover, operating profit and profit after tax was due to the economy coming out of the COVID-19 pandemic, which resulted in an increase in demand for Aluminium. During the period under review the business was at full capacity, whereas in 2020 some of the furnaces within the Group were not operational for a period of 6 months.

Future developments

Demand for many of our products is impacted by regional economic factors in both Europe and Norway, including GDP and industrial production. We are forecasting that production and sales will increase in 2022 as the economic outlook improves and the effects of the COVID-19 pandemic reduces in Europe.

Principal risks and uncertainties

The Group's management are responsible for managing any risks and uncertainties and for working with the Real Alloy group to understand and mitigate the risks that the company faces.

The Group has rigorous budgeting and forecasting processes against which performance is monitored and any exposure to business risk can be identified and appropriate plans and actions put in place. A major focus in 2022 will be productivity improvement activities to offset any increasing costs. There are two areas of potential future risk for the Group. Firstly, is the decision by the UK to leave the European Union and secondly, is the worldwide COVID-19 pandemic.

- 1) The potential risk of the UK leaving the European Union is at an early stage and cannot be quantified at this time with many agreements between the UK and the rest of the world still to be agreed.
- 2) The Group operates in a countries that were affected by the pandemic and also has both customers and suppliers in other countries that were effected. This had a detrimental effect on the Company's revenues and profits in 2020. However, in 2021 the impact was less severe, with the outlook showing that its impact will reduce further in 2022. Given the complexity of the situation it is not practicable as of the date of approval of these financial statements to reliably make a quantified estimate of its potential future impact on the company.



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Registered No. 09329747

Group Strategic Report (continued)

Principal risks and uncertainties (continued)

The Group's management are responsible for managing any risks and uncertainties and for working with the Real Alloy group to understand and mitigate the risks that the company faces.

Credit risk

The Group's customers are third parties in the United Kingdom, Europe and Norway. The Group has no history of credit risk from its customers, but has a comprehensive credit policy in place that includes credit risk validations, credit limits and regular follow up of amounts due to the Group.

Currency risk

The Group has transactional currency exposures which arise from sales in Euro, Norwegian Krone and purchases in currencies other than its functional currency (GBP). Potential exposures to foreign currency exchange rate movements are monitored through monthly cash forecasting process. These risks are managed by Real Alloy's treasury department at a group level.

Commodity price risk

The Group's sale of aluminium is affected by the fluctuation of the prices in London Metal Exchange. The potential exposure to the price fluctuations are monitored Real Alloy's treasury department at a group level.

Liquidity and cash flow risks

The Group aims to mitigate liquidity risk by managing cash generation by its operations and applying cash collection targets throughout the Group. The Group manages cash flow risk by careful negotiation of terms with customers and suppliers and maintains available funds to enable them to meet their liabilities as they fall due.

Competitive risk

The Group has various competitors, therefore Real Alloy's business leaders' focus on retaining our current business and gaining new business.

Legislative risk

The Group operates in a regulated industry and products are subject to rigorous manufacturing standards.

Corporate Governance

In accordance with section 172(1) of The Companies Act 2006 the directors of the company are required to act in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole.

Taking this into account, the directors of Real Alloy UK Ltd. must have regard (among other matters) to:

- The likely long term consequences of any decision
- The interest of the company's employees
- The need to foster the company's business relationship with suppliers, customers and others
- The impact of the company's operations on our community and environment
- Maintenance of the company's reputation for the highest standards of the business conduct
- The need to act fairly as between members of the company

The Board welcomes the reporting requirement introduced by Section 172, and sees it as an opportunity to explain how these considerations have informed and helped shape strategy and decision making



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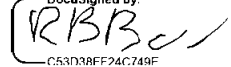
Group Strategic Report (continued)

Corporate Governance (continued)

Stakeholder engagement is embedded within the detailed corporate governance framework operated by the Board, and the long-term consequences of its strategic decision making are reviewed and assessed at local leadership meetings, through its Committees and through its oversight of decision making delegated to executive management. The Board takes its Section 172 obligations very seriously, and applies Section 172 in the context of its strategic direction of the Company and its meetings, including the following specific ways:

- **Strategic priorities**
Directors review progress against our strategic priorities with the local leadership team.
- **Health and safety of staff**
Management and its Committees conduct regular reviews of safety matters and environmental performance, with the aim of continually improving site safety and minimising environmental impact.
- **Financial discipline**
Leadership meetings review executive management's focus around fiscal discipline, and delivery of solid and stable earnings.
- **People**
Leadership approaches all its decisions which may effect employees by reference to our Real Alloy corporate values.
- **Governance**
Our governance requires consistently high standard of business conduct and the Board review all decisions in the light of this strategic priority. Strong cultural leadership and governance are seen by the Board as critical elements underpinning the continuing success of the Company.
- **Operational availability and reliability**
Executive management is charged by the Board with maintaining the strong operational presence expected by our customers, complete regulatory compliance expected by our suppliers and others, with reports on these areas provided to each Board meeting. Board decisions are taken in a way which furthers both the long-term financial success of the Company and the interests of our stakeholders.

On behalf of the board

DocuSigned by:

.....C53D38FF24C749F.....
R. Barr
Director

Date: 28 September 2022



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Directors' Group report

The directors who served the group during the year were as follows:

R Barr
T J Hogan
C Griffin

Environment

Real Alloy UK Holdco Limited and its group of companies recognises the importance of the environment in which it operates and takes this extremely seriously. The Group operates within group policies and monitors its impact on the environment and local community continuously, striving for improvements in health, safety, and environmental impact via initiatives and training of employees.

Employees

The Group encourages participation of employees in all matters relevant to them through meetings and bulletin updates. Union Representatives regularly attend European Workers Council Meetings (EWC) and are regularly consulted on matters affecting them and their member's interests.

Going concern

On the basis of their assessment of the Group's financial position, the Company's directors have a reasonable expectation that the Group will be able to continue in operational existence for 12 months from the date of the approval of the financial statements. The directors are required to consider the application of the going concern concept when signing the financial statements. The principal element required to meet the test is sufficient liquidity twelve months subsequent to the date of signing the accounts. The directors have considered the impact of the COVID-19 crisis on the Group's business operations and future prospects along with the potential impact that this may have on the cashflow of the Group.

The Group's financial forecasts, taking into consideration the current environment, show that the Group is expected to remain profitable and generate positive cash flows giving the Group the ability to continue to operate 12 months from the date of the approval of the financial statements and meet any liabilities as they fall due.

The directors have looked forward 12 months from the date of the approval of the financial statements and forecast that the Group's bank accounts will have cash reserves of 13.549m Euros (16.030m UK and (2.481m) Norway) until September 2023.

In view of the circumstances referred to above, the directors believe that the Group is well positioned to withstand the impact of the ongoing COVID-19 crisis. Whilst there remains uncertainty of the impact of COVID-19 the directors have considered the impact on the cashflows of the Group and consider that these uncertainties will not change the cashflows within the Group and based on these facts and the financial position and the forecasted cashflows of the Group, have concluded it is appropriate to prepare the financial statements on the going concern basis.

The directors have looked forward 12 months from the date of the approval of the financial statements and in light of the above have therefore concluded that there has been limited short nor long term impact that would impact the Company's ability to continue as a going concern.



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Directors' Group report (continued)

Streamlined Energy and Carbon Reporting (SECR)

The group is committed to producing meaningful climate disclosures in line with those required by The Companies (Directors' Report) and Limited Liability Partnership (Energy and Carbon Report) Regulations 2018. The table below provides details of the information required by the 2018 Regulations.

