



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	918 858 903
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	GONVARRI MATERIAL HANDLING AS
Forretningsadresse:	Østensjøveien 27 0661 OSLO

### Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
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### Konsern

Mørselskap 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:	Juan Maria Riberas Mera
Dato for fastsettelse av årsregnskapet:	19.04.2024

### Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

*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, 13.08.2025



## Resultatregnskap

Beløp i: EUR	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Utbytte	2	5 216 000	348 000
<b>Sum inntekter</b>		<b>5 216 000</b>	<b>348 000</b>
<b>Kostnader</b>			
Lønn	3	47 000	598 000
Administrasjon	3	-49 000	257 000
Nedskrivning av varige driftsmidler og immaterielle eiendeler	3,4	0	8 461 000
<b>Sum kostnader</b>		<b>-2 000</b>	<b>9 316 000</b>
<b>Driftsresultat</b>		<b>5 218 000</b>	<b>-8 968 000</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern	5	529 000	285 000
Annen renteinntekt		261 000	15 000
Netto agio	5	395 000	510 000
<b>Sum finansinntekter</b>		<b>1 185 000</b>	<b>810 000</b>
Rentekostnad til foretak i samme konsern	5	1 768 000	834 000
Annen rentekostnad	5	547 000	97 000
Annen finanskostnad	5	59 000	24 000
<b>Sum finanskostnader</b>		<b>2 374 000</b>	<b>955 000</b>
<b>Netto finans</b>		<b>-1 189 000</b>	<b>-145 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>4 029 000</b>	<b>-9 113 000</b>
Endring utsatt skatt	6	87 000	
<b>Ordinært resultat etter skattekostnad</b>		<b>3 942 000</b>	<b>-9 113 000</b>
<b>Årsresultat</b>		<b>3 942 000</b>	<b>-9 113 000</b>
<b>Overføringer og disponeringer</b>			
Overføring til annen egenkapital	10	3 942 000	-9 113 000
<b>Sum overføringer og disponeringer</b>		<b>3 942 000</b>	<b>-9 113 000</b>



### Balanse

Beløp i: EUR	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	6	651 000	737 000
<b>Sum immaterielle eiendeler</b>		<b>651 000</b>	<b>737 000</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	4,7	59 125 000	78 403 000
Lån til foretak i samme konsern	2		4 023 000
Restricted deposit	11	844 000	
<b>Sum finansielle anleggsmidler</b>		<b>59 969 000</b>	<b>82 426 000</b>
<b>Sum anleggsmidler</b>		<b>60 620 000</b>	<b>83 163 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Andre fordringer	8	50 000	59 000
Deposit group bank	9	9 503 000	13 417 000
Konsernfordringer	2	21 028 000	3 400 000
<b>Sum fordringer</b>		<b>30 581 000</b>	<b>16 876 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bank	9	7 434 000	187 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>7 434 000</b>	<b>187 000</b>
<b>Sum omløpsmidler</b>		<b>38 015 000</b>	<b>17 063 000</b>
<b>SUM EIENDELER</b>		<b>98 635 000</b>	<b>100 226 000</b>

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

#### Innskutt egenkapital



## Balanse

<b>Beløp i: EUR</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>Kapital</b>	10	228 000	228 000
Annen innskutt egenkapital	10	39 457 000	39 457 000
<b>Sum innskutt egenkapital</b>		<b>39 685 000</b>	<b>39 685 000</b>
<b>Opptjent egenkapital</b>			
Annen EK	10	216 000	-3 707 000
<b>Sum opptjent egenkapital</b>		<b>216 000</b>	<b>-3 707 000</b>
<b>Sum egenkapital</b>		<b>39 901 000</b>	<b>35 978 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser	12	273 000	291 000
<b>Sum avsetninger for forpliktelser</b>		<b>273 000</b>	<b>291 000</b>
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld	2,11	2 046 000	27 870 000
Annen gjeld	11	844 000	
<b>Sum annen langsiktig gjeld</b>		<b>2 890 000</b>	<b>27 870 000</b>
<b>Sum langsiktig gjeld</b>		<b>3 163 000</b>	<b>28 161 000</b>
<b>Kortsiktig gjeld</b>			
Kortsiktig konserngjeld	2,11	1 216 000	1 328 000
Annen kortsiktig gjeld	2,9	603 000	1 328 000
Trukket Group bank	9	53 753 000	33 402 000
<b>Sum kortsiktig gjeld</b>		<b>55 572 000</b>	<b>36 058 000</b>
<b>Sum gjeld</b>		<b>58 735 000</b>	<b>64 219 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>98 636 000</b>	<b>100 197 000</b>
<b>POSTER UTENOM BALANSEN</b>			
Garantistillelser	9	5 908 000	



**Skattedirektoratet**

Saksbehandler Torstein Kinden Helleland	Deres dato 06.12.2017	Vår dato 14.12.2017
Telefon 22078139	Deres referanse Henrik Plaum	Vår referanse 2017/1278059

KPMG AS  
Postboks 7000 Majorstua  
0306 OSLO

**Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Inceptum 1005 AS, org. nr. 918 858 903**

Vi viser til deres brev av 6. desember 2017 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Inceptum 1005 AS.

Skattedirektoratet gir på bakgrunn av en konkret Inceptum 1005 AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

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

**Bakgrunn**

Inceptum 1005 AS er eid av det spanske selskap Gonvarri SA. Selskapet driver med reolsystemer og lageroppbevaringssystemer i hele Europa. Selskapet har døtre i England, Tyskland, Romania, Polen, Sverige, Tsjekkia, Slovakia, Ungarn, Danmark, Nederland og Belgia. Det er her driften foregår. Arbeidsspråket er engelsk. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

**Skattedirektoratets vurdering**

Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

*"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal*

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 06 60



**Gonvarri Corporación Financiera, S.L.  
and subsidiaries**

Auditor's report  
Consolidated annual accounts at 31 December 2023  
Consolidated management report



*This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation*

## Independent auditor's report on the consolidated annual accounts

To the partners of Gonvarri Corporación Financiera, S.L.:

### Opinion

We have audited the consolidated annual accounts of Gonvarri Corporación Financiera, S.L. (the Parent company) and its subsidiaries (the Group), which comprise the balance sheet as at December 31, 2023, and the income statement, statement of comprehensive income, statement of changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as at December 31, 2023, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

### Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the consolidated annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

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

### Most relevant aspects of the audit

The most relevant aspects of the audit are those that, in our professional judgment, were considered to be the most significant risks of material misstatement in our audit of the consolidated annual accounts of the current period. These risks were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

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R. M. Madrid, hoja 87.250-1, folio 75, tomo 9.267, libro B.054, sección 3ª  
Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290



Gonvarri Corporación Financiera, S.L. and subsidiaries

## Most relevant aspects of the audit

## How our audit addressed the most relevant aspects of the audit

### Recoverability of goodwill

The Group has recorded goodwill at December 31, 2023, as indicated in note 8 of the attached consolidated annual accounts, amounting to 66.530 thousand euros.

As mentioned in notes 3.9 and 5.2 to the accompanying consolidated annual accounts, goodwill is tested annually for impairment. This evaluation entails estimating the recoverable amount of the assets, grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). These recoverable amounts are determined based on calculations of value in use and require the use of significant estimates. The most significant assumptions used by the Group's management and the sensitivity analysis performed are summarized in note 8 of the attached consolidated annual accounts.

Deviations in these variables and management estimates can determine important variations in the calculations made and, therefore, in the analysis of the recovery of goodwill. This fact, together with the relevance of the financial statement line item, makes it a most relevant aspect of the audit.

In the first place, we have proceeded to understand the relevant processes and controls linked of the Group in the evaluation of goodwill impairment, including those related to the preparation of budgets and the analysis and monitoring of projections, which constitute the basis for the main judgments and estimates made by the Group.

In relation to the goodwill recoverable amount, we assessed the methodology used by the Group and reviewed the projections, corroborating the significant assumptions and areas of critical judgement.

As a result of our procedures, we consider that the approach of the Group is consistent and is supported by available evidence.

Lastly, we assessed whether the disclosures of information included in note 8 to the accompanying consolidated annual accounts in relation to this matter are adequate with respect to those required under applicable accounting regulation.

### Assessment of control over joint ventures

At 31 December 2023 investments defined as joint ventures and therefore accounted for using the equity method amount to 276.903 thousand euros, as detailed in note 34.1 to the accompanying consolidated annual accounts.

The volume of assets and net revenue contributed by those investments over which it has been determined that the Group has control, that are considered to be subsidiaries and are therefore consolidated by the global integration method, amounts to 439.252 thousand euros and 1.038.447 thousand euros, respectively, as detailed in note 34.2 to the accompanying consolidated annual accounts.

We analysed the joint arrangements and assessed management's significant judgements to determine the existence or otherwise of control by the Group.

Through interviews of management, we corroborated and obtained an understanding of the purpose and significant activities of the investees and how decisions are taken concerning these activities.

We verified the analysis carried out by the Group with financial and management information, the minutes of the meetings of the governance bodies, the functional organisation charts of the investees and other documentation of interest.



Gonvarri Corporación Financiera, S.L. and subsidiaries

Most relevant aspects of the audit	How our audit addressed the most relevant aspects of the audit
<p>As indicated in notes 3.3.a and 3.3.e to the consolidated annual accounts, the Group controls an investee when it is exposed or has the rights to obtain variable returns as a result of its involvement with the investee and has the ability to affect those returns through its power over the investee. Those subsidiaries over which the Group has control are fully consolidated. Those companies in which the Group has assessed the nature of its joint arrangements and has determined that the Group does not have control and are joint ventures, are accounted for using the equity method.</p> <p>We considered this area a most relevant aspect due to the relevance of the figures and because of the fact that determining control in these circumstances involves management applying significant judgement.</p>	<p>Finally, we verified the accounting treatment applied for each investment over which the Group has full or joint control and we assessed the sufficiency of the information disclosed in note 34 to the accompanying consolidated annual accounts.</p> <p>As a result of our procedures, we consider that the classification by the Group of the investees over which it has full or joint control is consistent with the information in effect within the context of each transaction.</p>
<p>Revenue recognition</p>	
<p>The Group's activity, as indicated in note 1 of the attached consolidated annual accounts, consists mainly of the manufacture, transformation and sale of flat steel products and metals related to the steel industry.</p> <p>As detailed in note 3.22 to the accompanying consolidated annual accounts, the Group recognises revenues on sales of goods at the time the control of the asset has been transferred. Additionally, the Group provide mainly services for the maquila which revenue is recognized when the services is rendered.</p> <p>We focused on revenue recognition on account of its relevance with respect to the Group's consolidated annual accounts.</p>	<p>We assessed the adequate application of the revenue recognition policy and the design and implementation and operational effectiveness of the relevant controls that underpin revenues.</p> <p>Additionally, we obtained confirmation of the balance for the year for a selection of customers and verified, also for a sample, the correct revenue recognition in the year and the operations cut-off.</p> <p>Also, we analysed a sample of journal entries, selected according to certain characteristics.</p> <p>The results of our procedures are consistent with the recording criteria applied by the Group and the information included in the consolidated annual accounts relating to this area.</p>

**Other information: Consolidated management report**

Other information comprises only the consolidated management report for the 2023 financial year, the formulation of which is the responsibility of the Parent company's directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility regarding the consolidated management report, in accordance with legislation governing the audit practice, is to:

- a) Verify only that the consolidated statement of non-financial information has been provided in the manner required by applicable legislation and, if not, we are obliged to disclose that fact.



Gonvarri Corporación Financiera, S.L. and subsidiaries

- b) Evaluate and report on the consistency between the rest of the information included in the consolidated management report and the consolidated annual accounts as a result of our knowledge of the Group obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of this part of the consolidated management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the consolidated management report is consistent with that contained in the consolidated annual accounts for the 2023 financial year, and its content and presentation are in accordance with applicable regulations.

#### **Responsibility of the Parent company's directors for the consolidated annual accounts**

The Parent company's directors are responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the consolidated equity, financial position and financial performance of the Group, in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Parent company's directors are responsible for assessing the Group'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 aforementioned directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the consolidated annual accounts**

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts 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 legislation governing the audit practice in Spain 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 consolidated annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



Gonvarri Corporación Financiera, S.L. and subsidiaries

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent company's directors.
- Conclude on the appropriateness of the Parent company's directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent company's directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated with the directors of the Parent company, we determine those risks that were of most significance in the audit of the consolidated annual accounts of the current period and are, therefore, considered to be the most significant risks.

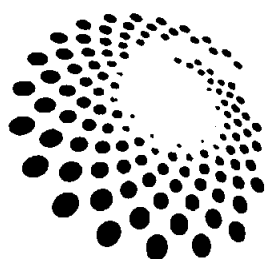
We describe these risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

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PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by  
Esteban Cobo Vallés (22852)

March 22, 2024



**Gonvarri**  
Industries

**GONVARRI CORPORACIÓN FINANCIERA, S.L. AND  
SUBSIDIARIES (GI GROUP)**

Consolidated annual accounts at 31 December 2023 and Consolidated  
Directors' Report



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### GONVARRI CORPORACIÓN FINANCIERA, S.L. AND SUBSIDIARIES (GI GROUP)

#### Consolidated Balance Sheet at 31 December

Thousand euros	Note	2023	2022
<b>A) NON CURRENT ASSETS</b>		<b>1,054,313</b>	<b>955,863</b>
Intangible assets		83,694	97,740
Goodwill	Note 8	66,530	67,880
Other intangible assets	Note 9	17,164	29,860
Property, plant and equipment	Note 6	557,150	546,109
Land and buildings		333,731	346,811
Plants and other property, plant and equipment		193,678	184,506
Assets under construction and prepayments		29,741	14,792
Investment property	Note 7	44,475	44,814
Right of use assets	Note 10	32,807	34,621
Investments by equity method	Note 34	276,903	162,646
Derivative financial instruments	Note 18	10,721	10,781
Other financial assets	Note 11	1,479	1,768
Deferred tax assets	Note 19	47,084	57,384
<b>B) CURRENT ASSETS</b>		<b>2,151,000</b>	<b>2,313,593</b>
Inventories	Note 14	891,259	992,719
Assets from contracts with customers	Note 25	64,543	61,052
Trade and other receivables		956,859	1,046,647
Trade receivables	Note 12	886,172	994,198
Trade receivables for sales and serv. Rendered		455,087	539,733
Trade receivables from related parties	Note 35	425,177	448,604
Receivables from related parties	Note 35	5,908	5,861
Other receivables		70,687	52,449
Public entities	Note 24	58,104	43,076
Other receivables	Note 12	12,583	9,373
Current tax assets	Note 24	8,983	5,545
Financial receivables	Note 13	13,612	10,645
Financial receivables from related parties		13,030	9,602
Loans granted to third parties		181	235
Derivative financial instruments	Note 18	60	297
Other financial instruments		341	511
Cash and cash equivalents	Note 15	215,744	196,985
<b>TOTAL ASSETS (A+B)</b>		<b>3,205,313</b>	<b>3,269,456</b>

The accompanying notes 1 to 40 form an integral part of these Consolidated Annual Accounts.



## Consolidated annual accounts 2023

Thousand euros	Note	2023	2022
<b>A) EQUITY</b>		<b>1,800,404</b>	<b>1,728,561</b>
<b>Equity attributable to the Parent Company</b>	<b>Nota 16</b>	<b>1,646,854</b>	<b>1,586,293</b>
Share Capital		201,538	201,538
Share Premium		15,699	15,699
Legal Reserve		40,308	40,308
Retained earnings		1,384,688	1,223,659
Profit/Loss for the year		154,873	217,441
Exchange differences		-72,448	-59,053
Interim dividend		-80,000	-60,000
Adjustments for changes in values cons. Comp.		2,196	6,701
<b>Non-controlling shareholdings</b>	<b>Nota 17</b>	<b>153,550</b>	<b>142,268</b>
<b>B) NON-CURRENT LIABILITIES</b>		<b>357,574</b>	<b>355,902</b>
Non-current deferred income	Note 20	7,304	7,003
Non-current provisions	Note 21	34,045	21,039
Non-current tax liabilities	Note 22	20,467	25,835
Financial debt	Note 18	203,481	207,849
Bank borrowings		198,233	203,201
Loans from related parties		844	-
Financial lease payables		3,337	3,908
Other financial liabilities		1,067	740
Lease liabilities	Note 18	25,976	27,762
Deferred tax liabilities	Note 19	64,057	66,414
Derivative financial instruments	Note 18	2,244	-
<b>C) CURRENT LIABILITIES</b>		<b>1,047,335</b>	<b>1,184,993</b>
Financial debt	Note 18	246,050	377,631
Bank borrowings		206,401	266,664
Loans from related parties		32,896	105,841
Derivative financial instruments		2,551	1,700
Financial lease payables		1,868	2,143
Other financial liabilities		2,334	1,283
Lease liabilities	Note 18	8,365	8,109
Liabilities from contracts with customers	Note 23	34,885	46,988
Trade and other payables	Note 23	749,923	735,571
Third party suppliers		307,008	342,983
Related party suppliers	Note 35	207,919	179,632
Public entities	Note 24	72,317	65,053
Other payables		162,679	147,903
Current tax liabilities	Note 24	5,201	13,483
Other current liabilities	Note 18	2,911	3,211
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>3,205,313</b>	<b>3,269,456</b>

The accompanying notes 1 to 40 form an integral part of these Consolidated Annual Accounts.