The footprint has been calculated in accordance with the Greenhouse Gas (GHG) Protocol and Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance. Activity data has been converted into carbon emissions using Department of Environment, Food and Rural Affairs (DEFRA) published emission factors and the data provided by the Company. The data is presented in tonnes of carbon dioxide equivalent (t CO₂e)

Year ended 31 December 2021	Notes	Kwh (000's)	t CO ₂ e
Scope 1 Gas		60,205	11,026
Fuel transport (on-site vehicles)		2,358	598
	(a)	62,563	11,624
Scope 2 Electricity	(b)	30,405	6,456
	(b)	30,405	6,456
Total Scopes 1 & 2		92,968	18,080
Emission intensity (scopes 1 and 2)		280.60	CO ₂ e per £1m of revenue

(a) Scope 1 – Direct emissions from owned or controlled sources

(b) Scope 2 – Indirect emissions from generation of purchased energy

Energy efficiency

The group recognises that the promotion and good management of energy usage is essential to sustaining and keeping in balance with the environment and environment resources and the Company is committed to working towards energy efficiency.

The group is constantly reviewing and monitoring its energy efficiency and is actively looking to drive energy efficiency within all areas of the business. The Company has upgraded metering on key equipment and has upgraded the lighting on its sites.



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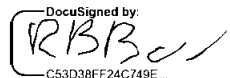
Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the Board

DocuSigned by:

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R.Barr
Director
Date: 28 September 2022



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Statement of directors' responsibilities

The directors are responsible for preparing the strategic report and directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



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Independent auditors' report

to the members of Real Alloy UK Holdco Ltd

Opinion

We have audited the financial statements of Real Alloy UK Holdco Limited ('the parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise Group statement of comprehensive income, Group statement of changes in equity, Parent company statement of changes in equity, Group statement of cash flows, Group Balance sheet, Parent Balance sheet and the related notes 1 to 22, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the group's and of the parent company's affairs as at 31 December 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period of 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.



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Independent auditors' report

to the members of Real Alloy UK Holdco Ltd (Continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are responsible for assessing the group's and the parent 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 unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.



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Independent auditors' report

to the members of Real Alloy UK Holdco Ltd (Continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about 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 (UK) 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 financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the parent company and the group and determined that the most significant are those that relate to the reporting framework (FRS 102 and Companies Act 2006) and compliance with the relevant direct and indirect tax regulation in the United Kingdom and Norway. In addition, the group has to comply with laws and regulations relating to its operations, including health and safety and GDPR.
- We understood how the parent company and the group is complying with those frameworks by making enquiries of management to understand how the parent company and the group maintains and communicates its policies and procedures in these areas. We evaluated management procedures through discussion, inspections and observations in the control environment to understand procedures implemented by management to reduce opportunities for fraudulent transactions. We performed procedures including reading minutes of the board meetings and making enquiries with the management for any correspondence of non-compliance with the tax authorities, and noted no significant issues. We performed journal entry testing to ensure that there is no unusual legal or penalty expenses incurred during the year and to ensure that the management is in compliance with the applicable framework.
- We assessed the susceptibility of the parent company and group's financial statements to material misstatement, including how fraud might occur by inquiring with management and performing a walkthrough of the financial statement closing process. We determined revenue recognition to be a fraud risk due to management override of controls, therefore we tested manual journal entries posted to revenue, focusing on journals around the year end, and also performed year end cut off procedures. Further, we performed overall analytical procedures to assess the fairness of the overall financial performance and the position as at and for the year ended. In relation to management override we used data analytics to sample from the entire population of journals, identifying specific transactions which did not meet our expectations based on specific criteria, to investigate to gain an understanding and agree to source documentation.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved ensuring that material transactions are recorded in compliance with FRS 102 and where appropriate Companies Act 2006. Compliance with other operational laws and regulations was covered through our inquiry with no indication of non-compliance identified.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.



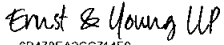
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Independent auditors' report

to the members of Real Alloy UK Holdco Ltd (Continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Jane Barwell (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol
Date 29 September 2022



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REAL ALLOY UK HOLDCO LTD.

Registered No. 09329747

Group statement of comprehensive income

for the year ended 31 December 2021

	Notes	2021 £000	2020 £000
Turnover	2	64,434	40,151
Cost of sales		(51,445)	(33,317)
Gross Profit		12,989	6,834
Selling and distribution costs		(1,240)	(775)
Administrative expenses		(6,813)	(4,747)
Operating Profit	3	4,936	1,312
Other Financial income		150	159
Net interest payable	6	(1,114)	(963)
Profit on ordinary activities before taxation		3,972	508
Tax	7	(1,064)	(135)
Profit for the financial year		2,908	373
Other comprehensive income / (loss)		398	(79)
Total comprehensive income for the year, net of tax		3,306	294
Total comprehensive income for the year attributable to:			
Non-controlling interests		-	-
Owners of the parent company		3,306	294

All amounts relate to continuing activities.



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REAL ALLOY UK HOLDCO LTD.

Registered No. 09329747

Group statement of changes in equity

for the year ended 31 December 2021

	<i>Share capital</i> £000	<i>Share premium</i> £000	<i>Profit and loss account</i> £000	<i>OCI Reserve</i> £000	<i>Total equity</i> £000
At 1 January 2020	1	20,512	(10,244)	52	10,321
Profit for the year	–	–	373	–	373
Total comprehensive income for the year	–	–	373	–	373
OCI movement for the year	–	–	–	(79)	(79)
As at December 2020	1	20,512	(9,871)	(27)	10,615
Dividend paid to Real Alloy Holding LLC	–	–	(4,348)	–	(4,348)
Profit for the year	–	–	2,908	–	2,908
OCI movement for the year	–	–	–	398	398
Total comprehensive income for the year	–	–	(1,440)	398	(1,042)
At 31 December 2021	1	20,512	(11,311)	371	9,573

Parent company statement of changes in equity

for the year ended 31 December 2021

	<i>Share capital</i> £000	<i>Share premium</i> £000	<i>Profit and loss account</i> £000	<i>Total equity</i> £000
At 1 January 2020	1	20,512	(347)	20,166
Loss for the year	–	–	(326)	(326)
At 1 January 2021	1	20,512	(673)	19,840
Loss for the year	–	–	(321)	(321)
At 31 December 2021	1	20,512	(994)	19,519



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REAL ALLOY UK HOLDCO LTD.

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Group statement of cash flows

for the year ended 31 December 2021

	<i>Notes</i>	<i>2021</i> £000	<i>2020</i> £000
Net cash inflows from operating activities	13	4,186	2,219
Investing activities			
Interest received	6	1	7
Payments to acquire tangible fixed assets		(1,383)	(923)
Receipts from sales of tangible fixed assets		12	-
Net cashflow outflow from investing activities		(1,370)	(916)
Financing activities			
Dividend paid to equity shareholders		(4,348)	-
Interest element of finance lease rental payment	6	(23)	(12)
Repayment of capital element of finance leases		(265)	(236)
Net cash (outflows) from financing activities		(4,636)	(248)
(Decrease) / increase in cash and cash equivalents		(1,820)	1,055
Effect of exchange rates on cash and cash equivalents		521	(13)
Cash and cash equivalents at 1 January		11,407	10,365
Cash and cash equivalents at 31 December	13	10,108	11,407



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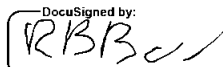
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Group Balance sheet

As at 31 December 2021

	Notes	2021 £000	2020 £000
Fixed assets			
Tangible assets	9	10,225	10,300
		<u>10,225</u>	<u>10,300</u>
Current assets			
Stocks	10	2,919	2,807
Debtors	11	9,810	6,507
Cash and cash equivalents	13b	10,108	11,407
		<u>22,837</u>	<u>20,721</u>
Creditors: amounts falling due within one year	12	<u>(22,756)</u>	<u>(20,017)</u>
Net current assets / (liabilities)		<u>81</u>	<u>704</u>
Total assets less current liabilities		<u>10,306</u>	<u>11,004</u>
Creditors: amounts falling due more than one year	12	<u>(254)</u>	<u>(164)</u>
Provisions for liabilities			
Deferred tax	7(d)	(479)	(225)
		<u>9,573</u>	<u>10,615</u>
Net assets			
Capital and reserves			
Called up share capital	19	1	1
Share premium	20	20,512	20,512
Profit and loss account	20	(11,311)	(9,871)
OCI reserve	20	371	(27)
		<u>9,573</u>	<u>10,615</u>
Shareholders' funds			
		<u>9,573</u>	<u>10,615</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

DocuSigned by:

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R. Barr
Director
Date: 28 September 2022



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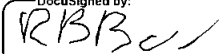
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Parent Balance sheet

As at 31 December 2021

	Notes	2021 £000	2020 £000
Fixed assets			
Investments	8	30,127	30,127
Current assets			
Other debtors	11	723	647
Creditors: amounts falling due within one year	12	(11,331)	(10,934)
Net current liabilities		(10,608)	(10,287)
Total assets less current liabilities		19,519	19,840
Net assets		19,519	19,840
Capital and reserves			
Called up share capital	19	1	1
Share premium	20	20,512	20,512
Profit and loss account	20	(994)	(673)
Shareholders' funds		19,519	19,840

The financial statements were approved and authorised for issue by the board and were signed on its behalf by

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R. Barr
Director
Date: 28 September 2022



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REAL ALLOY UK HOLDCO Ltd

Registered No. 09329747

Notes to the financial statements

As at 31 December 2021

1. Accounting policies

Statement of compliance and basis of preparation

Real Alloy UK Holdco Limited is a private company limited by shares incorporated in the UK, and registered in England and Wales. Its registered office is Westfield Industrial Park, Waunarlwydd, Swansea, SA5 4SF. The group and parent company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year ended 31 December 2021.

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the presentational currency of the group and parent company and are rounded to the nearest £'000. The functional currency of the parent company is sterling.

The parent company has taken advantage of the section 408 exemption not to present its individual profit and loss account as it has prepared group accounts. The loss dealt with in the financial statements of the parent company is £321,000 (2020: loss of £326,000).

The group has taken advantage of the exemption afforded by FRS 102.33.1A not to disclose transactions between wholly owned members of the group.

Basis of consolidation

The group financial statements consolidate the financial statements of Real Alloy UK Holdco Limited and all its subsidiary undertakings for the year ended 31 December 2021.

Going concern

On the basis of their assessment of the Group's financial position, the Group's directors have a reasonable expectation that the group will be able to continue in operational existence for 12 months from the date of the approval of the financial statements. The directors are required to consider the application of the going concern concept when signing the financial statements. The principal element required to meet the test is sufficient liquidity for a period twelve months subsequent to the date of signing the accounts. The directors have considered the impact of the COVID-19 crisis on the Group's business operations and future prospects along with the potential impact that this may have on the cashflow of the Group.

The group's financial forecasts, taking into consideration the current environment, show that company is expected to remain profitable and generate positive cash flows giving the group the ability to continue to operate for 12 months from the date of the approval of the financial statements and meet any liabilities as they fall due. A cash forecast until September 2023 shows cash balances for the group of 13.549m Euros (16.030m UK and 2.481m Norway).

In view of the circumstances referred to above, the directors believe that the group is well positioned to withstand the impact of the ongoing COVID-19 crisis. Whilst there remains uncertainty of the impact of COVID-19 the directors have considered the impact on the cashflows of the group and consider that these uncertainties will not change the cashflows within the group and based on these facts and the financial position and the forecasted cashflows of the group have concluded it is appropriate to prepare the financial statements on the going concern basis.



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Notes to the financial statements

As at 31 December 2021

1. Accounting policies (continued)

Significant accounting policies

Investments in subsidiaries

In the parent company's financial statements investments in subsidiaries are accounted for at cost less impairment.

Goodwill

Positive or negative goodwill acquired on each business combination is written off in the profit and loss account in the year that it arises.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value over their expected useful lives at the following rates:

Short leasehold buildings	–	2.5% straight-line over the lease term
Plant and equipment	–	5-20% straight-line over 5 to 20 years
Buildings and sites	–	Straight-line over 20 years

No depreciation is charged on assets under construction.

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs incurred in bringing each product to its present location and condition, as follows:

Finished goods	–	cost of direct materials and labour plus attributable overheads based on a normal level of activity.
Raw materials	–	cost of direct materials

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Capitalised interest

Interest costs are capitalised as part of the historic cost of furnace construction.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.



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Notes to the financial statements

As at 31 December 2021

1. Accounting policies (continued)

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currencies

Company

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Group

Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The assets and liabilities of overseas subsidiary undertakings are translated into the presentational currency at the rate of exchange ruling at the balance sheet date. Income and expenses for each statement of comprehensive income are translated at exchange rates at the dates of transaction. All resulting exchange differences are recognised in the other comprehensive income, in retained earnings.

Turnover

Turnover comprises of revenue recognised by the company in respect of goods and services supplied exclusive of Value Added Tax and trade discounts.

Financial instruments

The group uses future contracts to reduce exposure to changes in the aluminium price. Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through profit and loss. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of the aluminium future contracts is calculated by reference to current aluminium future contracts with similar maturity profiles. The group does not undertake any hedge accounting transactions.

Operating leases

Rentals payable under operating leases are charged to the profit and loss account net of lease incentives on a straight line basis over the lease term.

Finance Lease

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts are capitalised in the balance sheet and are depreciated over the shorter of the lease term and the asset's useful lives. A corresponding liability is recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments in the balance sheet. Lease payments are apportioned between the reduction of the lease liability and finance charges in the income statement so as to achieve a constant rate of interest on the remaining balance of the liability



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Notes to the financial statements

As at 31 December 2021

1. Accounting policies (continued)

Pensions

The group makes contributions into pension schemes for its employees.

Critical accounting judgments and estimation uncertainties

In the application of the group and company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Provision for impairment in investments

Where there are indicators of impairment of individual assets, the parent company reviews the balances held as investments in subsidiaries to assess for any indicators of impairment. Where there are insufficient net assets in the investment, management assess the likelihood of future profits, to determine whether an impairment exists.

2. Turnover

Turnover represents the amounts derived from the provision of goods and services stated net of value added tax. The group operates in two principal areas of activity, that of recycling of valuable aluminium waste materials for sale to the aluminium (wrought and casting alloy) industries within the UK, mainland Europe and Norway and the disposal/processing of salt cake. There have been no significant changes in the company's principal activities in the year under review

Turnover is analysed as follows:

Geographical area

	2021	2020
	£000	£000
UK	21,797	17,406
Europe	35,165	16,178
Norway	7,472	6,567
Total	<u>64,434</u>	<u>40,151</u>

Area of activity

	2021			2020		
	<i>Disposal</i>	<i>Recycling</i>	<i>Total</i>	<i>Disposal</i>	<i>Recycling</i>	<i>Total</i>
	£000	£000	£000	£000	£000	£000
Turnover	7,472	56,962	64,434	3,427	36,724	40,151



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Notes to the financial statements

As at 31 December 2021

3. Operating profit

This is stated after charging/(crediting)

	2021	2020
	£000	£000
Auditors' remuneration	56	52
Depreciation of fixed assets	1,496	1,857
Depreciation of assets under finance lease	222	255
Disposal of fixed assets loss / (gain)	(8)	-
Write-off of fixed assets	-	135
Grant Income	-	166
Operating lease rentals - plant and machinery	723	748
- land and buildings	325	218
Unrealised foreign exchange loss / (gain)	333	(170)

4. Directors' remuneration

The directors of the company were also directors of other companies in the RA Parent, Inc. group. The directors' services to the group and the company do not occupy a significant amount of time. As such, the director do not consider that they have received any remuneration for their incidental services to the Company for the years ended 31 December 2021 and 31 December 2020. The costs of the director' remuneration is reflected in the financial statement of other group companies.