### GONVARRI CORPORACIÓN FINANCIERA, S.L. AND SUBSIDIARIES (GI GROUP)

#### Consolidated Income Statement at 31 December

Thousand euros	Note	2023	2022
Ordinary revenue from contracts with customers	Note 25	5,964,840	5,978,880
Revenue from other operating contracts	Note 26	34,300	24,825
Changes in inv. of finished products and W.I.P.	Note 14	34,589	45,742
Raw materials and other consumables	Note 14	-5,226,853	-5,163,562
Personnel expenses	Note 29	-255,501	-239,529
Amortization/Depreciation	Note 6,7,9,10	-68,213	-71,519
Other operating expense	Note 30	-273,841	-263,632
Other income/expense	Note 28	-3,913	-19,275
<b>OPERATING PROFIT</b>		<b>205,408</b>	<b>291,930</b>
Financial income	Note 31	17,557	6,762
Financial expense	Note 31	-25,902	-17,945
Impairment and profit/loss from financial instruments	Note 31	93	-297
Exchange differences	Note 31	-28,367	-10,547
Changes in fair value financial instruments	Note 31	1,664	-
Share of profit from investments - Equity method	Note 34	53,403	31,897
<b>PROFIT BEFORE TAXES FROM CONT. OPERATIONS</b>		<b>223,856</b>	<b>301,800</b>
Income tax	Note 32	-50,459	-70,174
<b>CONSOLIDATED PROFIT/LOSS</b>	Note 16	<b>173,397</b>	<b>231,626</b>
Non-controlling shareholdings	Note 17	-18,524	-14,185
<b>PROFIT ATTRIBUTABLE TO THE COMPANY SHAREHOLDERS</b>		<b>154,873</b>	<b>217,441</b>

The accompanying notes 1 to 40 form an integral part of these Consolidated Annual Accounts.

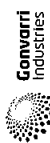


### GONVARRI CORPORACIÓN FINANCIERA, S.L. AND SUBSIDIARIES (GI GROUP)

#### Consolidated Comprehensive Income Statement at 31 December

Thousand euros	2023	2022
<b>Profit for the year</b>	<b>173,397</b>	<b>231,625</b>
<b>Other comprehensive income:</b>		
<b>Items that subsequently may be reclassified to income statement</b>	<b>-18,197</b>	<b>34,819</b>
Exchange differences (Note 2, 16 and 17)	-13,692	23,977
Net change in cashflow hedges (Note 18)	-4,505	10,842
<b>Total comprehensive income for the year</b>		
<b>Attributable to:</b>	<b>155,200</b>	<b>266,444</b>
a) Shareholders parent company	136,973	243,761
b) Non-controlling shareholders	18,227	22,683

The accompanying notes 1 to 40 form an integral part of these Consolidated Annual Accounts.



Consolidated annual accounts 2023

**GONVARRI CORPORACIÓN FINANCIERA, S.L. AND SUBSIDIARIES (GI GROUP)**

Consolidated Statement of Net Changes in Equity in 2023

Thousand euros	Attributable to shareholders of the Parent Company										Non-controlling shareholdings	Equity
	Share capital	Share Premium	Legal Reserve	Retained earnings	Interim dividend	Exchange differences	Profit/loss for the year	Exchange differences				
<b>Balance at 31 December 2021</b>	<b>201,538</b>	<b>15,699</b>	<b>40,308</b>	<b>1,082,138</b>	-	<b>-74,530</b>	<b>171,521</b>	<b>-4,141</b>	<b>124,132</b>	<b>1,556,665</b>		
Distribution of 2021 profit/loss	-	-	-	171,521	-	-	-171,521	-	-	-		
Dividends (Note 3.21 and 16)	-	-	-	-30,000	-60,000	-	-	-	-6,170	-96,170		
Inclusions to consolidation scope (Note 17)	-	-	-	-	-	-	-	-	2,090	2,090		
Exclusions from consolidation scope (Note 17)	-	-	-	-	-	-	-	-	-468	-468		
Other comprehensive income 2022	-	-	-	-	-	15,477	217,441	10,842	22,684	266,444		
<b>Balance at 31 December 2022</b>	<b>201,538</b>	<b>15,699</b>	<b>40,308</b>	<b>1,223,659</b>	<b>-60,000</b>	<b>-59,053</b>	<b>217,441</b>	<b>6,701</b>	<b>142,268</b>	<b>1,728,561</b>		
Distribution of 2022 profit/loss	-	-	-	157,441	60,000	-	-217,441	-	-	-		
Dividends (Note 3.21 and 16)	-	-	-	-	-80,000	-	-	-	-3,390	-83,390		
Inclusions to consolidation scope (Note 17)	-	-	-	3,588	-	-	-	-	33	3,621		
Exclusions from consolidation scope (Note 17)	-	-	-	-	-	-	-	-	-3,588	-3,588		
Other comprehensive income 2023	-	-	-	-	-	-13,395	154,873	-4,505	18,227	155,200		
<b>Balance at 31 December 2023</b>	<b>201,538</b>	<b>15,699</b>	<b>40,308</b>	<b>1,384,688</b>	<b>-80,000</b>	<b>-72,448</b>	<b>154,873</b>	<b>2,196</b>	<b>153,550</b>	<b>1800,404</b>		

The accompanying notes 1 to 40 form an integral part of these Consolidated Annual Accounts.



### GONVARRI CORPORACIÓN FINANCIERA, S.L. AND SUBSIDIARIES (GI GROUP) Consolidated Cash flow statement at 31 December

Thousand euros	Note	2023	2022
<b>A) Cash flows from operating activities</b>		<b>392,015</b>	<b>266,333</b>
<b>Profit for the year before taxes</b>		<b>223,856</b>	<b>301,800</b>
<b>Adjustments to profit/loss</b>		<b>52,144</b>	<b>91,629</b>
Asset depreciation/amortization	Note 6, 7, 9, 10	68,213	71,519
Impairment adjustments	Note 12 and 14	-1,504	22,243
Change in provisions	Note 21 and 22	-7,638	1,349
Grants released to income	Note 20	-3,020	-2,065
Profit/loss from write-offs, disposals and impairment of assets	Note 28	14,541	8,453
Financial income	Note 31	-17,557	-9,346
Financial expense	Note 31	25,902	17,719
Exchange differences	Note 31	28,367	10,547
Profit/loss from equity-consolidated companies	Note 34	-53,403	-31,897
Change in fair value of financial instruments	Note 31	-1,664	-
Other adjustments to profit/loss	Note 31	-93	3,107
<b>Changes in working capital</b>		<b>191,513</b>	<b>-36,945</b>
Inventories	Note 14	107,571	93,186
Trade and other receivables	Note 12	85,183	-223,629
Other current assets		-3,491	-5,559
Trade and other payables	Note 13	14,353	100,375
Other current liabilities		-12,103	-1,318
<b>Other cash flows from operating activities</b>		<b>-75,498</b>	<b>-90,151</b>
Interest payments		-32,426	-16,994
Interest received		19,221	2,182
Corporate income tax payments mad/received		-62,293	-75,339
<b>B) Cash flows from investment activities</b>		<b>-131,584</b>	<b>-34,057</b>
<b>Payments for investments</b>		<b>-147,709</b>	<b>-46,381</b>
Changes in scope	Note 1	-74,710	-2,585
Group companies and associates	Note 2	-3,429	-
Intangible assets	Note 9	-4,274	-4,147
Property, plant and equipment	Note 6	-65,175	-39,027
Investment property	Note 7	-290	-4
Other financial assets		169	-618
<b>Amounts received from divestments</b>		<b>16,125</b>	<b>12,324</b>
Changes in scope	Note 2	-118	-
Group companies and associates		-	5,311
Intangible assets	Note 9	9,489	165
Property, plant and equipment	Note 6	6,397	2,836
Investment property	Note 7	14	2,339
Other financial assets		343	1,673
<b>C) Cash flows from financing activities</b>		<b>-223,800</b>	<b>-109,220</b>
<b>Proceeds and payments for equity instruments</b>		<b>301</b>	<b>-446</b>
Subsidies, donations and bequests received		301	-446
<b>Proceeds and payments for financial liability instr.</b>		<b>-140,711</b>	<b>-12,204</b>
Issue			
- Bank borrowings	Note 18	93,293	185,737
- Borrowings from group companies and associates	Note 18	1,121	38,662
- Other borrowings	Note 18	1,344	14,045
Return and repayments of:			
- Bank borrowings	Note 18	-160,625	-224,250
- Borrowings from group companies and associates	Note 18	-73,222	-8,139
- Other borrowings	Note 18	-2,622	-18,259
<b>Payment of dividends and yields from other equity instr.</b>		<b>-83,390</b>	<b>-96,570</b>
Dividends	Note 3.21	-83,390	-96,570
<b>D) Effect of fluctuations in exchange rates</b>		<b>-8,203</b>	<b>2,839</b>
<b>E) Cash flows from changes in scope</b>	Note 2	<b>-9,669</b>	<b>3,113</b>
<b>NET INCREASE/DECREASE OF CASH AND CASH EQV. (A+B+C+D+E)</b>		<b>18,759</b>	<b>129,008</b>
Cash equivalents at beginning of the year		196,985	67,977
Cash equivalents at year-end		215,744	196,985



### 1. General information

Gonvarri Corporación Financiera, S.L.(the Company), at the end of 2023, is the parent of a group (hereinafter the Group or GI Group), formed by the Company and the entities included in Appendix I. The Group has manufacturing plants in several locations in Spain and in other countries in Europe, America, Asia and Africa.

For the purposes of preparing the Consolidated Annual Accounts, a group is understood to exist when the parent company has one or more subsidiaries, those entities being which the parent company controls directly or indirectly. The principles applied to the preparation of the Group's consolidated annual accounts are described in Note 3, and the scope of consolidation is defined in Appendix I.

Gonvarri Corporación Financiera, S.L. was incorporated on 3 September 1958, and changed its name on 22 July 2008. Its current registered office is located in Madrid, at calle de Embajadores, s/n.

The Group's primary business is the manufacture, transformation and marketing of flat steel products and metals relating to steel.

The Group forms part of Grupo Holding Gonvarri, S.L., whose parent company is Holding Gonvarri, S.L., domiciled for mercantile and tax purposes at C/ San Vicente, 8, Edificio Albia, No. 3 in Bilbao. The company Acek Desarrollo y Gestión Industrial, S.L. (formerly Corporación Gestamp, S.L.) is the ultimate controlling holding company with a direct and indirect 65% interest. The indirect holding is owned through Cartera Gonvarri, S.L., which holds 51.93% of Holding Gonvarri, S.L.

These consolidated annual accounts were prepared by the Board of Directors on 11 March 2024, and have not yet been approved by shareholders at a General Meeting. They are expected to be approved without changes.

#### Changes in the consolidation scope in 2023:

- Inclusions to the consolidation scope:
  - a) On January 9, 2023, Gonvarri Corporación Financiera acquired 40.18% of the shares of Grupo Hidria, making an initial disbursement of € 71,486 thousand, which represented 42.55% of the voting rights. Throughout 2023, the acquisition of shares has been increased by an additional 1.25%, paying € 2,222 thousand, thus reaching a shareholding of 41.43% in this Group (43.84% of the voting rights) at the end of 2023. This new Subgroup is integrated into the GI Group by the equity method, since it does not have control. The main activity is the development, production and marketing of advanced technology systems for both the automotive and industrial sectors.
  - b) On February 1, 2023, the company Gonvarri I. Trading is incorporated with a share capital of 50 thousand euros, in which Gonvarri Productos Siderúrgicos holds 100% of the shares. This company is included in the consolidation perimeter by full consolidation and is dedicated to the commercialization of products in the Portuguese market.
  - c) On March 31, 2023, the company Gonvarri Material Handling Colombia SAS was incorporated with a share capital of 4,000 thousand Colombian pesos, in which the subsidiary Gonvarri Material Handling S.L.U. holds 100% of the shares. This company is included in the consolidation perimeter by full consolidation and is dedicated to the commercialization of products of the material handling division in Colombian territory.
  - d) On May 30, 2023, the company Gonvarrack US INC was incorporated, with a share capital of 10 US dollars, in which the subsidiary Gonvarri Material Handling S.L.U. holds 51% of the shares. This company is included in the consolidation perimeter by full consolidation and is dedicated to the commercialization of products of the material handling division in the United States.



- e) On May 30, 2023, the company Gonvarrack Canada INC was incorporated, with a share capital of 10 Canadian dollars, in which the subsidiary Gonvarri Material Handling S.L.U. holds 51% of the shares. This company is included in the consolidation perimeter by full consolidation and is dedicated to the commercialization of products of the material handling division in Canadian territory.
- f) On October 11, 2023, Solar Steel Italy was incorporated with a share capital of 100 thousand euros. The subsidiary Gonvarri Solar Steel owns 100% of the shares of this new company. The company is integrated into the Group through full consolidation and is mainly dedicated to the commercialization of products of the solar division in Italy.
- Changes in equity %:
    - a) On February 23, 2023, the subsidiary Gonvarri Material Handling AS acquires the remaining 20% of Kauffman for 835 thousand Swiss francs. In 2020, 60% of the company was acquired, and then in 2021 another 20% was acquired and with the acquisition in 2023, 100% of the company's shares are now held. As a result of this new acquisition, there is a movement of 3,588 thousand euros, which decreases the minority shareholders in 2023 and increases the reserves for accumulated results of previous years.
  - Exclusions from the consolidation scope:
    - a) On January 24, 2023, Dongguan Gonvarri Summit was liquidated. This company was included in the Group's consolidation perimeter by the full consolidation method. Gonvarri Corporación Financiera owned 100% of the shares of this company. The liquidation had a positive impact of € 118 thousand on the consolidated income statement.
    - b) On March 31, 2023, the company Gonvarri MS Deutschland GMBH was liquidated. This shareholding was held by the subsidiary GMS Corporate and was integrated in the Group by the full consolidation method. This liquidation did not have a significant impact on the Consolidated Financial Statements.
    - c) On November 7, 2023, Hidria USA, a company belonging to the Hidria Group acquired on January 9, 2023, was liquidated. The company Hidria d.o.o., belonging to Hidria Group owned 100% of the shares and the company was fully consolidated.
  - Corporate merger:
    - a) On 1 August 2023, a corporate merger took place within the Group whereby the company Gonvauto Thüringen absorbed the company Gonvarri Aluminium.

### Changes in the consolidation scope in 2022:

- Inclusions to the consolidation scope:
  - a) On 31 March 2022, the company Dexion Storage Solutions Unipessoal LDA was incorporated with a share capital of € 5 thousand, in which the subsidiary Gonvarri Material Handling AS holds 100% of the shares. This company is included in the consolidation perimeter by full consolidation method and is dedicated to the commercialisation of products of the Dexion division in Portugal.
  - b) On 6 May 2022, the company Riera Tutó Valencia, S.L. was incorporated with a share capital of 100 thousand euros, in which the subsidiary Gonvarri Corporación Financiera, S.L. holds 51% of the shares. Subsequently, on 22 September 2022, a capital increase of €2,900 thousand was carried out. This company is included in the consolidation perimeter under full consolidation. The effect on minority interests due to not holding 100% of this company amounted to € 1,470 thousand. During 2022 work has been carried out on the start-up of this new company, which is expected to commence operations in mid-2023. The company will be dedicated to the



manufacture of metal tools and finished articles, as well as the handling, welding, bending and cutting of iron.

- c) On 1 January 2022, GMS Perú was incorporated with a share capital of € 0.232 thousand, in which the subsidiary Gonvarri MS Corporate, S.L. holds 99% of the shares and Road Steel Engineering, SL holds 1% of the shares. This company is included in the scope of consolidation through full consolidation. This company markets the products of the GMS division in Peru.
- d) On 24 June 2022, Gonvarri Agrotech SL was incorporated with a share capital of €50 thousand, in which the subsidiary Gonvarri MS Corporate, S.L. holds 99.98% of the shares and Gonvarri MS R&D, SL holds 0.02% of the shares. This company was included in the consolidation perimeter by full consolidation. The company is focused on the provision of technical engineering services and other advisory activities.
- e) On 7 June 2022, the subsidiary Gonvarri Corporación Financiera, S.L. acquired 51% of the shares of H2greem Global Solutions SL for €1,000 thousand. This company was included in the consolidation perimeter using the full consolidation method. The effect on minority interests, as Gonvarri Corporación Financiera, S.L. does not hold 100% of this company, amounts to €620 thousand. This company is active in the development and manufacture of hydrogen generators.

- Changes in equity %:

No changes in equity have been recorded in any Group companies during the year 2022.

- Exclusions from the consolidation scope:

- a) On 12 April 2022, the company Hiasa Montajes Honduras, S.A. was liquidated. This company had been included in the consolidation perimeter using the full consolidation method. Hierros y Aplanaciones S.A. held 100% of the shares of this company. This liquidation did not have a significant impact on the consolidated financial statements.
- b) On 29 August 2022, Agromega Projects Ltd was sold for €37. GMS Corporate held 56% of the shares of this company. This sale has no significant impact on the Consolidated Financial Statements.
- c) On 31 December 2022, Gonvarri Solar Steel Brasil LTSA was liquidated. This company was included in the scope of consolidation using the full consolidation method. Gonvarri Solar Steel SL held 100% of the shares of this company. This liquidation did not have a significant impact on the Consolidated Annual Accounts.

## 2 Business combinations

The following acquisitions of the companies and/or groups are part of the Group's strategy of diversifying into businesses with greater added value and with the aim of providing them with commercial and management synergies, as well as operating cost efficiency based on the GI Group's experience in the steel sector, with which it is believed that it will be possible to improve the results of these companies.

### Business combinations in 2023

During 2023 no business combination has been made within the Group's business strategy, as the acquisition of the Hidria Group in 2023, being a non-controlling acquisition, is not considered as a business combination.



### Business combinations in 2022

- **H2greem Global Solutions SL**

On 7 June 2022, the subsidiary Gonvarri Corporación Financiera, S.L. acquired 51% of the shares of H2greem Global Solutions for €1,000 thousand, thereby taking control of the company. This company's business is focused on the development and manufacture of hydrogen generators based on PEM technology.

The net turnover and the result attributable to the business combination from the date of incorporation until 31 December 2022 amounted to a loss of € 398 thousand and € 101 thousand, respectively.

There were no significant costs associated to this transaction.

Thousand euro	
Intangible assets	4
Tangible assets	139
Non-current financial assets	6
<b>Non-current assets</b>	<b>149</b>
Trade receivables	102
Cash and other cash equivalents	1,099
<b>Current assets</b>	<b>1,201</b>
<b>Total Assets</b>	<b>1,350</b>
Trade payables	85
<b>Total current liabilities</b>	<b>85</b>
<b>Total Liabilities</b>	<b>85</b>

Considering the aforementioned premises, the impact on the consolidated annual accounts has been as follows:

Thousand euro	
Consideration	1,000
<b>Book value at transaction date</b>	<b>1,265</b>
External Partners (49%)	620
Gonvarri Industries (51%)	645
<b>Difference NBV to % acquired and consideration</b>	<b>355</b>

This business combination generated a Goodwill totalling €355 thousand. There were no significant costs associated to this transaction. No payments relating the acquisition of this company remain pending at the closing of 2022.

The effect on non-controlling shareholdings due to not holding 100% of this company amounted to 620 thousand euros.

### 3. Summary of the main accounting policies applied

The main accounting policies adopted when preparing these consolidated annual accounts are described below.



### 3.1 Comparability

As is indicated in Note 1, in 2023 there were changes in the scope of consolidation, which must be considered when comparing the figures for 2023 and 2022.

There were no changes in the policies applied when preparing these consolidated annual accounts.

### 3.2 Basis of presentation

The group's consolidated annual accounts at 31 December 2023 and 2022 have been drawn up in accordance with the International Financial Reporting Standards adopted for use in the European Union and approved under European Commission Regulations (IFRS-EU) in force at 31 December 2023.

The financial information has been prepared on a cost basis, modified in the cases established by the IFRS-EU in which certain assets and liabilities are stated at their fair value.

The preparation of consolidated annual accounts under IFRS-EU requires the use of certain critical accounting estimates. The application of IFRS also requires that management exercise judgment in the process of applying the Group's accounting policies. Note 5 discloses the areas that require a higher level of judgment or entail greater complexity, and the areas where assumptions and estimates are significant for the consolidated annual accounts.

At the date of preparation of these Consolidated Annual Accounts, the European Union had approved and published the following interpretations and standards effective in the year starting 1 January 2023 at the latest:

a) New standards and amendments entering into force in 2023.

- IFRS 17 "Insurance contracts": IFRS 17 replaces IFRS 4 "Insurance contracts", which allowed for a wide variety of accounting practices. The new standard fundamentally changes accounting for all entities issuing insurance contracts and investment contracts with discretionary participation features. In June 2020, the IASB amended the standard, developing specific amendments and clarifications aimed at facilitating the implementation of the new standard, although the fundamental principles of the standard remained unchanged.

The standard applies for annual periods beginning on or after 1 January 2023 and earlier application is permitted if IFRS 9 Financial Instruments is applied on or before the date of initial application of IFRS 17.

These amendments did not have an effect on the Group's Consolidated Annual Accounts.

- IFRS 17 (Amendment) "Initial Application of IFRS 17 and IFRS 9 - Comparative Information": The IASB has published an amendment to IFRS 17 that introduces limited changes to the transition requirements of IFRS 17 "Insurance Contracts" and has no impact on any other requirements of IFRS 17. IFRS 17 and IFRS 9 "Financial Instruments" have different transition requirements. For some insurers, these differences may result in one-off accounting asymmetries between financial assets and insurance contract liabilities in the comparative information they present in their financial statements when they apply IFRS 17 and IFRS 9 for the first time. The amendment will help insurers to avoid these asymmetries and therefore improve the usefulness of comparative information for investors.

This amendment comes into effect for financial years beginning as from January 1, 2023. These amendments do not have a significant effect on the Group's Consolidated Annual Accounts.

- IAS 1 (Amendment) "Disclosure of accounting policies": IAS 1 has been amended to improve disclosures about accounting policies to provide more useful information to investors and other primary users of financial statements. The effective date of these amendments is 1 January 2023.



These amendments did not have an effect on the Group's Consolidated Annual Accounts.

- IAS 8 (Amendment) "Definition of accounting estimates": IAS 8 has been amended to help distinguish between changes in accounting estimates and changes in accounting policies. The effective date of these amendments is 1 January 2023.

These amendments did not have an effect on the Group's Consolidated Annual Accounts.

- IAS 12 (Amendment) "Deferred tax relating to assets and liabilities arising from a single transaction": In certain circumstances under IAS 12, companies are exempt from recognising deferred taxes when they first recognise assets or liabilities ("initial recognition exemption"). Previously, there was some uncertainty as to whether the exemption applied to transactions such as leases and decommissioning obligations, transactions for which both an asset and a liability are recognised at initial recognition. The amendment clarifies that the exemption does not apply and that there is therefore an obligation to recognise deferred taxes on such transactions.

The amendment is effective for years beginning on or after 1 January 2023, although earlier application is permitted.

These amendments did not have an effect on the Group's Consolidated Annual Accounts.

- IAS 12 (Amended) "International tax reform: Pillar 2 model rules": In October 2021, more than 130 countries, representing more than 90% of global GDP, agreed to implement a minimum tax regime for multinational enterprises, the "Pillar 2". In December 2021, the Organisation for Economic Co-operation and Development ("OECD") published the Pillar 2 model rules for reforming international corporate taxation. Affected large multinational companies must calculate their effective GloBE (an acronym for "Global Anti-Base Erosion") tax rate for each jurisdiction in which they operate. Such companies will be required to pay an additional tax on the difference between their GloBE effective tax rate per jurisdiction and the minimum rate of 15%.

In May 2023, the IASB issued limited scope amendments to IAS 12. It provides a temporary exemption from the requirement to recognise and disclose deferred taxes arising from an enacted or substantively enacted tax law that implements the Pillar 2 model standards issued by the OECD.

The amendments also introduce the following specific breakdown requirements for the companies concerned:

- The application of the temporary exception to the recognition and disclosure of information on deferred tax assets and liabilities related to income tax arising from Pillar 2.
- its current tax expenditure (if any) related to income tax arising from the Second Pillar; and
- During the period between the enactment or substantive enactment of the legislation and the entry into force of the legislation, entities are required to disclose known or reasonably estimable information that would assist users of financial statements in understanding the entity's exposure to income taxes arising from Pillar 2.

On one hand, the amendment to IAS 12 is required to be applied immediately and retrospectively in accordance with IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors", including the requirement to disclose the fact that the aforementioned temporary exception has been applied, if relevant. On the other hand, disclosures related to current tax expense and known or reasonably estimable Pillar 2 income tax exposure are mandatory for annual periods beginning on or after January 1, 2023. However, the disclosure of this information in the interim financial statements is not required for any interim period ending on or before December 31, 2023.



These amendments do have an impact on the Group's financial statements, as detailed in note 32.1.

b) Standards and interpretations not yet adopted

- IFRS 10 (Amendment) and IAS 28 (Amendment) "Sale or contribution of assets between an investor and its associates or joint ventures": These amendments clarify the accounting treatment of sales and contributions of assets between an investor and its associates and joint ventures depending on whether the non-cash assets sold or contributed to an associate or joint venture constitute a "business". The investor will recognize the full gain or loss when the non-cash assets constitute a "business". If the assets do not meet the definition of a business, the investor recognizes gain or loss to the extent of other investors' interests. The amendments apply only when an investor sells or contributes assets to its associate or joint venture.

Originally, these amendments to IFRS 10 and IAS 28 were prospective and effective for annual periods beginning on or after 1 January 2016. However, at the end of 2015, the IASB took the decision to postpone the effective date of these amendments (without setting a new specific date), as it is planning a broader review that may result in simplifying the accounting for these transactions and other aspects of accounting for associates and joint ventures.

c) Standards, modifications and interpretations that have not yet come into force, but may be adopted early.

- IFRS 16 (Amendment) "Lease liability on a sale and leaseback": IFRS 16 includes requirements on how to account for a sale and leaseback on the date on which the transaction takes place. However, it did not specify how to recognize the transaction after that date. This amendment explains how a company should account for a sale and leaseback sale after the date of the transaction.

The effective date of this amendment is 1 January 2024, although early adoption is permitted. This amendment is pending approval by the European Union.

- IAS 1 (Amendment) "Non-current liabilities with conditions ("covenants")": In October 2022, the IASB issued an amendment to IAS 1 "Presentation of Financial Statements" in response to concerns raised about the application of previous amendments to IAS 1 (in January and July 2020) regarding the classification of liabilities as current or non-current.

The new amendment aims to improve the information provided when the right to defer payment of a liability is subject to the fulfilment of conditions ("covenants") within twelve months after the reporting period.

This amendment is effective for financial years beginning on or after 1 January 2024. Earlier application of the amendment is permitted but is pending approval by the European Union.

- IAS 7 (Amendment) and IFRS 7 (Amendment) "Supplier financing arrangements ("confirming")": The IASB has amended IAS 7 and IFRS 7 to improve disclosures about vendor financing arrangements ("confirming") and their effects on a company's liabilities, cash flows and exposure to liquidity risk. The amendment responds to investor concerns that some companies' vendor financing arrangements are not sufficiently visible.

This amendment is effective for financial years beginning on or after 1 January 2024. Earlier application of the amendment is permitted but is pending approval by the European Union.

- IAS 21 (Amendment) "Non-exchangeability": The IASB has amended IAS 21 to add requirements to help entities determine whether a currency is exchangeable for another currency and the spot rate to use when it is not. When a currency is not exchangeable for another currency, it is necessary to estimate the spot exchange rate at a measurement date for the purpose of determining the rate at which an orderly exchange transaction would take place at that date



between market participants under prevailing economic conditions.

When an entity first applies the new requirements, it is not permitted to restate comparative information. Instead, the affected amounts are required to be translated at spot exchange rates estimated at the date of initial application of the amendment, with an adjustment against reserves.

This amendment is effective for financial years beginning on or after 1 January 2025. Earlier application of the amendment is permitted but is pending approval by the European Union.

### 3.3 Basis of Consolidation

#### a) Subsidiaries

The companies included in the scope of consolidation over which the parent company maintains control are consolidated using the full consolidation method. Control is deemed to exist when all the following conditions are met:

- I. It has power over the investee, i.e. it has rights in force that give it the capacity to direct the relevant activities, i.e. those that significantly affect the subsidiary's performance.
- II. It is exposed to, or entitled to, variable returns from its involvement in the subsidiary.
- III. It has the right to use its power over the subsidiary to influence the amount of its own income.

The acquisition method of accounting is used to account for the acquisition of the business combinations by the Group. The consideration paid for the acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred with the former owners of the acquired company and shares in equity issued by the Group. The consideration transferred includes the fair value of any asset or liability that originates from a contingent consideration agreement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling stake in each business combination at the fair value or proportional part of the recognized non-controlling interest in the identifiable net assets of the acquired company.

Costs related to the acquisition are recognized as expenses for the year in which they are incurred.

If the business combination takes place in phases, the fair value at the date the stake in the equity of the target company is acquired and recognized by the buyer is again measured at fair value at the acquisition date based on profits for the year.

Any contingent consideration to be transferred by the Group is recognized at fair value on the acquisition date. Subsequent changes in the fair value of the contingent consideration that are considered to be an asset or liability are recognized in accordance with IAS 39 under profit or loss or as a change in other comprehensive income. Contingent consideration that is classified as equity is not re-measured and its subsequent settlement is recognized under equity.

The following transactions and balances have been eliminated in the consolidation process:

- The reciprocal receivables and payables and the expenses and income from internal operations within the Group.
- Profits or losses on purchases and sales of property, plant and equipment and intangible assets and unrealised gains on inventories, if significant.
- The internal dividends and the receivable balance corresponding to the interim dividends recorded in the company that distributed them.

Appendix I hereto sets out the identification details of the subsidiaries included in the consolidation scope.



b) Transactions with non-controlling shareholders in subsidiaries without any change in control

The value of the interest of minority shareholders in the equity and results of the consolidated subsidiaries is presented under "Non-Controlling shareholdings" in "Equity" in the consolidated balance sheet and under "Minority Interests" in the consolidated income statement and consolidated statement of comprehensive income, respectively.

c) Divestment of subsidiaries

When the Group ceases to have control, any shareholding retained in the company is restated at fair value on the date on which control is lost, recognizing the change in the book value in the income statement. Fair value is the initial book value for the purposes of the subsequent recognition of the shareholding maintained as an associate, joint venture or financial asset. In addition, any amount previously recognized under other comprehensive income with respect to that company is recorded as if the Group had directly sold the related assets and liabilities. This could mean that the amounts previously recorded under other comprehensive income may be reclassified to the income statement. >

d) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. The investments in associates are recorded using the equity method. By this method, the investment made in a joint venture or associate is initially registered at cost. As from the date of acquisition, the investment's book value is adjusted based on the changes in the Group's interest in the net assets of the associate or joint venture.