5. Staff costs

	2021	2020
	£000	£000
Wages and salaries	5,882	4,688
Social security costs	605	568
Other pension costs	423	382
Other employee related costs	117	82
	<u>7,027</u>	<u>5,720</u>

The average monthly number of employees during the year was made up as follows:

	No.	No.
Production	78	74
Administration	15	11
Maintenance	17	24
	<u>110</u>	<u>109</u>



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Notes to the financial statements

As at 31 December 2021

6. Interest payable and similar expenses

	2021	2020
	£000	£000
Interest payable to group companies	(791)	(763)
Unrealised foreign exchange gains (loss) / gain	-	3
Bank Interest	1	7
Interest payable on Finance leases	(23)	(12)
Other financial expenses	(301)	(198)
	<u>(1,114)</u>	<u>(963)</u>

7. Tax

(a) Analysis of tax charge for the year:

	2021	2020
	£000	£000
<i>Current tax:</i>		
UK corporation tax – current	775	153
Adjustment in respect of prior years	35	7
	<u>810</u>	<u>160</u>
Foreign tax	-	-
Group current tax	<u>810</u>	<u>160</u>
<i>Deferred tax:</i>		
Origination and reversal of timing differences	254	(25)
Group deferred tax	<u>254</u>	<u>(25)</u>
Tax on profit on ordinary activities	<u>1,064</u>	<u>135</u>

(b) Tax included in the group statement of total other comprehensive income
The tax (charge)/credit is made up as follows:

	2021	2020
	£000	£000
Deferred tax:		
Accelerated capital allowances	<u>254</u>	<u>(25)</u>



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Notes to the financial statements

As at 31 December 2021

7. Tax (continued)

(c) Factors affecting the total tax charge for the year

The tax assessed on the profit before tax for the year is higher than (2020 – higher than) the standard rate of corporation tax in the UK of 19% (2020 – 19%). The differences are reconciled below:

	2021	2020
	£000	£000
Profit before Taxation	3,972	508
Profit /(loss) before taxation multiplied by standard rate of corporation tax in the UK of 19% (2020 – 19%).	755	97
Expenses not deductible for tax purposes	197	31
Tax over provided in previous years	(3)	7
Effect of changes in tax rates	115	-
Total tax expense	1,064	135

(d) Deferred taxation

The movements in deferred taxation during the year are as follows:

	£000
At 1 January 2021	225
Charged to profit and loss account	254
At 31 December 2021	479

(e) Factors affecting the future tax charge

The Finance (No.2) Act 2015 reduced the main rate of UK corporation tax to 19%, effective from 1 April 2017. A further reduction in the UK corporation tax rate to 17% was expected to come into effect from 1 April 2020 (as enacted by Finance Act 2016 on 15 September 2016). However, legislation introduced in the Finance Act 2020 (enacted on 22 July 2020) repealed the reduction of the corporation tax, thereby maintaining the current rate of 19%. Deferred taxes on the balance sheet have been measured at 19% (2020 – 19%) which represents the future corporation tax rate that was enacted at the balance sheet date.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were not substantively enacted at the balance sheet date and hence have not been reflected in the measurement of deferred tax balances at the period end. It is not anticipated that these changes will have a material impact on the company's deferred tax balances.



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Notes to the financial statements

As at 31 December 2021

8. Parent Investments

	2021	2020
	£000	£000
Investments in subsidiary undertakings at cost	30,127	30,127

The company has investments in the following subsidiary undertakings:

<i>Subsidiary undertakings</i>	<i>Country of incorporation</i>	<i>Proportion of ordinary share capital held by the company</i>
Real Alloy UK AcquireCo Ltd.	United Kingdom	100%
Real Alloy UK Ltd.	United Kingdom	100%

* Indirect Investments held through Real Alloy UK Acquireco Ltd.

<i>Indirect investments</i>	<i>Country of incorporation</i>	<i>Proportion of ordinary share capital held by the company</i>
Real Alloy Norway AS**	Norway	100%
Real Alloy Norway Holding AS**	Norway	100%

*The registered office of the United Kingdom investments is Westfield Industrial Park, Swansea, SA5 4SF.

**The registered office of the Norway investments is Rodvikvegen 9 N-6460 Eidsvag I Romsdal.



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Notes to the financial statements

As at 31 December 2021

9. Group Tangible fixed assets

	<i>Short- leasehold property</i>	<i>Building and sites</i>	<i>Plant and equipment</i>	<i>Construction in progress</i>	<i>Total</i>
	£000	£000	£000	£000	£000
Cost:					
At 1 January 2021	4,154	4,769	20,460	49	29,432
Additions	-	7	1,472	310	1,789
Disposals	(6)	-	(715)	-	(721)
Transfers	-	-	49	(49)	-
At 31 December 2021	<u>4,148</u>	<u>4,776</u>	<u>21,266</u>	<u>310</u>	<u>30,500</u>
Foreign exchange translation adjustment	-	(79)	(2)	-	(81)
Depreciation:					
At 1 January 2021	2,261	2,156	14,715	-	19,132
Disposals	(6)	-	(683)	-	(689)
Provided during the year	263	173	1,282	-	1,718
At 31 December 2021	<u>2,518</u>	<u>2,329</u>	<u>15,314</u>	<u>-</u>	<u>20,161</u>
Foreign exchange translation adjustment	-	(33)	-	-	(33)
Net book value:					
At 31 December 2021	<u>1,630</u>	<u>2,335</u>	<u>5,950</u>	<u>310</u>	<u>10,225</u>
At 1 January 2021	<u>1,893</u>	<u>2,613</u>	<u>5,745</u>	<u>49</u>	<u>10,300</u>

Included in the amounts for plant and machinery above are amounts relating to leased assets of net book value £322,227 (2020: £371,217).

10. Stocks

	Group 2021	Group 2020	Parent company 2021	Parent company 2020
	£000	£000	£000	£000
Raw materials	2,219	2,129	-	-
Finished goods	700	678	-	-
	<u>2,919</u>	<u>2,807</u>	<u>-</u>	<u>-</u>

The replacement cost of stock is not materially different from the historic cost stated above.



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Notes to the financial statements

As at 31 December 2021

11. Debtors

	Group		Parent company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Trade debtors	7,411	5,603	-	-
Amounts owed by group undertaking	1,034	559	648	647
Prepayments and accrued income	172	170	-	-
Other short-term receivable	750	175	-	-
Other taxes and social security costs	443	-	75	-
	<u>9,810</u>	<u>6,507</u>	<u>723</u>	<u>647</u>

12. Creditors

(i) Amounts falling due within one year

	Group		Parent company	
	2021	2020	2021	2020
	£000	£000	£000	£000
Trade creditors	6,269	4,866	-	-
Amounts owed to related party	12,999	12,669	11,327	10,924
Corporation tax	2	100	-	-
Public duties payable	337	432	-	-
Other current debt	2,108	1,596	-	-
Obligations under finance lease	216	169	-	-
Accruals and deferred income	825	185	4	10
	<u>22,756</u>	<u>20,017</u>	<u>11,331</u>	<u>10,934</u>

(ii) Group - Amounts falling more than one year

	2021	2020
	£000	£000
Obligations under finance lease	254	164

The Parent company has no obligations under finance lease



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Notes to the financial statements

As at 31 December 2021

13. Notes to the statement of cash flows

(a) Reconciliation of profit to net cash inflow from operating activities

	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
Profit before tax	3,972	508
Adjustments to reconcile profit before tax to net cashflow from operating activities		
Depreciation of tangible fixed assets	1,718	2,112
Disposal of tangible fixed assets (gain) / loss	(8)	135
Unrealised foreign exchange loss / (gain)	333	3
Net finance costs	22	(5)
Working Capital movements		
(Increase) / Decrease in stocks	(112)	101
(Increase) in debtors	(3,617)	(246)
Increase / (Decrease) in creditors	2,786	(24)
Taxation		
Tax paid	(908)	(365)
Net cash inflow from operating activities	<u>4,186</u>	<u>2,219</u>

(b) Cash and cash equivalents

Cash and cash equivalents comprise the following;

	<i>2021</i>	<i>2020</i>
	<i>£000</i>	<i>£000</i>
Cash at bank	<u>10,108</u>	<u>11,407</u>
Cash and cash equivalents	<u>10,108</u>	<u>11,407</u>



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Notes to the financial statements

As at 31 December 2021

14. Related party transaction

During the year the company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 December, are as follows:

	<i>Sales to Related Party (a)</i>	<i>Purchases from related party (a)</i>	<i>Interest paid on behalf of group undertaking (b)</i>	<i>Amounts owed from related party (b)</i>	<i>Amounts owed to related party (a)</i>
	£000	£000	£000	£000	£000
2021	19,116	2,463	793	929	98
2020	1,646	3,098	763	559	-

Terms and conditions of transactions with related parties

Sales and purchases between related parties are made at normal market prices. Outstanding balances with entities are unsecured, interest free and cash settlement is expected 15 days after the month of invoice. The company has not provided or benefited from any guarantees for any related party receivables or payables. During the year ended 31 December 2021, the company has not made any provision for doubtful debts relating to amounts owed by related parties (2020: nil).