The Group's interest in its associates subsequent to acquisition is recognised in the income statement, and its share of the post-acquisition changes is recognised in other comprehensive income with a corresponding adjustment to the book value of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

At each financial reporting date, the Group determines if there is any objective evidence of impairment affecting the investment in the associate. If this is the case, the Group calculates the amount of the impairment loss as the difference between the recoverable amount for the associate and its book value and recognizes the "gain/(loss) in an associate" in the income statement. Gains and losses on dilution arising from investments in associates are recognized in the income statement.

e) Joint arrangements

The Group applies IFRS 11 to all joint arrangements. Investments in joint arrangements under IFRS 11 are classified as joint ventures or joint operations, depending on the contractual rights and obligations of each investor. GI Group has evaluated the nature of its joint arrangements and has determined that they are joint ventures. Joint ventures are measured using the equity method.

Under the equity method the interests in joint ventures are initially recognized at cost and adjustments are then applied to recognize the Group's stake in profits and losses subsequent to the acquisition and movements in other comprehensive income. When the Group's interest in the losses of a joint venture is equal to, or exceeds, its interests in joint ventures (including any non-current interest which, in substance, forms part of the Group's net investment in the joint ventures), the Group does not recognize any additional losses unless obligations have been incurred or payments have been made on behalf of the joint ventures.

Unrealized gains on transactions between the Group and joint ventures are eliminated to the extent of the Group's interest in those joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the value of the transferred asset. The accounting policies followed by joint ventures have been modified where necessary to ensure consistency with policies adopted by the Group.



### 3.4 Transactions denominated in foreign currency

#### a) Functional and presentation currency

Items included in the annual accounts of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated annual accounts are presented in thousand euro, and the euro (€) is the Group's functional and presentation currency.

#### b) Transactions and balances

Transactions in foreign currency are converted to the functional currency using the exchange rates in force at the transaction dates. Foreign currency gains and losses resulting from the settlement of transactions and conversion at year-end exchange rates of monetary assets and liabilities denominated in foreign currency are recognized in the income statement under the heading "Exchange differences", except when deferred in other comprehensive income as qualifying cash flow hedges or qualifying net investment hedges. These differences are recognized under other comprehensive income until the net investment is disposed of, at which time they are reclassified to the income statement.

Exchange differences in respect of non-monetary items such as equity instruments at fair value through profit or loss are recognized as part of the gain or loss in fair value. Exchange differences on non-monetary items, such as equity instruments classified as available-for-sale financial assets, are included under other comprehensive income.

#### c) Group companies

The earnings and financial situation of all Group companies (except for hyperinflationary economies), whose functional currency differs from the presentation currency, are translated to the presentation currency as follows:

- The assets and liabilities on each balance sheet presented are translated at the closing exchange rate at the balance sheet date.
- The financial statements are translated at the average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates existing at the transaction dates, in which case the results are translated at the rates on the transaction dates).
- All resulting exchange differences are recognized under other comprehensive income. When a foreign investment is sold, the component recognized for that investment under other comprehensive income is recorded in the consolidated income statement.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and are translated at the closing rate. All resulting exchange differences are recognized under other comprehensive income.

#### d) Adjustments for Hyperinflation

Since all the inflation indicators for Argentina and Turkey show a cumulative inflation in three years of more than 100%, and there are no qualitative issues to mitigate the situation, Argentina should be considered as a hyperinflationary economy as from 1 July 2018, and Turkey as from 1 April 2022, therefore IAS 29 "Financial Reporting in Hyperinflationary Economies" is applicable, which requires that the Consolidated Financial Statements have to be expressed in terms of the measuring unit current at the date of the reporting period. Such restatement of book values has been carried out as follows:

- Separation and identification of all balance sheet items in the categories monetary and non-monetary. Monetary items are cash and balances receivable or payable in Argentine pesos and Turkish Liras, including assets from contracts with customers. Non-monetary items are intangible assets, property, plant and equipment, and other similar assets. The income statement and equity items are also considered non-monetary items for purposes of calculating hyperinflation.



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- Non-monetary assets and liabilities: These assets were recognised at cost at the date of acquisition. These items are restated from the date of acquisition by multiplying the net book value at historical cost by the index obtained dividing the index at the end of the year by the index at the date of acquisition.
- Income and expenses: These items have been restated by the evolution in the price index from the date on which they were recorded to the closing date of the period.
- The profit and loss account of the Argentinean and Turkish companies in the Consolidated Financial Statements has been translated into Euro at the closing rate.
- Calculation and recognition of deferred taxes arising from changes in the book values with respect to taxable amounts.

A synthetic index was used for the restatement of the Argentine companies. For the restatement of balances prior to 31 December 2016, the wholesale price index was used and, as from 1 January 2017, the National Consumer Price Index was used.

The index used for the restatement of Turkish companies has been the New Consumer Price Index (2003=100) published by the Turkish Statistical Institute.

The comparative figures in the Consolidated Financial Statements as at 31 December 2018 in respect of the companies in Argentina were those of the previous year, i.e. they were not adjusted for hyperinflation and are also not adjusted for subsequent changes in price levels or exchange rates in subsequent years. This resulted in differences between 2017 year-end equity and 2018 opening equity and, as an accounting policy choice, these changes were presented under Translation differences.

Similarly, the comparative figures in the Consolidated Financial Statements as at 31 December 2022 in respect of the companies in Turkey were those of the previous year, i.e. they will not be adjusted for hyperinflation and will also not be adjusted for subsequent changes in the price level or exchange rates in subsequent years. This results in differences between the 2021 closing equity and 2022 opening equity and, as an accounting policy choice, these changes were presented under Exchange differences.

The effect on the Consolidated Financial Statements at 31 December 2023 of the adjustment for inflation applied in the manner described in the preceding paragraphs was as follows:

Heading	2023		2022	
	Gonvarri Argentina	Çepas Galvaniz	Gonvarri Argentina	Çepas Galvaniz
Other intangible assets	-	1,804	-	537
Plants, machinery and other property, plant and equipment	2,167	5,827	2,065	6,567
Deferred tax assets	1,478	-1,533	253	-1,896
Inventories	4,132	1,305	1,445	1,552
Liabilities from contracts with customers	-	172	-	-60
Trade payables	-	-	-57	-
<b>EFFECT ON NON-MONETARY ASSETS &amp; LIABILITIES</b>	<b>7,777</b>	<b>7,575</b>	<b>3,708</b>	<b>6,721</b>
Net turnover	-32,232	-10,721	-20,017	-6,141
Operating income	-	-	-	-17
Raw materials and other consumables	34,086	10,397	20,847	6,227
Personnel expenses	783	640	554	696
Amortization fixed assets	206	707	262	595
Other operating expense	1,806	2,013	1,306	1,092
Other income/expense	-38	-	-	-11
<b>OPERATING PROFIT/LOSS</b>	<b>4,610</b>	<b>3,036</b>	<b>2,972</b>	<b>2,441</b>
Financial income	6,298	-	765	-6
Financial expense	-534	-2,798	-1,546	-1,290
Exchange differences	-6,225	170	5,171	90
<b>FINANCIAL PROFIT/LOSS</b>	<b>-461</b>	<b>-2,628</b>	<b>4,390</b>	<b>-1,206</b>
<b>PROFIT/LOSS BEFORE TAX</b>	<b>4,149</b>	<b>408</b>	<b>7,361</b>	<b>1,235</b>
Income tax	-1,400	1,357	-273	1,392
<b>EFFECT ON PROFIT/LOSS FINANCIAL YEAR</b>	<b>2,749</b>	<b>1,765</b>	<b>7,088</b>	<b>2,627</b>
<b>EFFECT ON RESERVES (retained earnings)</b>	<b>16,603</b>	<b>2,627</b>	<b>9,242</b>	<b>-</b>

For balance sheet accounts the positive sign corresponds to debit balances and the negative sign to credit balances. For profit and loss accounts the positive sign corresponds to expenses and the negative sign to income.



The conversion to euros of the Income statements of the companies in hyperinflationary economies was made at the closing exchange rate.

### 3.5 Property, plant and equipment

Property, plant and equipment is recognized at cost (or attributed cost) less depreciation and cumulative impairment losses, except for land, which is presented net of impairment losses. Historic cost includes expenses directly attributable to purchases of property, plant and equipment. The cost value of land and buildings was measured at fair value at the date of first application as permitted by IFRS 1.

Subsequent costs are included in the asset's book value or recognized as a separate asset only when it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset may be reliably determined. The book value of the component replaced is derecognized for accounting purposes. All other repair and maintenance expenses are charged to the income statement in the year in which they are incurred.

Increases in the book value that arise from the restatement of land and buildings are charged against other comprehensive income and presented in other reserves under equity. Decreases that offset previous increases of the same asset are charged against other reserves directly in other comprehensive income. All other decreases are charged to the income statement. Each year the difference between depreciation based on the restated book value of the asset charged to the income statement and depreciation based on the asset's original cost is transferred from "other reserves" to "retained earnings".

An asset's book value is written down immediately to its recoverable amount if the asset's book value is greater than its estimated recoverable amount (Note 3.9).

Gains and losses on disposals are determined by comparing the proceeds with the book value and are recognized within "Other operating income (expense)" in the income statement.

Land is not depreciated. The annual depreciation charge is calculated on a straight-line basis over the estimated useful lives of the assets concerned, except for those production assets that are considered to become obsolete faster and, therefore, are depreciated on a declining balance basis or by shift, although the estimated useful lives are respected.

The years of useful life of depreciated assets based on effective depreciation and on work shifts are:

	Assets depreciated on a straight-line basis	Assets declining balance method
Office buildings	50	-
Industrial buildings	33 to 34	-
Machinery	7 to 13	7 to 13
Plants and machinery		
- Plants	6 to 13	-
- Bridge cranes	8 to 9	8 to 9
- Scales	10	-
Tooling and tools	3 to 7	-
Data-processing equipment	4 to 5	-
External vehicles	4 to 7	-
Furnishings and office equipment	9 to 10	-

The heading "Accounting estimates and judgements" (Note 5) includes additional information regarding the useful lives of buildings and machinery.

The asset's residual values and useful life are reviewed, and adjusted if appropriate, at each balance sheet date.

The ratios used for assets that are depreciated using the digressive method consist of applying 30% to the book value in the previous year, respecting the maximum useful life that has been established.



### 3.6 Investment Property

Investment properties, which mainly consist of land and industrial premises, are maintained to obtain profits through long-term rent and are not occupied by the Group. Investment properties are measured using the same criteria as those for property, plant and equipment (Note 3.5). The value of land and buildings is also measured at fair value on the date of first application, in accordance with IFRS 1. The depreciation period for these assets follows the same criteria as those for property, plant and equipment.

### 3.7 Intangible assets

#### a) Goodwill

The acquisition of a subsidiary by a parent company gives rise to a business combination which is recognized by applying the acquisition method that determines the date of acquisition and the calculation of cost of the combination, and the identifiable acquired assets and liabilities assumed are recognized at their fair value at that date.

Goodwill or the negative difference arising on the combination is determined as the difference between the fair values of the acquired assets and liabilities assumed and recognized, and the cost of the combination, based on the acquisition date.

The cost of the combination is calculated as the sum of:

- The fair values at the acquisition date for the assigned assets, the liabilities incurred or assumed, and the equity instruments used.
- The fair value of any contingent consideration that depends on future events or compliance with pre-determined conditions.

The cost of the combination does not include expenses relating to the issue of the equity instruments or the financial liabilities delivered in exchange for the acquired items. Neither are the honorary fees paid to legal assessors or other professionals that intervened in the combination, nor the costs generated internally by these concepts. These amounts are taken directly to the income statement.

If the business combination is carried out in stages, so that before the acquisition date (the date on which control is obtained), there was a prior investment, the goodwill or negative difference is obtained by the following method:

- The cost of the business combination, plus the fair value at the acquisition date of any prior stake in the target company held by the acquiring company, and,
- The value of the identifiable assets acquired, less the value of the liabilities assumed, calculated in accordance with the matters described above.

Any profit or loss arising as a result of the fair value measurement on the date on which the buyer obtains control over the existing shareholding held by the acquired company will be recognized as a change in the amount of recognized goodwill. If the investment in this investee company has previously been stated at fair value, measurement adjustments that have yet to be taken to profit and loss for the year will be transferred to the consolidated income statement. In addition, the cost of the business combination is presumed to be the best reference to estimate the fair value at the acquisition date of any prior shareholding.

Goodwill arising on the acquisition of companies with a functional currency other than the euro are measured in the functional currency used by the acquired company, and the amount is translated to euro at the exchange rate in force at the balance sheet date.

Goodwill is not amortized and is subsequently measured at cost, less any impairment losses. The value adjustments for impairment recognized in Goodwill are not reversed in subsequent years.



If on the closing date in the year in which the combination takes place the measurement processes that are necessary to apply the aforementioned acquisition method cannot be concluded, the recognition is considered to be provisional and those provisional values may be adjusted within the period necessary to obtain the required information, which will never be more than one year. The effects of the adjustments made in this period are recognized retroactively by changing the comparative information if necessary.

Subsequent changes in the fair value of the contingent consideration are adjusted against results, unless that consideration has been classified as equity, in which case any subsequent changes in fair value are not recognized.

If, subsequent to obtaining control, shares in a subsidiary are sold or acquired without control being lost, the impact of these transactions without any change in control are recognized under equity and the amount of goodwill on consolidation is not changed.

Goodwill is assigned to Cash Generating Units (CGU) for the purpose of testing impairment losses. It is allocated to those CGUs that are expected to benefit from the business combination that generated the goodwill (Note 8).

The reviews of the impairment of goodwill take place annually, or more frequently if events or changes in circumstances indicate potential impairment losses. The book value of goodwill is compared with the recoverable amount, which is the higher of value-in-use or fair value less selling costs. Any impairment loss is immediately recognized as an expense and is not subsequently reversed.

#### b) Computer software

Costs associated with maintaining computer software programs are recognized as an expense when incurred. The costs of direct development attributable to the design and implementation of identifiable original computer programs that may be controlled by the Group are recognized as intangible assets when the following conditions are met:

- It is technically possible to complete production of the intangible asset such that it will be available for use or for sale.
- Management has the intention of completing the intangible asset in question, for use or for sale;
- The company has the capacity to use or sell the intangible asset;
- The manner in which the intangible assets will generate probable financial benefits in the future can be demonstrated;
- Adequate technical, financial or other resources are available to complete the development and to use or sell the intangible asset; and
- The payment attributable to the intangible asset may be reliably measured.

Attributable direct costs that are capitalized as part of the software programs include software development employee costs and an appropriate portion of relevant overheads.

If these criteria are not met, the asset will be recognized as an expense at the moment it is incurred. Payments for an intangible asset initially recognized as an expense for the year will not be subsequently recognized as intangible assets.

Software development costs recognized as assets are amortized over the software's estimated useful life (which does not exceed 5 years).

#### a) Research and development expenses

Research expenditure is recognized as an expense as incurred. Costs incurred in development projects (related to the design and testing of new or improved products) are recognized as intangible assets when the following requirements are met:



- It is technically possible to complete production of the intangible asset such that it will be available for use or for sale.
- Management has the intention of completing the intangible asset in question, for use or for sale;
- There is the capacity to use or sell the intangible assets;
- It is possible to demonstrate the manner in which the intangible asset will generate probable profits in the future;
- Adequate technical, financial or other resources are available to complete the development and to use or sell the intangible asset; and
- It is possible to reliably measure the payments attributable to the intangible asset during development.

Other development expenditure is recognized as an expense as incurred. Development costs previously recognized as an expense are not recognized as an asset in a subsequent period. Capitalized development costs with a finite useful life are amortized from the start-up of the commercial production on a straight-line basis over the period in which profits are expected to be generated (not more than 5 years). The Group capitalized development expenses in the amount of € 347 thousand in 2023, no development expenses were capitalized in 2022.

#### d) Licenses and patents

Licenses and patents acquired separately are stated at historic cost. Licenses, patents and customer contracts acquired through a business combination are recognized at fair value at the acquisition date. They have a finite useful life and after initial recognition they are stated at cost less any accumulated amortization and impairment losses.

#### e) Trademarks

The trademarks are initially valued at fair value. Trademarks are not amortised; they are considered assets with indefinite useful lives as there is no foreseeable period over which the expected net cash flow will be generated. Each year an analysis is made to determine whether there are events and/or circumstances that would allow the trademark to continue to have an indefinite useful life or not. The trademarks are subject to annual impairment analyses (Note 3.9).

### 3.8 Interest expense

Interest expense incurred on the acquisition, construction or production of qualifying assets (which are assets that necessarily require a substantial period of time to be prepared for use or sale) are capitalized over the period of time necessary to complete and prepare the asset for its intended use. Other interest costs are taken to expenses.

### 3.9 Losses due to impairment of non-financial assets

Assets with indefinite useful lives e.g. goodwill and intangible assets that are not in a state for use, are not subject to amortization and are tested annually for impairment. Land and assets subject to depreciation are subject to impairment tests provided that some event or change in circumstances indicates that their book value may not be recoverable. An impairment loss is recognized in the amount by which the asset's book value exceeds its recoverable amount. The recoverable amount is the fair value of an asset, less costs to sell, or the value-in-use, whichever is the higher. For the purposes of assessing impairment losses, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash generating units). Non-financial assets, other than goodwill, that are impaired are reviewed at each balance sheet date for reversal or any increase of the loss.

The Group deems there to be evidence of impairment when there is a significant decrease in the value of the asset, significant changes in the legal, economic or technological sphere that may affect the valuation of assets, obsolescence or physical deterioration, idle assets, low returns on assets, discontinuation or restructuring plans, continuing losses at the entity or substantial deviation from the estimates made. In other words, both external sources of information (technological changes, significant changes in market



interest rates, market values of assets, etc.) and internal sources (evidence of obsolescence) are considered when determining whether there is evidence of impairment.

### 3.10 Financial Assets

In accordance with the IFRS 9 standard, financial assets are classified as they are recognized at fair value through profit and loss (FVPL), at amortised cost, or at fair value with changes to other comprehensive income (FVOCI).

Heading	IFRS 9
Trade and other receivables	Amortized cost
Financial derivatives	FVOCI (*)
Financial derivatives	FVPL (**)

(\*) Fair Value through Other Comprehensive Income

(\*\*) Fair Value through profit and loss

The classification of financial assets depends on the purpose for which they were acquired and is determined at the time of initial recognition.

The Group's financial assets include:

- a) Assets at amortised cost:

Loans and trade and non-trade receivables are non-derivative financial assets with fixed or ascertainable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, in which case they are classified as non-current assets. Loans and receivable are included in the headings "Trade and other receivables" and "Financial Accounts receivable" (see Notes 12 and 13, respectively).

Loans and receivables are initially recognized at their fair value and subsequently at amortized cost in accordance with the effective interest rate method.

The Group assesses at the date of each balance sheet whether there is objective evidence of a loan or receivable having suffered losses due to impairment, recognizing any related loss in the income statement.

In addition, the Group calculates the expected loss from credit risk, through the factors "Exposure of default", "Probability of default" and "Loss given default". With regard to estimating the probability of default, the Group applies the simplified method, based on credit ratings from external credit rating agencies. Customers are grouped in the following business lines: auto, industry, road safety, solar structures and other structures.

The Company follows the policy of eliminating all receivable balances sold as a result of factoring agreements without recourse from the balance sheet, with the understanding that it has substantially transferred the risks and benefits deriving from these debt claims. Similarly, the Company records a provision for interest on the basis of the best estimate possible for the financial cost that accrues on these contracts between the time of assignment of the debt claim and effective collection of the debt by the bank.

At the end of the year the Group recorded discounted bills totalling €9,571 thousand (2022: €11,799 thousand) (Note 18).

Deposits at banks maturing in more than 90 days are included under this category.

- b) Financial assets at fair value through other comprehensive income:

Hedging derivatives contracted by the Group. (Note 3.11)



A financial asset is eliminated when:

- The right to receive the asset's cash flows has expired.
- The group has transferred the rights to receive the cash flows from the asset or it has assumed the obligation to fully pay cash flows without delay to a third party under a transfer agreement, and the Group (I) has substantially transferred all of the risks and benefits relating to the asset, or (ii) it has not substantially transferred or retained all of the risks and benefits relating to the asset, but it has transferred control over that asset.
- When the Group has transferred the rights to receive the cash flows from an asset or it has assumed the obligation to transfer those rights, it evaluates whether or not it has retained the risks and benefits of ownership and, if so, to what degree. When it has not transferred or retained substantially all risks and benefits relating to the asset and it has not transferred control over that asset, it is recognized based on the Group's continued involvement with the asset concerned. In this case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured in accordance with criteria that reflect the rights and obligations that the Group has retained.
- When continued involvement consists of a warranty covering the transferred asset, it is measured at the lower of the original book value for the asset and the maximum compensation that may be demanded from the Group.

### Impairment

IFRS 9 requires the Group to record the expected credit losses on all its debt securities, loans and receivables, either on a 12-month basis or for life. The Group has applied the simplified retroactive model and recognizes expected losses of all receivables over their expected life. The total expected amount for the Group at 31 December 2023 is of €1,857 thousand (€2,115 thousand in 2022) (Note 4 and 12).

### **3.11 Derivative financial instruments**

The Group recognizes derivatives (Note 18) that are initially stated at their fair value at the date on which the relevant derivative contract is concluded. Subsequent to initial recognition, they are again measured at fair value. The method of recognizing the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, on the nature of the item being hedged.

At 31 December 2022 and 2023 the derivative financial instruments contracted by the Group qualify for hedge accounting (see Note 18) with the exception of the put/call option derivatives arising from the acquisition of the 41.43% stake in Hidria Group in 2023.

The Group designates certain derivatives as either:

- a. Hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedge);
- b. Hedges of a specific risk associated with a recognized liability or asset or a highly likely expected transaction (cash flow hedges); or
- c. Hedges of a net investment in a foreign operation (net investment hedging).

At the start of the transaction the Group documents the relationship existing between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. The Group also documents its evaluation from the start, and continuously thereafter, as to whether the derivatives being used in the hedging transactions are highly effective to offset changes in fair value or in cash flows from hedged items.

The fair values of certain derivative instruments used for hedging purposes are set out under Note 18. Movements in the hedging reserve recorded under equity are shown in the Statement of changes in equity. The total fair value of a hedging derivative is classified as non-current assets or liabilities if the time remaining to maturity of the hedged item is more than 12 months and as current assets or liabilities if the time remaining to maturity of the hedged item is less than 12 months. Derivatives held for trading are classified as current assets or liabilities.



### a) Fair value hedge

Any change in the fair value of a hedge derivative is recognized in the income statement under "Financial expense". The change in the fair value of the hedged item attributable to the hedged risk is recognized as part of the book value of the hedged item and it is also recognized in the income statement for the year under the heading "Financial expense".

For fair value hedges relating to items recognized at amortized cost, any adjustment to the book value is recorded in the income statement over the time remaining in the hedge, using the effective interest rate method. The accrual of interest in accordance with the effective interest rate method may start when there is any adjustment and no later than the time at which the hedged item ceases to be adjusted for changes in its fair value attributable to the hedged risk.

If the hedge ceases to comply with the criteria for carrying the hedge, the book adjustment for a hedged item which is carried using the effective interest rate method is recognized through profit and loss during the period until maturity. If a hedged item is eliminated, the unamortized fair value is immediately recognized in the income statement.

When an unrecognized firm commitment is designated to be a hedged item, accumulated subsequent changes in its fair value attributable to the hedged risk are recognized as an asset or liability and the relevant gain or loss is recorded in the income statement.

During 2023, as a result of the acquisition of 41.43% of the shares of Grupo Hidria and the agreement between the shareholders whereby, for a period of 36 months from April 1, 2024, the latter have the right to sell their shares to Gonvarri Corporación Financiera and another right for Gonvarri Corporación Financiera whereby, if this first option is not exercised by the shareholders, it has the option to buy all the shares from the shareholders for a period of 36 months from April 1, 2027; the need arises to account for a "Put" option and a "Call" option in Gonvarri Corporación Financiera, considered as hedging derivatives at fair value through profit or loss. Under IFRS-13 this type of contractual options valued at fair value are categorized as level 3.

### b) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized under other comprehensive income. Profits or losses from the ineffective portion are recognized in the income statement of the Group.

The accumulated amounts in equity are reclassified to the income statement in the years in which the hedged item affects the gain or loss (e.g., when the forecast sale which is hedged takes place). The relative loss or profit on the effective portion of interest rate swaps covering variable rate loans is recognized in the income statement as «impairment and profit/loss from financial instruments». However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or property, plant and equipment), the gains and losses previously deferred in equity are transferred from equity and included in the initial measurement of the cost of the asset. The deferred amounts are definitively recorded as a cost of the assets sold, in the case of inventories, or as depreciation in the case of property, plant and equipment.

When a hedge instrument expires, is sold, or when it no longer meets the requirements for carrying the hedge, any accumulated gain or loss in equity up until that moment remains in equity and is recognized when the planned transaction is finally recognized in the income statement. When the forecast transaction is ultimately not expected to occur, the accumulated gain or loss in equity is immediately transferred to the income statement under "Impairment and profit/loss of Financial Instruments".

### c) Net investment hedges

Net investment hedges of foreign operations are recorded in a manner similar to cash flow hedges.



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Any gain or loss on the hedge instrument related to the effective part of the hedge is recognized under Other comprehensive income. The gain or loss relating to the inefficient part is recognized in the income statement.

The profit or loss accumulated in equity is included in the income statement when the foreign operation is partially sold.

The breakdown of the derivatives the Group has on the balance sheet at 31 December 2023 and 2022 is as follows:

Categories	Fair Value (thousand euro)			
	Asset		Liability	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Fair value hedge with changes on the income statement	5,105	-	2,244	-
Cash flow hedge	5,676	11,078	2,551	1,700
Total	11,781	11,078	4,795	1,700

### 3.12 Inventories

Inventories of raw materials, goods purchased for resale, finished products and work in progress are measured at the lower of acquisition cost (determined using the weighted average cost method) or production cost, respectively, and net realizable value.

- The acquisition cost includes the net purchase price of materials, plus all additional items necessary for the assets to be located at the Company's warehouses, together with insurance, transport and other costs.
- The cost of finished products and work in progress comprises design costs, raw materials, direct labour, other direct costs and general production overheads (based on normal operating capacity).
- The net realizable value is the estimated selling price in the ordinary course of business, less estimated selling expenses and, in the case of raw materials and work in progress, the estimated costs necessary to complete production.

When the net realizable value of inventories is less than their acquisition price or production cost, all appropriate measurement adjustments are applied and recognized as an expense under the heading "Raw materials and other consumables" in the accompanying consolidated income statement.

In the case of raw materials and other consumables used during the production process, no measurement adjustments are made, provided that the finished products they are used to create are sold at a price above cost. When it is appropriate to apply a measurement adjustment the replacement value of raw materials may be the best indicator available of their net realizable value.

If the circumstances that cause the measurement adjustment to cease to exist, the amount of the adjustment is reversed and recognized as a reduction of supply expenses in the consolidated income statement. The Group has obtained an insurance policy to cover all potential risks that could affect inventories, both those that it owns and those that are in the possession of third parties.

### 3.13 Cash and cash equivalents

Cash and cash equivalents include cash, demand deposits at credit institutions and other short-term highly liquid investments with an original maturity of three months or less.

### 3.14 Share capitalised

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.



### 3.15 Government grants

Government grants are recognized at fair value when there is reasonable assurance that the grant will be collected, and the Group will comply with all established terms and conditions.

Government grants related to costs are deferred and recognized in the heading "Other operating income" in the consolidated income statement over the period necessary to match them to the costs intended to be offset.

Government grants for the acquisition of property, plant and equipment are included under non-current liabilities as deferred income and credited to the income statement on a straight-line basis over the expected lives of the corresponding assets.

### 3.16 Trade payables

Trade payables are payment obligations arising from the purchase of goods or services from suppliers in the ordinary course of business. Payables are classified as current liabilities if the payments fall due in one year or less (or fall due in the normal course of operations if longer). Otherwise they are presented as non-current liabilities.

Trade payables are initially recognized at their fair value and subsequently they are valued at their amortized cost using the effective interest rate method.

### 3.17 Financial debt

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost. They are subsequently measured at amortized cost. Any differences between the funds obtained (net of necessary transaction costs) and their repayment value are recognized in the income statement over the term of the debt applying the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Fees paid on the establishment of lines of credit are recognized as transaction costs for the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. Insofar as there is no evidence that it is probable that the credit line will be used, the commission is capitalized as an advance payment for liquidity services and amortized over the period during which the credit line is available.

A financial liability is eliminated from the consolidated balance sheet when the obligations that it generates are extinguished or when re-acquired, even if it will be re-sold in the future.

The Group's debt has not been materially restructured since its original issue.

Heading	IFRS 9
<b>Financial liabilities</b>	
Trade and other payables	Amortized cost
Bank borrowings	Amortized cost
Other financial liabilities	Amortized cost
Financial derivatives	FVOCI (*)
Financial derivatives	FVPL(**)

(\*) Fair Value through Other Comprehensive Income

(\*\*) Fair Value through Profit of Loss



### 3.18 Current and deferred taxes

The tax expense for the period comprises current and deferred tax. The tax is recognized in the income statement, except to the extent that it relates to items that are directly recognized under equity. In this case, the tax is also recognized under equity.

Current tax expense is calculated based on the tax legislation that has been approved or is about to be approved at the balance sheet date in the countries in which subsidiaries and associates operate and generate profits subject to taxation. Management regularly evaluates the positions held with respect to tax returns vis-à-vis situations under which tax legislation is subject to interpretation and creates, if appropriate, all necessary provisions based on the amounts expected to be paid to the tax authorities.

Deferred income tax is calculated, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their book values in the consolidated annual accounts. However, if the deferred taxes arise from the initial recognition of a liability or an asset on a transaction other than a business combination that at the time of the transaction has no effect on the tax gain or loss, they are not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized, or the deferred income tax liability is settled.

Deferred tax assets are recognized insofar as future taxable profits will probably arise against which to offset the temporary differences.

Deferred income tax is recognized on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if, and only if, there is a legal recognized right to offset the deferred tax assets against current tax liabilities and when the deferred tax assets and liabilities derive from income tax levied by the same tax authority, involve the same company or taxpayer, or different companies to taxpayers, that intend to settle current tax assets and liabilities for their net amount.

### 3.19 Provisions

The Group recognizes a provision liability when:

- There is a present legal or constructive obligation as a result of past events;
- An outflow of funds may be necessary to settle the obligation; and
- The amount has been reliably estimated.

The Group makes provision for those circumstances involving litigation under which it is likely that an outflow of resources will be necessary to settle the obligation.

In the case of provisions for taxes as a result of inspection reports, the Group calculates the effect of uncertainty as the expected value weighted by its probability in the range of possible outcomes.

Provisions are carried at the present value of the payments that are expected to be necessary to settle the obligation, using a rate before taxes that reflects the evaluation of the current market for the temporary value of money and the specific risks relating to the obligation. Any increase in the provision due to the passing of time is recognized as an interest expense.

Contingent liabilities are defined as possible obligations arising from past events, the realisation of which is conditional on the occurrence or non-occurrence of one or more future events beyond the Company's control. These contingent liabilities are not recognised in the accounts.



### 3.20 Leases

- a) When a Group company is the lessee - Finance leases:

Leases covering property, plant and equipment under which the Group has substantially all the rights and benefits of ownership are classified as a finance lease. Finance leases are capitalized at the start of the lease at the lower of the fair value of the leased property or the present value of the minimum rental payments to be made.

Each lease payment is distributed between liabilities and financial charges to obtain a constant interest rate for the outstanding amount. Lease obligations, net of financial charges, are recognized in borrowings. The interest component of the financial cost is charged to the income statement over the lease period such that a constant interest rate is obtained with respect to the outstanding liability balance in each year.

If there is no reasonable assurance at the end of the lease period that ownership of the asset will be acquired, fixed assets under finance leases are depreciated over the lower of their useful lives and the contract term. When there is reasonable assurance that at the end of the lease contract, ownership of the asset will be acquired, the fixed asset acquired is depreciated over its useful life.

- b) When a Group company is the lessee:

The accounting policy has changed when the Group is the lessee, as mentioned in Note 3.2. Until 2018, property, plant and equipment leases were classified as finance or operating leases. From 1 January 2019, upon the effective date of IFRS 16, leases are recognised as a right-of-use asset and the corresponding liability on the date on which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any leasing incentives to be received
- Variable lease payments depending on an index or a rate, initially measured using the index or rate at the commencement date
- Amounts expected to be payable under residual value guarantees
- The exercise price of a purchase option if the group is reasonably certain that it will exercise that option, and
- Penalty payments for termination of the lease, if the term of the lease reflects the group's use of that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined directly, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-to-use asset in a similar economic environment with similar terms, guarantees and conditions.