Interest paid on behalf of group undertaking is receivable on demand from related party.

15. Pensions

The Group makes contributions into private portable schemes for its employees in the UK. The pension costs charge represents contributions payable by the company to the fund and amounted to £194,000 (2020 - £177,000). In Norway the pension plan is a contribution based scheme. The pension costs charge represents contributions paid into this scheme and amounted to £229,000 (2020 - £205,000)

16. Derivatives

The company's aluminium price risk volatility is managed at Group level. On a monthly basis the Company receive the fair value of the derivative held at the balance sheet date, determined by reference to its market values, is as follows:

	2021	Group 2020	Parent company 2021	2020
	£000	£000	£000	£000
Forward contracts	(52)	(8)	-	-
	(52)	(8)	-	-



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REAL ALLOY UK HOLDCO Ltd

Registered No. 09329747

Notes to the financial statements

As at 31 December 2021

17. Obligations under leases and hire purchase contracts

The Group use finance leases and hire purchase contracts to acquire plant and machinery. Future minimum lease payments due under finance leases and hire purchase contracts:

	2021	2020
	£000	£000
Accounts payable:		
Not later than one year	234	214
Later than one year and not later than five years	261	164
	<u>495</u>	<u>378</u>
Less: finance charges allocated to future periods	(25)	(5)
	<u>470</u>	<u>373</u>

18. Other financial commitments

At 31 December 2021 the Group had future commitments under non-cancellable operating leases as set out below:

	2021			2020		
	Plant & Machinery £000	Land & Building £000	Total £000	Plant & Machinery £000	Land & Building £000	Total £000
Rental payment due:						
Within one year	443	318	761	237	285	522
In two to five years	1,054	1,270	2,324	947	1,141	2,088
	<u>1,497</u>	<u>1,588</u>	<u>3,085</u>	<u>1,184</u>	<u>1,426</u>	<u>2,610</u>

19. Issued share capital

		2021	2020
	No.	£000	£000
Allotted, called up and fully paid			
Ordinary shares of £1 each	1,001	<u>1</u>	<u>1</u>



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REAL ALLOY UK HOLDCO Ltd

Registered No. 09329747

Notes to the financial statements

As at 31 December 2021

20. Reserves

Share Premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Profit and Loss account

This reserve holds the profit and loss of the group, after the deduction of any dividends paid in the period.

OCI reserve

This reserve is used to record increases or decreases in the movement of exchange rates on consolidation of the Group accounts.

21. Ultimate parent undertaking and controlling party

In the directors' opinion the ultimate parent undertaking and controlling party at the balance sheet date is RA Parent Inc., a privately owned company incorporated in the United States. The registered office of RA Parent Inc. is 3700 Park East Drive, Suite 300, Cleveland, Ohio, USA.

22. Post balance sheet events

Sale of European operations

On 21 February 2022, Real Alloy announced that it had entered into a definitive agreement to sell its European aluminium and magnesium recycling operations to Speria. The sale is expected to close later in 2022. Included in the transaction are the seven Real Alloy European facilities based in Germany, Norway, France and the United Kingdom.

United Kingdom leaving the European Union

The United Kingdom formally left the European Union 31 January 2020 and on 24 December 2020 the UK and EU agreed a comprehensive Trade Agreement that came into force on 1 January 2021. The Agreement outlines new rules for living, working and trading between the two parties.

The UK's Border Operating Model outlines a phased approach for cargo to limit immediate changes at the UK border, with full checks beginning from 1 July 2021.

The directors have considered the impact on the financial statements up to the date of signing and do not consider any adjustments are required in respect of this matter.



Statsautoriserte revisorer
Ernst & Young AS
Havnegata 9, 7010 Trondheim
Postboks 1299 Pirsenteret, 7462 Trondheim

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Medlemmer av Den norske Revisorforening

UAVHENGIG REVISORS BERETNING

Til generalforsamlingen i Real Alloy Norway Holding AS

Konklusjon

Vi har revidert årsregnskapet for Real Alloy Norway Holding AS som består av balanse per 31. desember 2021, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening oppfyller årsregnskapet gjeldende lovkrav og gir et rettviseende bilde av selskapets finansielle stilling per 31. desember 2021 og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjon

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og *International Code of Ethics for Professional Accountants* (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Andre forhold

Selskapets årsregnskap er avlagt etter utløpet av lovens frist for avleggelse av årsregnskap.

Øvrig informasjon

Øvrig informasjon omfatter informasjon i selskapets årsrapport bortsett fra årsregnskapet og den tilhørende revisjonsberetningen. Styret og daglig leder (ledelsen) er ansvarlig for den øvrige informasjonen. Vår konklusjon om revisjonen av årsregnskapet dekker ikke den øvrige informasjonen, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese den øvrige informasjonen med det formål å vurdere om årsberetningen inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav og hvorvidt det foreligger vesentlig inkonsistens mellom den øvrige informasjonen og årsregnskapet eller kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon. Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon eller ikke inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav, er vi pålagt å rapportere det.

Vi har ingenting å rapportere i så henseende, og vi mener at årsberetningen er konsistent med årsregnskapet og inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil.



Building a better
working world

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet med mindre ledelsen enten har til hensikt å avvike selskapet eller virksomheten, eller ikke har noe annet realistisk alternativ.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan skyldes misligheter eller feil og er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i årsregnskapet, enten det skyldes misligheter eller feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av intern kontroll.
- opparbeider vi oss en forståelse av den interne kontrollen som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape betydelig tvil om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon om årsregnskapet og årsberetningen. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av og tidspunktet for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i den interne kontrollen som vi avdekker gjennom revisjonen.

Trondheim, 2. september 2022
ERNST & YOUNG AS

Revisjonsberetningen er signert elektronisk

Christian Ronæss
statsautorisert revisor

Uavhengig revisors beretning - Real Alloy Norway Holding AS 2021

A member firm of Ernst & Young Global Limited

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"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Christian Ronæss

Statsautorisert revisor

På vegne av: Ernst & Young AS

Serienummer: 9578-5994-4-555967

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Real Alloy Norway Holding AS

Årsregnskap 2021

English translation of the financial statements of 2021 for information purposes only



STYRETS ÅRSBERETNING FOR REAL ALLOY NORWAY HOLDING AS

Annual report for REAL ALLOY NORWAY HOLDING AS – translated to English for information purpose only

for 2021

Virksomhetens art og lokalisering

REAL ALLOY NORWAY HOLDING AS er et holdingselskap, med lokasjon på Rød i Molde kommune.

Selskapet er en del av REAL ALLOY konsernet, som er en verdensledende virksomhet bl. a. innenfor resirkulering av aluminium. Selskapets formål er å drive investeringsvirksomhet, herunder ved deltakelse i andre selskaper, og å drive forretningsvirksomhet innen produksjon og gjenvinning av metall, samt håndtering av avfall fra slik virksomhet.

Foretakets utsikter

Etterspørselen etter smelting av aluminiumsavfall fra primær-aluminiumsindustrien i Norge har vært økende i 2021 sammenlignet med 2020 da etterspørselen etter smelting av aluminiumsavfall ble negativt påvirket av Covid-19 i Europa, blant annet innen bilindustrien. Vi forventer en fortsatt økende etterspørsel etter smelting av aluminiumsavfall i 2022, så det er forventet at både omsetning og resultat før skatt i 2022 vil bli bedre enn i 2021.

REAL ALLOY NORWAY HOLDING AS sitt driftsresultat påvirkes av utviklingen i valutakursene for US Dollar, EURO og Norske Kroner.

Hendelser etter balansedagen

REAL ALLOY NORWAY AS (datterselskapet) ble som andre selskaper i Norge rammet av covid-19 i mars 2020. Effekten av dette på selskapets omsetning og aktivitetsnivå har ikke vært vesentlig i 2020 og i 2021. Situasjonen knyttet til Covid 19 er fortsatt usikker, men selskapet forventer ikke vesentlige effekter knyttet til omsetning og aktivitetsnivå i 2022 grunnet Covid 19.



Selskapet er ikke spesielt rammet av forhold som skyldes krigen mellom Ukraina og Russland.

Fortsatt drift

I samsvar med regnskapslovens § 3-3 bekreftes det at forutsetningen for fortsatt drift er lagt til grunn ved utarbeidelsen av regnskapet. Selskapets produksjon fra smelting av aluminiumsavfall har vært stabil i 2021.

Vi forventer økende etterspørsel etter smelting av aluminiumsavfall i 2022 og at videre utvikling av aluminium oksid skal gi økende inntjening på sikt. Det vil fortsatt være noe usikkerhet i markedet grunnet forholdene som nevnt i hendelser etter balansedagen, men det forventes ikke at selskapet i særlig grad vil være påvirket av disse forholdene.

Regnskapet er utarbeidet i henhold til regnskapslovens § 3-3. Selskapet har ikke gjort noen endringer i regnskapspraksis eller i anvendelse av regnskapsstandarder i 2021. Selskapet har ikke gjort noen endringer i anvendelse av regnskapsstandarder i 2021. Selskapet har ikke gjort noen endringer i anvendelse av regnskapsstandarder i 2021.

Redegjørelse for årsregnskapet Comments related to the financial statements

Etter styrets oppfatning gir årsregnskapet et rettvise bilde av selskapets stilling per årsskiftet, og av resultatet i året 2021.

Regnskapet er utarbeidet i henhold til regnskapslovens § 3-3. Selskapet har ikke gjort noen endringer i regnskapspraksis eller i anvendelse av regnskapsstandarder i 2021. Selskapet har ikke gjort noen endringer i anvendelse av regnskapsstandarder i 2021.

Arbeidsmiljø/Likestilling The working environment and the employees

Selskapet har ingen ansatte.

Ytre miljø External environment

Selskapet har ingen produksjon eller aktivitet og forurenser derfor ikke til det ytre miljø. For datterselskapets aktivitet vises til årsberetningen.



Ansvarsforsikring for styret

Det er tegnet ansvarsforsikring for styret for deres mulige ansvar ovenfor foretaket og tredjeparter. Styret anser dekningen for å være markedsmessig.

For informasjon om ansvarsforsikringen, se vedlagt vedlegg.

Eidsvåg, 06th of July 2022

Russell Bruce Barr
Styreleder

Christoph Will
Styremedlem

Terrance James Hogan
Styremedlem



Resultatregnskap			
Real Alloy Norway Holding AS			
	Note	2021	2020
Driftsinntekter og driftskostnader			
Annen driftskostnad	1	-1 488	92 423
Sum driftskostnader		<u>-1 488</u>	<u>92 423</u>
Driftsresultat		<u>1 488</u>	<u>-92 423</u>
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern	4	0	64 000
Nedskrivning av andre finansielle anleggsmidler	2	-6 117 451	1 100 000
Rentekostnad til foretak i samme konsern	4	4 723 420	4 439 663
Annen finanskostnad		0	1 270
Resultat av finansposter		<u>1 394 031</u>	<u>-5 476 932</u>
Ordinært resultat før skattekostnad		1 395 518	-5 569 355
Skattekostnad på ordinært resultat	3	0	0
Årsresultat		<u>1 395 518</u>	<u>-5 569 355</u>
Overføringer			
Avsatt til annen egenkapital	5	1 395 518	0
Overført fra annen innskutt egenkapital	5	0	5 569 355
Sum overføringer		<u>1 395 518</u>	<u>-5 569 355</u>

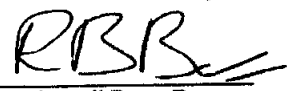


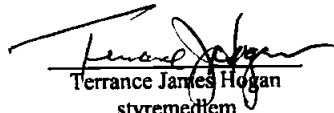
Balanse			
Real Alloy Norway Holding AS			
Eiendeler	Note	2021	2020
Finansielle anleggsmidler			
Investeringer i datterselskap	2	99 617 451	93 500 000
Sum finansielle anleggsmidler		<u>99 617 451</u>	<u>93 500 000</u>
Sum anleggsmidler		<u>99 617 451</u>	<u>93 500 000</u>
Omløpsmidler			
Andre kortsiktige fordringer	4	424 562	522 562
Sum fordringer		<u>424 562</u>	<u>522 562</u>
Bankinnskudd, kontanter o.l.		1 745	4 148
Sum omløpsmidler		<u>426 307</u>	<u>526 711</u>
Sum eiendeler		<u>100 043 758</u>	<u>94 026 711</u>

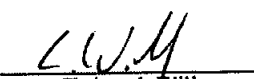


Balanse			
Real Alloy Norway Holding AS			
	Note	2021	2020
Egenkapital og gjeld			
Innskutt egenkapital			
Selskapskapital	5	90 000	90 000
Overkurs	5	18 755 061	18 755 061
Annen innskutt egenkapital	5	4 278 138	4 278 138
Sum innskutt egenkapital		<u>23 123 198</u>	<u>23 123 198</u>
Annen egenkapital	5	1 395 518	0
Sum egenkapital		<u>24 518 717</u>	<u>23 123 198</u>
Gjeld			
Annen langsiktig gjeld			
Øvrig langsiktig gjeld	4	75 525 041	70 801 621
Sum annen langsiktig gjeld		<u>75 525 041</u>	<u>70 801 621</u>
Kortsiktig gjeld			
Leverandørgjeld		0	17 891
Annen kortsiktig gjeld		0	84 000
Sum kortsiktig gjeld		<u>0</u>	<u>101 891</u>
Sum gjeld		<u>75 525 041</u>	<u>70 903 513</u>
Sum egenkapital og gjeld		<u>100 043 758</u>	<u>94 026 711</u>

Eidsvåg, 06.07.2022,
Styret i Real Alloy Norway Holding AS


Russell Bruce Barr
styreleder


Terrance James Hogan
styremedlem


Christoph Will
styremedlem

Real Alloy Norway Holding AS Side 3



Real Alloy Norway Holding AS

Årsregnskap 2021

English translation of the financial statements of 2021 for information purposes only

Kontantstrømsoppstilling		Cash flow statement		
		2021	2020	
	Kontantstrømmer fra operasjonelle aktiviteter		Operating activities	
	Resultat før skattekostnad	1 395 518	-5 569 355	Net income
+	Nedskrivning aksjer i datter	-6 117 451	1 100 000	Write down shares in subsidiaries
+/-	Endring i andre lidsavgrensingsposter	4 719 529	4 469 828	Other current liabilities
-	Netto kontantstrøm fra operasjonelle aktiviteter	<u>-2 404</u>	<u>473</u>	Net cash provided by operating activities
	Kontantstrømmer fra investeringsaktiviteter			
-	Utbetalinger ved kjøp av aksjer i datter	<u>0</u>	<u>0</u>	Paid for purchase of shares in subsidiary
	Netto kontantstrøm fra investeringsaktiviteter	<u>0</u>	<u>0</u>	Net cash used in investing activities
	Kontantstrømmer fra finansieringsaktiviteter			
+	Innbetalt kapital	<u>0</u>	<u>0</u>	Paid in capital
+	Innbetalinger ved opptak av ny korttiktig gjeld	<u>0</u>	<u>0</u>	Paid in from short term loans
	Netto kontantstrøm fra finansieringsaktiviteter	<u>0</u>	<u>0</u>	Net cash used by financing activities
--	Netto endring i kontanter og kontantekvivalenter	-2 404	473	Net increase (decrease) in cash and cash equivalents
+	Beholdning av kontanter og kontantekvivalenter ved periodens begynnelse	4 148	3 674	Cash and cash equivalents at beginning of year
	Beholdning av kontanter og kontantekvivalenter ved periodens slutt	<u>1 745</u>	<u>4 148</u>	Cash and cash equivalents at end of year



Real Alloy Norway Holding AS

Årsregnskap 2021

English translation of the financial statements of 2021 for information purposes only

Overordnede prinsipper for årsregnskapet 2021

Årsregnskapet er utarbeidet av selskapets styre. Årsregnskapet er utarbeidet og presentert i norske kroner. I enkelte noter er det spesifisert at beløpene er i tusen, herunder TNOK. Årsregnskapet er utarbeidet i samsvar med regnskapsloven og god regnskapsskikk.