To determine the incremental borrowing rate, the Group:

- Where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted for changes in the financing terms since the third-party financing was received
- Uses an approach that starts with a risk-free rate adjusted for credit risk for leases held by the Group, which have no recent third-party financing, and
- Makes specific adjustments for the lease (e.g., term, country, currency, and warranty).



The group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to the index or rate-based lease payments take effect, the lease liability is reassessed and adjusted against the asset for right of use.

Lease payments are allocated between principal and finance cost. The finance cost is charged to income over the lease period so as to produce a constant periodic interest rate on the remaining liability balance for each period.

The right of use assets are measured at cost which comprises:

- The initial valuation of the lease liability
- Any lease payments made on or before the start date, less any lease incentives received
- Any direct initial costs, and
- Restoration costs.

Assets with a right to use are generally amortised on a straight-line basis over the shorter of the asset's useful life or the lease term. If the group is reasonably certain to exercise a purchase option, the right-to-use asset is amortised over the life of the underlying asset.

While the Group revalues its land and buildings that are presented as fixed assets, it has chosen not to do so for the buildings with rights of use that the Group maintains.

Payments associated with short-term leases of machinery and vehicles and all leases of low value assets are recognized on a straight-line basis as an expense in income. Short-term leases are leases with a term of 12 months or less. Low value assets include computer equipment and small items of office furniture.

c) When a Group company is the lessor - Operating leases:

When assets are leased to third parties under an operating lease they are recognized under "Investment properties" and the revenue from the lease is recognized on a straight-line basis over the term of the lease.

### 3.21 Dividend payments

The payment of dividends to the Company's shareholders is recognized as a liability in the Group's consolidated annual accounts in the year in which the dividends are approved by the Company's shareholders.

The Parent company distributed an interim dividend against profits of €80,000 thousand in 2023 (€60,000 thousand in interim dividend were distributed in 2022 and €30,000 in dividend against reserves). (Note 16.1)

### 3.22 Revenue through contracts with customers and other operating contracts

These revenues include the fair value of the considerations received or to be received for the sale of goods and services, net of value added tax, non-recoverable excise taxes levied on sales, returns and discounts, and after elimination of sales within the Group.

The revenue recognition policy of the Group is determined by the five-stage model proposed in IFRS 15.

The Group recognizes revenues to the extent that it considers the performance obligations to be satisfied, through the transfer of control of the goods or products it sells.

Discounts for early payment, for volume and other discounts are recognised when it is probable that the conditions for granting them will be met and are recognised as a reduction in sales revenue.



a) Goods sold:

The Group manufactures and sells flat steel products and steel related metals.

The revenues included in this category come from five differentiated business lines: "Auto", "Industry", "Road Safety", "Solar Structures", and "Other Structures".

The Group applies the 5-stage model proposed by IFRS 15 "Revenue from Contracts with Customers".

- i. **Identification of contract with customer:** The contracts of the Group may either be standardized and signed in time and manner with specific characteristics and for specific projects; or they may be implicit contracts documented through orders.
- ii. **Identification of performance obligations:** The Group has identified the following performance obligations in each differentiated business line:

Performance obligation	Business line				
	Auto	Industry	Road Safety	Solar Structures	Other structures
Manufacturing and Transport	✓	✓	-	-	-
Installation or Assembly	-	-	✓	✓	✓

For the business lines "Auto" and "Industry", the Group understands their performance obligation with the customer to be the delivery of the produced good at the agreed time and place.

For the "Road Safety" business line, the performance obligation consists of installing the manufactured product. In case this is not installed, the performance obligation is not satisfied. Therefore, the "Manufacturing and Transport" and the "Installation and Assembly" are one only performance obligation in this business line.

In the business lines "Solar" and "Other structures", there are contracts with customers in which the "Manufacturing and Transport" is the only identified performance obligation, while in other contracts the "Installation or assembly" is also included. In this sector, these obligations are satisfied independently.

- iii. **Determination of the transaction price:** The price agreed in the formalized contract or order represents the individual transaction price of the sale or service. The Group did not identify any variable considerations.
- iv. **Price Allocation:** Each contract or order establishes a unit price per service or product sale. For "Auto" and "Industry" business lines the entire price established by the contract or order is allocated to the only identified performance obligation that is the "Manufacturing and transport" of the finished product. In the "Road Safety" business line, the price is allocated to the only identified performance obligation which is "manufacturing and installation". In the case of "Solar" and "Other Structures" the price is allocated specifically for each of the two performance obligations identified: Separately, the "manufacturing and transport" of the "installation or assembly", with different times for revenue recognition.
- v. **Revenue recognition:** This may be "over time" or "at a point in time". For business lines with products that do not have an alternative use (the "Solar" business line and specific products of the "Auto" business line), the revenue is recognized as production milestones are reached, and the sale is recognized as "over time". Products that have alternative uses, which are not specifically produced for a customer in particular, and which have a standardized production, the performance obligation is satisfied whenever the good is delivered, depending on agreed incoterm in each case.



Additionally, there are revenues that stem from "Maquila" service contracts, primarily in the "Auto" business line, in which the Group only identifies as a performance obligation the "cutting or treatment" of goods owned by the customer. The transaction price is assigned to each unit of product treated as an individual contract and revenue recognition is at the "point in time" when the service is rendered.

There are no direct incremental costs for obtaining contracts. There are no performance obligations that represent a warranty.

#### b) Revenue through rendering services

These mainly come from "Maquila" service contracts, primarily in the "Auto" business line, in which the Group only identifies as a performance obligation the "cutting or treatment" of goods owned by the customer. The transaction price is assigned to each unit of product treated as an individual contract and revenue recognition is at the "point in time" when the service is rendered.

#### c) Interest Income:

Interest income not deriving from contracts with customers is recognized using the effective interest method.

#### d) Dividend income:

Dividend income is recognized when the right to receive payment is established.

### 3.23 Environment

Assets acquired by Group Companies to be used on a long-lasting basis in its business, the main aim of which is to minimize environmental impact and protect and improve the environment are reflected in the relevant property, plant and equipment headings and capitalized at acquisition or production cost. They are depreciated over their estimated useful lives on the basis of the rates laid down for similar property, plant and equipment.

Expenses deriving from such environmental activities are recognized as operating expenses in the year incurred.

A provision for environmental matters is recorded when expenses arise in the current year or when the expenses relate to prior years and when at the year-end such expenses are probable or certain but the amount or date involved has not been specified. A provision is also recorded for environmental actions as a result of the Group's legal or contractual obligations and for the commitments acquired for the prevention and repair of environmental damages.

### 3.24 Employee benefits

#### Termination benefits:

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without any possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits which are not going to be paid within 12 months of the balance sheet date are discounted to present value. In the short-term the Group has no plans to make significant dismissals.

### 3.25 Discontinued operations

In accordance with IFRS 5, a discontinued operation is a component of the entity that has been sold or disposed of through other means or that has been classified as held for sale and:



- a) It represents a line of business or geographical area which is significant and may be considered separate from the rest;
- b) It forms part of an individual and coordinated plan to sell or otherwise dispose of a significant line of business or a geographic area of operations that may be considered to be independent from the rest, or
- c) It is a subsidiary acquired solely for the purpose of resale. The results from discontinued operations are presented as a single balance in the income statement, including the profit after taxes from discontinued operations.

### 3.26 Non-current assets held for sale

Non-current assets (or disposal groups of items) are classified as assets held for sale when their value will be recovered mainly through their sale, provided that their sale is considered to be highly likely. These assets are measured at the lower of the book value and fair value less selling costs.

Property, plant and equipment and intangible assets are not depreciated/amortized once classified as held-for-sale.

## 4. Financial risk management

### 4.1 Market variables and Group policy

The Group's activities are exposed to different undefinable factors related to the current environment that are conditioning the ordinary performance of the financial markets.

Factors such as the exchange rate, the interest rate, the price, the availability of credit and the yields on assets are being affected not only by normal market circumstances but also by political circumstances and decisions worldwide whose consequences in each region and in each country are not always desirable.

GI Group's policy, channelled through its Finance Department, focuses on maintaining the highest liquidity level possible, facilitating negotiations with financial institutions and minimizing the risks arising from its ordinary activities and its investment plans. This policy also allows it to remain within the market to take advantage of the opportunities and the favourable moments that arise, while avoiding difficult and unfavourable situations.

Within the aforementioned policy, the occasional use of hedging instruments is a resource that is favourably considered within a policy of prudence that governs its actions.

- a) Market risk
  - (i) Price Risk

The Group is exposed to two types of price fluctuations:

#### Fluctuation in the price for the equity securities that it holds:

The effect on the Group due to fluctuations in the price of equity securities due to investments held by the Group and classified in the consolidated balance sheet at fair value through profit or loss is not significant because of the limited significance of these investments with respect to the Group's total assets and equity.

#### Fluctuations in commodity prices:

The Group operates with certain commodities, primarily steel. The Group is affected by fluctuations in the prices for these commodities since, logically, it must be able to transfer the changes in commodity prices to selling prices in order to maintain its market competitiveness.



To satisfy this need, the Group's policy has been to develop a retail network that allows final customers to be continuously supplied and through which it has attained significant market share with respect to final customers, which allows sales to be stabilized and, therefore, reduce this risk. This policy includes medium-term agreements with customers called "program agreements" that allow stability to be provided with respect to market variations and, therefore, significantly reduce price fluctuation risk.

The policy of maintaining sufficient inventory levels at our warehouses, thereby increasing our competitiveness, gives rise to the possibility of the mismatch of those inventories in terms of upward or downward movements in market prices. Deep knowledge of the market through accumulated experience, allows us to anticipate market price fluctuations to a certain extent, thereby minimizing the effects of price fluctuations and increasing the positive effects that any increase in those prices could have on the inventories in our warehouses at any given moment. This allows us to purchase at advantageous moments and reduce our warehouse stock at other times.

At 31 December 2023 and 2022, if the price of steel denominated in euro had been 5% higher/lower, in relative terms, with all other variables remaining constant, profits after taxes for 2023 would have been €44,977 thousand higher/lower, and €58,787 thousand was the figure for 2022, mainly due to higher/lower expenses on the purchase of goods for resale and commodities.

### (ii) Cash flow interest rate risk and fair value risk

Exposure to variations in the Group's interest rate results mainly from borrowings. The Group's borrowings are mainly denominated in euro and are at variable rates, which exposes the Group to the cash flow interest rate risk.

The Group manages its interest rate exposure in a dynamic manner. It simulates several scenarios bearing in account refinancing, renewal of current positions, alternative financing and hedging. Based on these scenarios the Group calculates the effect on earnings of a certain variation in the interest rate. The same change in interest rate for all currencies is used in each simulation. Scenarios are only simulated for liabilities representing the most significant interest-bearing positions.

At the end of 2023 and 2022 the Group recognized interest rate hedges totalling €170,000 thousand and €170,000 thousand, respectively (Note 18).

Based on the various scenarios, the Group manages the cash flow interest rate risk through fixed to variable interest rate swaps. The economic effect of these interest rate swaps is the conversion of variable interest borrowings to fixed interest borrowings. Generally, the Group obtains long-term borrowings at variable interest rates and swaps them for borrowings at fixed interest rates which are lower than those which would be available if the Group obtained borrowings directly at fixed interest rates. Under interest rate swaps, the Group undertakes with other parties to exchange on a regular basis (generally quarterly) the difference between fixed and variable interest, calculated on the basis of the notional principals contracted.

At 31 December 2023 and 2022, if the interest rate on borrowings denominated in euro had been 10% higher/lower, in relative terms, with all other variables remaining constant, profits before taxes for 2023 would have been €2,590 thousand higher/lower, and €1,772 thousand was the figure for 2022, mainly due to a higher/lower variable rate on borrowings.

### (iii) Exchange Rate Risk

The Group operates internationally and is therefore exposed to exchange rate risk arising from transactions in the currencies of the countries in which it operates. Exchange rate risk derives from commercial transactions, recognized assets and liabilities and from the conversion of financial statements for companies whose functional currency is not the presentation currency of the Consolidated Group, mainly the Brazilian real, the Mexican peso, the Polish zloty, the Indian rupee, the Turkish lira, the US dollar, the Argentine peso, the Russian Ruble, the Moroccan dirham, pounds sterling, the Romanian leu, the Czech koruna, the Chilean peso, the Colombian peso, the Guatemalan quetzal and the Chinese renminbi.



In order to neutralize the impact on its business and its income statement that could arise from upward and downward changes in exchange rates the Group applies an exchange rate management policy.

To articulate this policy, the Group prepares regular reports that provide details of all receivables and payables in currencies other than the euro that will materialize within a certain period. Once these flows have been defined and the potential impacts analysed, the Group may temporarily apply a series of financial instruments that allow flexibility when taking the best decisions possible. The instrument used in most cases is the purchase of forward currencies, in which a known rate is set for a certain maturity date and which may adapt to the cash flows that are expected to be obtained from the commercial transactions.

The primary exposure to the exchange rate is fundamentally due to the conversion of the individual financial statements whose functional currency is different from the Group's presentation currency. The sensitivity of results and the Group's consolidated equity to changes in exchange rates affecting the respective currencies is as follows:

	Changes in exchange rate	2023		2022	
		Effect on profit before Tax	Effect on Capital and Reserves	Effect on Profit before Tax	Effect on Capital and Reserves
BRL /EUR	5%	389	2,751	565	2,369
	-5%	-389	-2,751	-565	-2,369
RUB /EUR	5%	398	1,171	-1,037	1,212
	-5%	-398	-1,171	1,037	-1,212
PLN /EUR	5%	205	3,843	587	3,416
	-5%	-205	-3,843	-587	-3,416
GBP /EUR	5%	-132	4,166	552	4,112
	-5%	132	-4,166	-552	-4,112
USD /EUR	5%	603	8,661	1,064	8,430
	-5%	-603	-8,661	-1,064	-8,430
CZK /EUR	5%	31	351	30	360
	-5%	-31	-351	-30	-360
COP/EUR	5%	55	769	81	424
	-5%	-55	-769	-81	-424
ARS /EUR	5%	-466	376	30	1,179
	-5%	466	-376	-30	-1,179
RON /EUR	5%	141	434	98	437
	-5%	-141	-434	-98	-437
TRY /EUR	5%	68	701	58	726
	-5%	-68	-701	-58	-726

At the end of 2023 and 2022 the Group recognized exchange hedges yet to mature totalling €145,301 thousand and €96,897 thousand, respectively (Note 18).

### b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Given the dynamic nature of the underlying businesses, the Group's Treasury Department has the objective of maintaining flexible financing through available committed credit facilities.

Management monitors liquidity reserve projections for the Group, which includes credit availability (Note 18) and cash and cash equivalents (Note 15) based on expected cash flows.

At the end of 2023 and 2022, the Group had lines of credit and discounting facilities that had not been utilized in the amount of €510,868 thousand in 2023, and €494,590 thousand in 2022 (Note 18).

Notes 18 and 21 of the consolidated notes to the annual accounts contain details regarding the maturity date for borrowings and other Group non-current liabilities, respectively, in accordance with the



remaining terms at the balance sheet date up until the maturity date stipulated in the relevant agreement. The amounts reflected in these notes relate to the cash flows stipulated in the contract without any discounting and excluding interest. All other current liabilities, such as trade and other payables (Note 23) or other current liabilities fall due within 6 months.

### c) Credit risk

The credit quality of financial assets that have not yet been sold and which have also not become impaired may be evaluated through the financial analysis performed by the Group based on independent credit ratings or past default information.

The exposure to variations in the quality of debtors is managed by groups. The credit risk results from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, including accounts receivable outstanding.

If customers have been rated independently these ratings are used. Conversely, if there are no independent ratings, credit control assesses the customer's credit worthiness, considering its financial position, past experience and other factors.

Individual credit limits are established based on internal and external ratings in accordance with the limits established by the Group's risk committee. The use of credit limits is regularly monitored by sales and general management.

As part of its risk policy, the Group has obtained insurance from several credit institutions in order to cover possible insolvencies of customers that the Risk Department deems necessary.

During the years for which information is reported no credit limits have been exceeded and Management does not expect there to be losses due to the infringement of any of the counterparties indicated above.