Årsregnskapet består av følgende:

- **Resultatregnskap** inndelt etter art
- **Balansoppstilling** oppsilt etter stigende likviditet. Eiendeler bestemt til varig eie eller bruk er klassifisert som anleggsmidler, og øvrige eiendeler er klassifisert som omløpsmidler. Omløpsmidler omfatter eiendeler direkte knyttet til varekretsløpet eller eiendeler som har forfall innen ett år etter at transaksjonen er gjennomført. Gjeld som forfaller til betaling innen ett år fra balansedato er klassifisert som kortsiktig gjeld. Omløpsmidler vurderes normalt til det laveste av anskaffelseskost og virkelig verdi, mens anleggsmidler normalt vurderes til anskaffelseskost, eventuelt fratrukket av- og nedskrivinger.
- **Kontantstrømooppstilling** utarbeidet etter den indirekte metoden i samsvar med NRS(F).
- **Noter**

Accounting principles

The financial statement is prepared by the board of directors. The financial statement is prepared and presented in norwegian kroner (NOK). In some notes the specified amount is presented in thousands (TNOK). The financial statement is prepared in accordance with the Norwegian Accounting Act and the generally accepted accounting principles in Norway.

The financial statements consists of the following reports:

- **Profit and loss statement**
- **Balance sheet**. Assets meant for permanent possession or use, are classified as fixed assets. Other assets are classified as current assets. Current assets includes assets directly attached to the circulation of goods or assets that has a due date within a year after the transaction is completed. Liabilities that has a due date within a year after the balance date is classified as short-term liabilities. Current assets is valued to the lowest of acquisition cost and net realizable value (Norwegian term "virkelig verdi"), while fixed assets normally are valued to acquisition cost, adjusted for any depreciations and/or write downs.
- **Cash flow statement** prepared according to the indirect method in accordance with NRS(F)
- **Notes**



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Investeringer i datterselskaper

Med datterselskap menes et selskap hvor Real Alloy Norway Holding AS har bestemmende innflytelse. Normalt innebærer dette en eierandel på over 50 %, hvor investeringen er av langvarig og strategisk karakter.

Investeringer i datterselskap er vurdert til det laveste av anskaffelseskost og virkelig verdi. Investeringene nedskrives til virkelig verdi når verdifall skyldes årsaker som ikke kan antas å være forbigående og det må anses nødvendig etter god regnskapskikk.

Investment in subsidiaries

Subsidiaries is entities where Real Alloy Norway Holding AS has controlling interest. Usually this involves an ownership of over 50 %, where the investment is long-lasting and strategic.

Investments in subsidiaries is valued to the lowest of acquisition cost and fair value. Investments is written down to fair value if the fall of value is long-term and considered necessary after Norwegian GAAP.

Transaksjoner med nærstående parter

Kjøps- og salgstransaksjoner med nærstående selskaper er gjennomført til vanlige forretningsmessige vilkår og prinsipper.

Regnskapsføring og klassifisering med mer følger regnskapslovens generelle prinsipper. Transaksjoner med nærstående er spesifisert i note 4.

Transactions with related parties

Both purchasing and sales transactions with related parties are done at normal business terms and principles (arms length) accounting and classification and so on is done according to the Norwegian Accounting Act and generally accepted accounting principles in Norway. Transactions with related parties are specified in note 4.

Fordringer

Kundefordringer er oppført til pålydende med fradrag for avsetning til forventede tap. Andre fordringer er vurdert til det laveste av virkelig verdi og pålydende beløp.

Current assets

Accounts receivables is valued at nominal value less expected losses. Other receivables is valued to the lowest of net realizable value (Norwegian term "virkelig verdi") and nominal value.



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Utsatt skatt og skattekostnad

Utsatt skatt beregnes på bakgrunn av midlertidige forskjeller mellom regnskapsmessige og skattemessige verdier ved utgangen av regnskapsåret samt skattemessig underskudd til fremføring. Ved beregningen benyttes nominell skattesats. Det er lagt til grunn en skattesats på 22 % for utsatt skatt. Utsatt skattefordel balanseføres ikke, se note 3.

Årets skattekostnad består av endringer i utsatt skatt og utsatt skattefordel, sammen med betalbar skatt for inntektsåret

Betalbar skatt beregnes ut fra skattebart resultat for året, inkludert inntekter og kostnader som periodiseres til andre perioder skattemessig enn regnskapsmessig.

Deferred tax and tax expenses

Deferred tax is calculated based on temporary differences between accounting values and tax values at year end, together with taxable loss earned forward. The calculation is done with nominal values. For deferred tax, the tax rate used is 22 %. The deferred tax asset is not recorded in the balance sheet as an asset, see note 3 for more information.

This year's tax expense consists of changes in deferred tax together with tax payable.

Tax payable is calculated from taxable result of the year.

Transaksjoner og regnskapsposter i utenlandsk valuta

Transaksjoner i utenlandsk valuta regnskapsføres til valutakursen på transaksjonstidspunktet. Pengeposter i utenlandsk valuta omregnes til valutakursen på balansedagen.

Valutakursdifferanser resultatføres løpende i den perioden de oppstår under regnskapspostene annen finansinntekt og annen finanskostnad.

Selskaps presentasjonsvaluta og funksjonell valuta er norske kroner.

Transactions and items in foreign currency

Transactions in foreign currency is accounted with the foreign exchange course at the time of the transaction. Monetary amounts in foreign currency is converted to NOK with the foreign exchange course at the balance date.

Exchange differences are booked in the profit and loss statement as other financial income or other financial expenses.



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Note 1 – Lønnskostnader, antall ansatte, godtgjørelser, ytelser til ledende ansatte m.m.

Obligatorisk tjenestepensjon

Selskapet har ikke ansatte og er følgelig ikke omfattet av reglene om obligatorisk tjenestepensjon.

Det er ikke utbetalt noen godtgjørelse til styret i 2021.

Revisjon: (Beløp inklusive MVA)	2021
Revisjonshonorar for ordinær revisjon	7 188
<u>Andre tjenester</u>	<u>2 813</u>
Sum revisjonshonorar	10 001

Note 1 - Salaries, number of employees, benefits, contributions to the leading staff and more

The entity has no employees and does not need to follow the regulation of the pension scheme.

There has been no compensation to the members of the board in 2021.

Audit (amounts with VAT deduction)	2021
Statutory audit	7 188
<u>Other services</u>	<u>2 813</u>
Total audit fee	10 001



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Note 2 - Aksjer i datter

	Real Alloy Norway AS
	Eidsvåg i Romsdal
Forretningskontor	100 %
Eierandel	100 %
Andel av stemmeberettiget kapital	99 617 451
Balansført verdi	99 617 451
Egenkapital i følge siste årsregnskap	6 147 727
Resultat i følge siste årsregnskap	

Selskapet har benyttet seg av unntaket i regnskapsloven med hensyn til å utarbeide konsernregnskap. Konsernregnskap for Real Alloy-gruppen kan fås ved henvendelse til Regnskapsregisteret eller selskapet. Real Alloy Norway Holding AS har hovedkontor i Eidsvåg i Romsdal.

Det er gjort en reversering av nedskrivning i aksjer i datter med kr 6 117 451 i 2021.