At the end of 2023 and 2022 none of the Group's customers had shown any failure to make payment in the past. In accordance with the Group's risk management policy, all financial institutions at which deposits are made must have a minimum rating of BBB+, therefore Group Management has not considered it necessary to apply any impairment to these assets.

### Losses due to impairment of financial assets

The Group holds financial assets that are subject to the expected credit loss model:

- Trade receivables for inventory sales
- Debt investments recognised at amortised cost
- Other

Although cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the impairment identified was immaterial.

## **4.2. Capital risk management**

To date, the Group's objective with respect to capital management is to ensure that the Group maintains the capacity to finance its growth through an adequate financing structure and taking into consideration its cash needs. This growth policy is framed within the final objective of pursuing sustainable long-term profits for the Group's shareholders. Dividends payable, redemptions of capital, the issue of new shares or sales of assets to reduce debt are analysed by the Board of Directors to comply with growth and yield targets.

The Group monitors capital on the basis of the leveraging ratio. This index is calculated next:



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		2023	2022
Non-current financial accounts	(Note 18)	10,721	12,549
Current financial accounts	(Note 13)	13,271	10,645
Cash and other cash equivalents	(Note 15)	215,744	196,985
	<b>Total (I)</b>	<b>239,736</b>	<b>220,179</b>
Non-current financial debt	(Note 18)	230,634	235,611
Current financial debt	(Note 18)	254,992	388,951
	<b>Total (II)</b>	<b>485,626</b>	<b>624,562</b>
Net Financial Debt	(II-I)	245,890	404,383
Equity	(Note 16 and 17)	1,800,404	1,728,561
	<b>Leveraging ratio</b>	<b>14%</b>	<b>23%</b>

The leveraging ratio is within the range of reasonable values established by management, which is to have a DFN/EBITDA ratio of less than 2, the Group's figure at year-end 2023 is 0.90. The performance of this ratio is analysed on on-going basis and future estimates are made of it as a key limiting factor of the Group's investment strategy and dividend policy.

The leveraging ratio of net financial debt increased in 2018 with the adoption of IFRS 16 "Leases". The adjustment for IFRS 16, which affects on 2023, amounts to €34,341 thousand (€35,871 thousand in 2022).

### 4.3 Fair value estimation

The fair value of current and non-current financial assets and liabilities does not differ significantly from their book value. For financial instruments measured at fair value, the Group uses the following hierarchical levels on the basis of the materiality of the variables used to carry out such valuations:

- Tier 1: Listed prices (not adjusted) on active markets for identical assets or liabilities;
- Tier 2: variables other than the listed prices included in Tier 1 that are observable for the asset or liability directly (prices) or indirectly (deriving from prices).
- Tier 3: variables which are not based on observable market data (non-observable variables).

Market valuations of derivatives, investment properties and non-current assets held-for-sale obtained by the Group are classified under Tier 2 in general.

The mark-to-market valuations of the derivatives related to the call and put options contemplated in the Hidria acquisition agreement (see note 18) are classified in Level 3 of the above hierarchy.

The estimated fair value of variable rate loans does not significantly differ from their book value.

## 5. Accounting estimates and judgments

Estimates and judgments are assessed on an on-going basis and are based on historic experience and other factors, including expectations of future events which may be considered reasonable in the circumstances.

The Group makes estimates and judgments concerning the future. These estimates have been made based on the best estimate possible based on the information available regarding the events analysed at the date the accompanying consolidated annual accounts were prepared, although it is possible that future events will require them to be modified in coming years which would be done on a prospective basis, recognizing the effects of the change in estimates but the consideration is that they would not have a significant effect on future consolidated annual accounts.

The main estimates and judgments that have a significant risk of causing a material adjustment to the book values of assets and liabilities within the next financial year are discussed below.



### 5.1 Fair value of assets and liabilities acquired in business combinations

Business combinations in which the Group obtains control over one or more businesses are recognized using the acquisition method, which generally involves recognising at the acquisition date the assets acquired, the liabilities assumed, the equity instruments issued, and any contingent consideration that depends on future events or the fulfilment of certain conditions, at their fair value at that date, provided that this value can be measured reliably.

### 5.2 Impairment of goodwill and intangible assets with an indefinite useful life

The Group verifies annually whether there is an impairment loss in respect of goodwill and trademarks, in accordance with the accounting policy described in Note 3.9. The recoverable amounts of the cash generating units have been determined on the basis of the calculation of value in use. These calculations require the use of estimates (Note 8). A sensitivity analysis of such calculations in the event of variations in the parameters taken into account is set out in Note 8.

In 2023, as a result of said verification, the Group has proceeded to amortize goodwill at company H2greem Global Solutions and the company Constructor Group UK Ltd (see Note 8). In 2022 the Group also amortized Goodwill as a result of this verification.

### 5.3 Useful lives of buildings and machinery

The Group's management determines estimated useful lives and related depreciation charges for its plant and equipment. This estimate is based on the projected life cycles of buildings and machinery. The useful lives have not changed as a result of the restatement of the cost attributed to the buildings included under the headings Property, plant and equipment and Investment properties, and the previously established figures have been maintained.

### 5.4 Income tax

The Group is subject to income taxes in numerous jurisdictions. A significant level of judgment is required to determine the corporate income tax provision worldwide. There are many transactions and calculations with respect to which the ultimate calculation of the tax is uncertain in the ordinary course of business.

The Group recognizes liabilities for potential tax claims based on an estimate of whether additional tax will have to be paid. When the final tax result differs from the amounts which were initially recognized, such differences will have an effect on income tax and the provisions for deferred taxes in the year in which they are deemed to arise.

The Group capitalizes tax-loss carry forwards insofar as future tax profits will probably arise against which to offset the carry forwards.

### 5.5 Impairment losses on non-financial assets

There is impairment when the book value of an asset or a cash generating unit exceeds its recoverable amount, which is the higher of its fair value, less selling costs, and its value-in-use.

The calculation of fair value less selling costs is based on the information available for sales transactions associated with similar assets carried out under identical conditions or at observable market prices less the cost necessary to eliminate the asset. The calculation of value-in-use is based on a cash flow discounting model.

Cash flows are obtained from the budget for the coming five years and do not include any restructuring activities to which the Group has not yet committed nor any significant future investments that will increase the yield of the asset pertaining to the cash generating unit that is being analysed.

The recoverable amount is very sensitive to the discount rate used in the cash flow discounting model,



the future expected entries of flows and the growth rate used in the extrapolation. The key assumptions used to determine the recoverable amount of the various cash generating units, including the relevant sensitivity analysis, are broken down and explained in further detail in Note 8.

### 5.6 Fair value of derivatives or other financial instruments

The fair value of financial instruments that are not traded in an active market (e.g. OTC derivatives) is determined using valuation techniques. The Group uses its judgement in selecting a range of methods and makes assumptions that are based primarily on market conditions existing at each balance sheet date. The Group has used a discounted cash flow analysis for a number of exchange rate contracts that are not traded in active markets. In addition, the Group has used the Monte Carlo model for the valuation of the put/call options arising from the Hidria acquisition agreement (see note 18).

### 5.7 Determination of control and evaluation of joint agreements

Under IFRS 10 and 11, the Group performs an evaluation whether there is control or not over the management of investments in which the shareholding is 50%.

The Group controls a company when it is exposed to, or has the right to, certain variable yields due to the interest held and it has the capacity to use its authority over the company to influence those yields. Therefore, the evaluation is not only based on the account of the legal aspects of the operation, but also on other determining aspects such as the financial aspect of the business, assessment of risk assumption, the company's management and decision-making, the relevance of its transactions and the use of its own manufacture procedures or brands.

As result of said evaluation, those subsidiaries over which the Group has control are consolidated by the full consolidation method. On the other hand, those companies in which the Group has evaluated the nature of the joint agreements and has determined them to be joint ventures, are recognized using the equity method.

At 31 December 2023, shares defined as joint ventures, and therefore recognized using the equity method, amount to €276,903 thousand (€162,646 thousand in 2022). (Note 34.1).

The volume of assets and turnover contributed by those shareholdings in which the Group has determined to have control, which are Group subsidiaries and are thus consolidated by the full consolidation method, total €439,252 thousand and €1,038,447 thousand, respectively (€408,982 thousand and €1,108,052 thousand respectively in 2022). (Note 34.2).



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**6 Property, plant and equipment**

The breakdown and movements in the various categories of plant, property and equipment are shown in the following table:

	Balance at 31.12.2022	Changes in scope	Additions	Disposals	Transfers	Exchange differences	Balance at 31.12.2023
<b>Gross values</b>							
Land and buildings	621,946	-	6,315	-5,225	3,988	-6,801	620,223
Plants and other property, plant and equipment	850,004	-	23,830	-8,923	12,289	-3,839	873,361
Assets under construction and prepayments	14,790	-	35,030	-2,686	-17,254	-139	29,741
<b>Total Gross Values</b>	<b>1,486,740</b>	<b>-</b>	<b>65,175</b>	<b>-16,834</b>	<b>-977</b>	<b>-10,779</b>	<b>1,523,325</b>
<b>Amortizations and provisions</b>							
Buildings	255,044	-	14,773	-1,471	2,137	-1,804	268,679
Plants and other property, plant and equipment	664,228	-	36,306	-7,910	-2,192	-11,666	678,766
Impairment losses	21,359	-	-	-1,056	243	-1,816	18,730
<b>Total amortizations and provisions</b>	<b>940,631</b>	<b>-</b>	<b>51,079</b>	<b>-10,437</b>	<b>188</b>	<b>-15,286</b>	<b>966,175</b>
<b>Total Net Fixed Assets</b>	<b>546,109</b>						<b>557,150</b>
<b>Gross values</b>							
Land and buildings	605,168	-	4,282	-2	3,204	9,294	621,946
Plants and other property, plant and equipment	803,588	140	12,466	-12,465	29,840	16,435	850,004
Assets under construction and prepayments	24,164	-	24,006	-788	-33,089	496	14,790
<b>Total Gross Values</b>	<b>1,432,920</b>	<b>140</b>	<b>40,754</b>	<b>-13,254</b>	<b>-45</b>	<b>26,225</b>	<b>1,486,740</b>
<b>Amortizations and provisions</b>							
Buildings	236,643	1	16,237	-9	-316	2,488	255,044
Plants and other property, plant and equipment	625,143	-	37,821	-10,409	-31	11,705	664,228
Impairment losses	12,233	-	9,875	-	-260	-488	21,359
<b>Total amortizations and provisions</b>	<b>874,019</b>	<b>1</b>	<b>63,933</b>	<b>-10,418</b>	<b>-608</b>	<b>13,704</b>	<b>940,631</b>
<b>Total Net Fixed Assets</b>	<b>558,901</b>						<b>546,109</b>



### a) Changes in scope

In 2023, there were no changes in scope under the heading Property, plant and equipment.

For 2022, the column " changes in the consolidation scope" details the tangible fixed assets of the company H2Green Global Solutions S.L., which has been included to the Group's consolidation scope in 2022. (see Note 1) Also detailed is the exclusion of the company Agromega Project Ltd. from the consolidation scope, which was sold during 2022 (Note 1.).

### b) Additions

The main changes in 2023 relate mainly to the investments of the following companies:

- AMG Brazil (€11,332 thousand): mainly for improvements in facilities and production capacities with investments in roofing, BLK2 stacker at the Campinas plant and a road roller at the Paraná plant.
- Gonvarri Portugal (€ 6,458 thousand): mainly due to the expansion of production capacities with the investment in a new transversal and longitudinal 12mm line in progress.
- Riera i Tutó Valencia (€ 6,196 thousand): new facilities in Sagunto, with the new company being provided with production means: automated warehouse and panel bending machine.
- Gonvauto (€ 3,931 thousand): mostly for investment in a new 1200TN press for L8 and improvements in the warehouse.
- AMG Slovakia (€ 3,563 thousand): for automations of the blade shafts on long lines L4 and L2.
- Gonvarri Material Handling Subgroup (€ 3,473 thousand): due to insignificant investments on an individual basis, mainly related to improvements in production facilities.
- Gonvarri I. Service Centre (€ 3,281 thousand): for electrolyser in Barcelona and T2 leveller, as well as improvements in bridge cranes and pickling.
- Gonvarri Asturias (€ 3,169 thousand): investments in P5 tube profiling machine (120x120 solar tube) and new offices.

The main changes in 2022 relate mainly to the investments of the following companies:

- AMG Brazil (€11,907 thousand): mainly due to investments in the Rio Grande do Sul plant (Glorinha) for the new greenfield (land, cranes and constructions) and the new blanking line in Campinas with the extension of the warehouse.
- Subgroup Gonvarri Material Handling (€ 3,854 thousand): for individually insignificant investments (most relevant € 446 thousand in Rasnov (Laser for sheet cutting) and € 301 thousand for a new press in the Russian plant.
- Gonvauto South Carolina (€ 2,874 thousand): Investment in a new Blanking Line for Chattanooga.
- Laser Blanking Germany, GmbH (€2,153 thousand): mainly for the acquisition of a new Laser Line and Straker Robot in Thüringen.

Property, plant and equipment under construction at 31 December 2023 relates mainly to investments and machinery upgrades, as well as prepayments on fixed assets of subsidiaries Gonvarri Portugal (€ 7,676 thousand), ArcelorMittal Gonvarri Slovakia S.R.O. (€ 3,874 thousand) and AMG Brazil (€ 3,208 thousand).

Property, plant and equipment under construction at 31 December 2022 relates mainly to investments and machinery upgrades, as well as advances on fixed assets of the subsidiaries ArcelorMittal Gonvarri Nitra S.R.O. (€ 2,549 thousand), Gonvarri Asturias (formerly Hierros y Aplanaciones, S.A.) (€ 1,745 thousand) and Gonvarri Portugal (€ 1,600 thousand).

### c) Disposals

The main disposals in 2023 relate mainly to the investments of the following companies:



- Gonvarri Material Handling Subgroup (€ 8,116 thousand): the main derecognition amounting to € 5,157 thousand is the result of the disposal of constructions arising in the PPA of the acquisition of the subgroup. The rest is mainly gross derecognition of fully depreciated fixed assets.
- Gonvarri Asturias (€ 2,884 thousand euros): for the write-off of computer equipment and machinery that had been fully depreciated.
- AMG Brazil (€ 1,410 thousand euros): due to the write-off of machinery and tooling, which primarily was fully depreciated.
- Gonvauto (€ 970 thousand): due to divestments in galvanising and electro zinc plating.
- AMG Nitro (€ 493 thousand): for the sale of JLR metal pallets.

The main disposals in 2022 relate mainly to the investments of the following companies:

- Dongguan Gonvarri Sumitomo (€5,295 thousand): sale of all fixed assets as it is in liquidation.
- Gonvarri Valencia, S.A. (€ 3,157 thousand): primarily for the write-off of fully amortized machinery.
- Subgroup Gonvarri Material Handling (€ 942 thousand): primarily in divestments and machinery, vehicles and transportation equipment after lease agreements.
- AMG Brasil (€840 thousand): for the sale of fully amortized machinery and tooling.
- SGK (€529 thousand): Divestment in IT equipment.

In 2023 the Group sold property, plant and equipment and incurred a net profit on that sale totalling €113 thousand, which was recognized under the heading "Other income/expense" in the accompanying consolidated income statement for the year (€2,901 thousand in profit at the end of 2022).

#### d) Transfers

The most significant transfers during 2023 are between property, plant and equipment and investment property at Gonvarri Valencia resulting from the lease of a warehouse that had been under construction and; at Sogei, SA as a result of the lease of a warehouse previously used for material storage in Algete, Aranda and Segovia.

During 2022 recognized is the transfer between property, plant and equipment and investment property in Sogei, SA as a result of the rental of a warehouse previously used for material storage in Algete, Aranda and Segovia.