Note 2 - Shares in subsidiaries

	Real Alloy Norway AS
	Eidsvåg i Romsdal
Business office	100 %
Ownership	100 %
Share of votes	99 617 451
Booked value	99 617 451
Equity according to latest financial statement	6 147 727
Result according to latest financial statement	

The entity has utilized the exception in the Norwegian Accounting Law regarding consolidated financial statement. The consolidated financial statement can be obtained by request to Regnskapsregisteret or the entity. Real Alloy Norway Holding AS' headquarter is in Eidsvåg in Romsdal.

There has been a reversal of written down book value in 2021 with NOK 6 117 451.

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Note 3 - Skatter

	2021	2020
Betalbar skatt på ordinært resultat	0	0
Endring i utsatt skattefordel	0	0
Sum skattekostnad	0	0
Ordinært resultat før skattekostnad	1 395 518	-5 569 355
Permanente forskjeller	-6 117 451	1 100 000
Endring i midlertidig forskjeller	0	0
Avskåret rentefradrag	0	0
Underskudd til fremføring	4 721 933	4 469 355
Grunnlag betalbar skatt	0	0
Skatt, 22 % av grunnlag	0	0
Betalbar skatt	0	0
Betalbar skatt i balansen	0	0
Spesifikasjon av grunnlag for utsatt skatt/utsatt skattefordel:		
Forskjeller som utlignes:	31.12.2021	31.12.2020
Underskudd til fremføring	-26 353 841	-21 631 908
Fremført rentefradrag	-5 219 448	-5 219 448
Sum forskjeller	-31 573 289	-26 851 356
Forskjeller som ikke inngår i beregning av utsatt skattefordel	31 573 289	26 851 356
Balanseført utsatt skattefordel, 22 %	0	0
Ikke balanseført utsatt skattefordel, 22 %	6 946 124	5 907 298
Note 3 - Taxation		
Tax on ordinary result and basis for current tax appear like this:		
	2021	2020
Current tax on ordinary result	0	0
Change in deferred tax asset	0	0
Tax on ordinary result	0	0
Current tax:		
Profit/loss before tax	1 395 518	-5 569 355
Permanent differences	-6 117 451	1 100 000
Changes in temporary differences	0	0
Disallowed interest expense	0	0
Loss carried forward	4 721 933	4 469 355
Basis for current tax	0	0
Tax 22 %	0	0
Current payable tax	0	0
Current payable tax in the balance sheet	0	0
Differences:		
	31.12.2021	31.12.2020
Loss carried forward	-26 353 841	-21 631 908
Disallowed interest expense carried forward	-5 219 448	-5 219 448
Total	-31 573 289	-26 851 356
Differences that are not offset	-31 573 289	-26 851 356
Deferred tax asset in the balance sheet, 22 %	0	0
Deferred tax asset not in the balance sheet, 22 %	6 946 124	5 907 298



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Note 4 - Mellomværende og transaksjoner med nærstående

	2021	2020
Fordringer og gjeld		
Andre fordringer	424 562	522 562
Annen langsiktig gjeld	75 525 041	70 801 621
Andel gjeld som forfaller senere enn 5 år etter regnskapsårets slutt	75 525 041	70 801 621
Transaksjoner		
Annen finansinntekt	0	0
Renteinntekt	0	64 000
Rentekostnader	4 723 420	4 439 663

Note 4 - Balances held with group undertakings and associated companies

	2021	2020
Receivables and debt		
Other receivables	424 562	522 562
Other long term liabilities (to parent company)	75 525 041	70 801 621
Debt due more than 5 years after 31.12.21	75 525 041	70 801 621
Transactions		
Other financial income	0	0
Interest income	0	64 000
Interest expense	4 723 420	4 439 663



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Note 5 - Egenkapital og aksjonæroversett

Årets endring i egenkapital:

	Aksjekapital	Overkurs	Annen innskutt egenkapital	Annen egenkapital	Sum EK
Egenkapital pr 1. januar	90 000	18 755 061	4 278 138	0	23 123 199
Årets resultat	0	0	0	1 395 518	1 395 518
Egenkapital pr 31. desember	90 000	18 755 061	4 278 138	1 395 518	24 518 717

Andre endringer er korrigering av feil fra tidligere år

Aksjekapitalen pr 31.12.	Antall	Pålydende	Balansført	
Stemmeberettigede aksjer (A-aksjer)	30 000	3,00	90 000	
Real Alloy UK AcquireCo Ltd	30 000	100 %	100 %	Forretningsadresse Rødvikvegen 9, 6460 Eidsvåg i Romsdal

Note 5 - Equity and shareholder information

Change in equity 2021.

	Share capital	Share premium reserve	Other paid-up equity	Retained earnings	Total
Equity as at 1st January	90 000	18 755 061	4 278 138	0	23 123 199
Profit/loss for the year	0	0	0	1 395 518	1 395 518
Equity as at 31st December	90 000	18 755 061	4 278 138	1 395 518	24 518 717

Other changes is a correction of an error from prior years

Shareholders:

Equity as of 31st December	Number	Nominal value	Book value	
Voting shares	30 000	3,00	90 000	
Ownership structure as of 31st December	Class A A-shares	Owner share	Votes for	Business address
Real Alloy UK AcquireCo Ltd	30 000	100 %	100 %	Rødvikvegen 9, 6460 Eidsvåg i Romsdal



Skatteetaten

Vår dato
01.11.2022

Din/Deres dato
25.10.2022

Saksbehandler
Lars Waalorp

800 80 000
Skatteetaten.no

Din/Deres referanse
AR512375559

Telefon
90833418

Org.nr
974761076

Vår referanse
2022/5869394

Postadresse
Postboks 9200 Grønland
0134 OSLO

REAL ALLOY NORWAY HOLDING AS
Rødvikvegen 9
6460 EIDSVÅG I ROMSDAL

Att. Else Berit Hamar, KPMG AS

Fritak for konsernregnskapsplikt for Real Alloy Norway Holding AS, org.nr. 914 975 042, og Real Alloy Norway AS, org.nr. 991 687 653

Vi viser til deres brev av 25. oktober 2022 hvor dere søker om fritak fra plikten til å utarbeide konsernregnskap for Real Alloy Norway Holding AS og Real Alloy Norway AS. Søknaden ble sendt til Skattedirektoratet. Skattedirektoratets myndighet til å treffe enkeltvedtak etter regnskapsloven § 3-7 fjerde ledd ble delegert til skattekontoret med virkning fra 1. juni 2019.

Skattekontoret finner med hjemmel i regnskapsloven § 3-7 fjerde ledd å kunne gi tillatelse til at det gjøres unntak for konsernregnskapsplikten for Real Alloy Norway Holding AS. Fritaket gjelder også underkonsern av dette selskapet, jf. Skattedirektoratets prinsipputtalelse publisert 2. oktober 2012. Real Alloy Norway AS er dermed også fritatt da dette er et heleid datterselskap av Real Alloy Norway Holding AS. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brev må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet mv. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Real Alloy Norway Holding AS er morselskap i et underkonsern, hvor Real Alloy UK Holdco LTD er det ultimate morselskapet og er hjemmehørende i Storbritannia. Konsernregnskap utarbeides av Real Alloy UK Holdco LTD på engelsk språk etter UK GAAP, hvor Real Alloy Norway Holding AS med datterselskaper er omfattet.

Skattekontorets vurdering

Det forutsettes at Real Alloy UK Holdco LTD utarbeider konsernregnskap som omfatter den regnskapspliktige og dennes datterselskaper. Det legges til grunn at dette konsernregnskapet er utarbeidet i samsvar med UK GAAP og at kravene i regnskapsloven § 3-7 med forskrifter for øvrig følges. Bestemmelsene i regnskapsloven kapittel 8 gjelder tilsvarende for dette konsernregnskapet.

Når det gjelder hvilket språk morselskapet skal utarbeide konsernregnskapet på, vises det til forskrift av 7. september 2006 nr. 1062 til utfylling og gjennomføring mv. av regnskapsloven. Det følger av § 3-7-1 at konsernregnskapet foruten å være på norsk, kan være på svensk, dansk eller engelsk.



Skattekontoret gir etter en konkret helhetsvurdering tillatelse til at det gjøres unntak for konsernregnskapsplikten.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.