#### e) Asset revaluation

As is indicated in Note 3.5, the Group chose to revalue the fair value of land and premises recognized under property, plant and equipment and investment properties upon the first application of IFRS-EU in accordance with their market values at the transition date. Based on legal provisions (fundamentally Royal Decree-Law 7/1996 of 7 June) on 31 December 2023 and 2022 the total revaluation in the consolidated result of the Group is as follows:

	2023					Total
	Total revaluation	Accumulated amortization	Amortization	Accumulated impairment	Impairment	
Land	101,564	-	-	-7,206	-	94,358
Buildings	159,777	-111,000	-5,082	-	-	43,695

	2022					Total
	Total revaluation	Accumulated amortization	Amortization	Accumulated impairment	Impairment	
Land	101,564	-	-	-7,206	-	94,358
Buildings	159,777	-105,725	-5,275	-	-	48,777



### f) Impairments

During 2022, as a result of the war in Ukraine and the instability in Russia, the fixed assets of the subsidiaries located in Russia were fully impaired, with SGK (€ 7,793 thousand) and GMH Russia (€ 2,082 thousand) being affected. During 2023, given the continuing instability in Russia as a result of the war and the complicated recoverability of value in that country, the total impairment of the assets of these companies is maintained. Similarly, the assets of Gonvarri Morocco remain fully impaired, as the situation remains as it was when it was decided to fully impair them in 2021, due to the risk of land expropriation by the Moroccan government.

As mentioned in Note 3.9, the Group identifies those CGU's in loss or with other indications of impairment and impairment tests are performed for these assets. The companies that the Group considers should be tested for impairment are Çepas Galvaniz, SGK LLC, Kredit, GMH Russia and Gonvarri Argentina.

These calculations are based on cash flow projections for the CGUs in question, which are obtained from current operating results and existing business plans that cover a period of five years. The calculation of value-in-use is sensitive to the following assumptions:

- Ebitda margins on estimated average sales: Ebitda sales margins are based on estimated projections made by Group Management based on the estimated development of the various strategic business plans. These margins are based on the average values obtained from the 5-year projections.
- Perpetual growth rate: Group management estimates 0.5% and 2% growth based on the progressive improvement of the efficiency of sales to perpetuity.
- Discount rates: The discount rates reflect the evolution of the market with respect to the specific risks affecting each cash generating unit, considering the time value of money. The discount rate is based on the specific circumstances affecting the Group and its operating segments and is the result of its weighted average cost of capital ("WACC"). The WACC considers both debt and equity. The cost of equity is based on the expected yield from investments made by Group investors. The cost of debt is based on the interest rates on loans that the Group must repay. The specific segment risk is included by applying individual beta factors that are evaluated on an annual basis in accordance with market data.

The key assumptions used in the calculations of value-in-use in 2023 are as follows:

	Margin Ebitda s/sales <sup>(1)</sup>	Growth rate	Discount rate
Çepas Galvaniz	9.49%	1.00%	20.28%
Kredit SRO - GMH Group	7.60%	2.00%	9.50%
Gonvarri Argentina	12.30%	1.00%	40.43%

(1) Ebitda margin on estimated average sales over the next 5 years.

The recoverability of SGK LLV and GMH Russia has been carried out by analysing the fair value of the company rather than by discounted cash flows.

The key assumptions used in the calculations of value-in-use in 2022 are as follows:

	Margin Ebitda s/sales <sup>(1)</sup>	Growth rate	Discount rate
Gonvarri MS Colombia	8.47%	1.00%	13.98%
Çepas Galvaniz	9.79%	1.00%	20.28%
Kredit SRO - GMH Group	6.90%	2.00%	9.70%

(1) Ebitda margin on estimated average sales over the next 5 years.

In 2022 the recoverability of SGK LLC and GMH Russia was determined by analysing the fair value of the company rather than by discounted cash flows. In the case of Gonvarri Italy, an independent appraiser is also asked to value its assets every two years.



Company management analyses the sensitivity to changes in the discount, growth and gross margin rates that have been used, in order to ensure that such changes will not influence the recoverability of the previously calculated values.

- A 1% increase in the discount rate applied in the calculations, as shown in the table, would result in a decrease in the value-in-use, but in no case would it give rise to that value-in-use being less than its book value.
- A 5% decrease in the Ebitda margin on Sales applied in the calculations, as shown in the table, would result in a decrease in the value-in-use, but in no case would it give rise to that value-in-use being less than its book value.
- A 0.5% decline in the perpetual growth rate as from the first period, as shown in the table, would result in a decrease in the value-in-use, but in no case would it give rise to that value-in-use being less than its book value.
- A joint variation of the aforementioned variables would in no case give rise to that value-in-use being less than its book value.

### g) Insurance

It is Company policy to contract all insurance policies deemed necessary to cover property, plant and equipment against all potential risks.

### h) Additional information

In 2023 and 2022, the Group did not capitalize interest costs deriving from the outside financing obtained to build the facilities.

### i) Fully amortized assets

At 31 December 2023 and 2022 there are fully depreciated assets recognized under property, plant and equipment in the consolidated balance sheet totalling €332,384 thousand (€332,284 thousand in 2022).

## 7 Investment Property

Details and movements in investment properties are as follows:

	Balance at 31.12.2022	Additions	Disposals	Transfers	Exchange differences	Balance at 31.12.2023
<b>Gross values</b>						
Land and natural assets	19,833	-	-31	-	42	19,844
Buildings	64,049	290	-7	862	402	65,596
<b>Total Gross Values</b>	<b>83,882</b>	<b>290</b>	<b>-38</b>	<b>862</b>	<b>444</b>	<b>85,440</b>
<b>Amortizations and provisions</b>						
Buildings	26,809	2,025	-7	-	61	28,888
Impairment losses	12,259	-	-17	-243	78	12,077
<b>Total Amortizations and provisions</b>	<b>39,068</b>	<b>2,025</b>	<b>-24</b>	<b>-243</b>	<b>139</b>	<b>40,965</b>
<b>Total Net Investment Property</b>	<b>44,814</b>					<b>44,475</b>
	<b>Balance at 31.12.2021</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Exchange differences</b>	<b>Balance at 31.12.2022</b>
<b>Gross values</b>						
Land and natural assets	19,868	-	-	-	-34	19,833
Buildings	68,783	4	-4,175	1	-564	64,049
<b>Total Gross Values</b>	<b>88,651</b>	<b>4</b>	<b>-4,175</b>	<b>1</b>	<b>-598</b>	<b>83,882</b>
<b>Amortizations and provisions</b>						
Buildings	26,324	2,307	-1,836	308	-294	26,809
Impairment losses	12,244	-	-	260	-245	12,259
<b>Total Amortizations and provisions</b>	<b>38,568</b>	<b>2,307</b>	<b>-1,836</b>	<b>568</b>	<b>-540</b>	<b>39,068</b>
<b>Total Net Investment Property</b>	<b>50,083</b>					<b>44,814</b>



In 2023, there were no significant disposals. The disposals in 2022 related entirely to the sale of real estate assets in Gonvarri Czech, amounting to € 4,175 thousand.

In 2023, the most significant transfers correspond to Gonvarri Valencia, as mentioned in Note 6, as a result of the transfer of the buildings leased to Riera Tuto Valencia from property, plant and equipment to investment property.

In 2023 the Group sold property, plant and equipment and incurred a net profit on that sale totalling €14 thousand, which was recognized under the heading "Other income/expense" in the accompanying consolidated income statement for the year.

During the financial year 2022, the Group has disposed of items of property, plant and equipment, having incurred a net profit as a result of such sale of €392 thousand, recorded under "Other income and expenses" in the consolidated income statement for the year. The main transaction that generated net profit in the income statement was in Gonvarri Czech for the sale of fixed assets for 392 thousand euros with a book value of €4,715 thousand.

As is indicated in Note 3.5, the Group chose to revalue the fair value of land and premises of investment properties upon the first application of IFRS-EU in accordance with their market values at the transition date. Based on legal provisions (fundamentally Royal Decree-Law 7/1996 of 7 June) on 31 December 2023 and 2022 the total revaluation in the consolidated result of the Group is as follows:

2023						
	Total revaluation	Accumulated amortization	Amortization	Accumulated impairment	Impairment	Total
Land	11,994	-	-	-7,831	-	4,163
Buildings	9,319	-5,621	-341	-2,133	-	1,224

2022						
	Total revaluation	Accumulated amortization	Amortization	Accumulated impairment	Impairment	Total
Land	11,994	-	-	-7,831	-	4,163
Buildings	9,319	-5,281	-341	-2,133	-	1,564

The Group periodically commissions independent experts to carry out studies to determine the fair values of its real estate investments at year-end in companies where there are indications of impairment, in the case of the Group, this applies only to the company Gonvarri Italia. At December 31, 2023 and 2022, the aforementioned studies have been carried out on the basis of homogeneous comparable values, reaching the conclusion that the fair values of the real estate investments in this company are higher than their book value. This method consists of obtaining a series of comparables, which have been subjected to a homogenization process, with which a reference value to be applied to the property was obtained.

The uniformity process consists of applying a correction factor to each of the selected data based on the particularities of the property being appraised; the general uniformity factors that were taken into consideration are: built up surface area, material and finishing quality, age, location and type and uses.

At 31 December 2023 and 2022 the fair value of the Group's investment properties is equal or higher than their book value, and therefore there is no individual impairment index.

At 31 December 2023, just as in 2022, there were no land nor buildings acquired under finance leases.

The income statement recognizes the following amounts deriving from the leased properties recorded under this heading:



	2023	2022
Lease income (1)	4,625	4,683
Operating expense for leased properties (2)	2,407	3,029
<b>Total</b>	<b>2,218</b>	<b>1,654</b>

(1) Included under the heading 'Revenue from other Operating Contracts'  
 (2) Included under the heading 'Amortization' and 'Other operating expense'

In addition, there are non-leased properties within the Group that generate operating expenses in the income statement. These expenses amount to €322 thousand (€362 thousand in 2022).

At the end of the year of there are no restrictions on investment properties, on the collection of income derived from these properties or the resources obtained from their sale or disposal by other means.

It is Company policy to contract all insurance policies deemed necessary to cover intangible assets against all potential risks.

## 8 Goodwill

Set out below is the assignment of goodwill at CGU group level:

	31.12.2022	Additions	Disposals	Exchange diff.	31.12.2023
Lampe	3,215	-	-	-	3,215
Kaufmann	14,940	-	-	896	15,836
CSI	1,666	-	-	35	1,701
Kredit SRO Czech Republic	2,643	-	-	-	2,643
Gonvarri Material Handling	24,535	-	-2,750	53	21,838
GMS Colombia	4,458	-	-	771	5,229
FLINSA	8,019	-	-	-	8,019
H2greem Global Solution	355	-	-355	-	-
Riera Tutó	8,049	-	-	-	8,049
<b>Total Goodwill</b>	<b>67,880</b>	<b>-</b>	<b>-3,105</b>	<b>1,755</b>	<b>66,530</b>

	31.12.2021	Additions	Disposals	Exchange diff.	31.12.2022
Lampe	3,215	-	-	-	3,215
Kaufmann	14,194	-	-	746	14,940
CSI	1,759	-	-	-93	1,666
Kredit SRO Czech Republic	4,381	-	-1,738	-	2,643
Gonvarri Material Handling	24,733	-	-	-198	24,535
GMS Colombia	4,876	-	-	-418	4,458
FLINSA	8,019	-	-	-	8,019
H2greem Global Solution	-	355	-	-	355
Riera Tutó	8,049	-	-	-	8,049
<b>Total Goodwill</b>	<b>69,226</b>	<b>355</b>	<b>-1,738</b>	<b>37</b>	<b>67,880</b>

### a) Changes for the year

The most significant variations in 2023 were the impairment of H2greem's goodwill in the amount of € 355 thousand following negative results obtained by the company since its acquisition and the impairment within the Gonvarri Material Handling Subgroup of its goodwill in the United Kingdom in the amount of € 2,697 thousand which arose from the acquisition of Constructor Group UK Ltd, which changed its name to Dexion Material Handling. In addition, also during the current year, the goodwill generated in currencies other than the euro, as is the case for the companies GMS Colombia, Kaufmann, CSI and Gonvarri Material Handling (goodwill generated in local currency due to the acquisition of the company Constructor Group UK), present variations due to the resulting translation differences.

The most important change in 2022 was the impairment of Kredit's goodwill as a result of the annual review in accordance with the accounting policy detailed in Note 3.9. This impairment is mainly due to the poor market expectations and insufficient results of these companies to recover this goodwill (Note



16.7). In addition, it is important to mention the new goodwill arising in the Group as a result of the acquisition of H2greem Global Solutions (see Note 1 and 2). Also during the year, goodwill generated in currencies other than the euro, such as GMS Colombia, Kaufmann, CSI and Gonvarri Material Handling (goodwill generated in local currency as a result of the acquisition of Constructor Group UK), has changed due to the translation differences generated.

### b) Impairment tests

For all CGUs these calculations are based on cash flow projections for those CGUs obtained from current operating results and existing business plans that cover a period of five years. The calculation of value-in-use is sensitive to the following assumptions:

- Ebitda margins on estimated average sales: Ebitda sales margins are based on estimated projections made by Group Management based on the estimated development of the various strategic business plans. These margins are based on the average values obtained from the 5-year projections.
- Discount rates: The discount rates reflect the evolution of the market with respect to the specific risks affecting each cash generating unit, considering the time value of money. The discount rate is based on the specific circumstances affecting the Group and its operating segments and is the result of its weighted average cost of capital ("WACC"). The WACC considers both debt and equity. The cost of equity is based on the expected yield from investments made by Group investors. The cost of debt is based on the interest rates on loans that the Group must repay. The specific segment risk is included by applying individual beta factors that are evaluated on an annual basis in accordance with market data.
- Perpetual growth rate: Group management estimates between 0.5% and 2% growth based on the progressive improvement of the efficiency of sales to perpetuity.

The key assumptions used in the calculations of value-in-use in 2023 are as follows:

	Margin Ebitda		
	s/Sales (1)	Growth rate	Discount rate
Gonvarri MS Colombia	9.37%	1.00%	18.78%
Gonvarri Material Handling Group	5.80%	2.00%	9.20%
CSI	4.10%	2.00%	10.00%
Lampe - GMH Group	6.90%	2.00%	9.10%
Kredit SRO - GMH Group	7.60%	2.00%	9.50%
Kaufmann - GMH Group	10.90%	2.00%	9.50%
Flejes Industriales SA (FLINSA)	13.36%	0.50%	10.66%
Riera Tutó	16.21%	0.50%	10.66%

(1) Ebitda margin on average sales estimated for the next 5 years. Only for Gonvarri Colombia the estimate is for a period of 9 years.

The key assumptions used in the calculations of value-in-use in 2022 are as follows:

	Margin Ebitda		
	s/Sales (1)	Growth rate	Discount rate
Gonvarri MS Colombia	8.57%	1.00%	13.98%
Gonvarri Material Handling Group	5.55%	2.00%	9.80%
CSI	3.40%	2.00%	10.20%
Lampe - GMH Group	9.10%	2.00%	9.30%
Kredit SRO - GMH Group	6.90%	2.00%	9.70%
Kaufmann - GMH Group	7.00%	2.00%	9.50%
Flejes Industriales SA (FLINSA)	11.80%	0.50%	10.17%
Riera Tutó	19.19%	0.50%	10.17%

(1) Ebitda margin on average sales estimated for the next 5 years. Only for Gonvarri Colombia the estimate is for a period of 9 years.



### Sensitivity analysis of changes in the calculation premises:

Company management analyses the sensitivity to changes in the discount, growth and gross margin rates that have been used, in order to ensure that such changes will not have an influence on the recoverability of the previously calculated values:

- A 1% increase in the discount rate applied in the calculations, as shown in the table, would result in a decrease in the value-in-use, but in no case would it give rise to that value-in-use being less than the value of the Goodwill of the analysed companies.
- A 5% decrease in the Ebitda margin on Sales applied in the calculations, as shown in the table, would result in a decrease in the value-in-use, but in no case would it give rise to that value-in-use being less than the value of the Goodwill in the analysed companies.
- A 0.5% decline in the perpetual growth rate as from the first period, as shown in the table, would result in a decrease in the value-in-use, but in no case would it give rise to that value-in-use being less than the value of the Goodwill in these companies.
- A joint variation of the variables would mean that the value in use would be lower than the value of the goodwill of the company Kredit and, as a result, an impairment of € 1.090 thousand would be generated. In no case would this value in use be less than the value of the goodwill in the case of the other companies.



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9 Other intangible assets

Set out in the table below is a breakdown of the intangible asset categories showing movements:

	Balance at 31.12.2022	Changes in scope	Additions	Disposals	Transfers	Exchange diff.	Balance at 31.12.2023
<b>Gross values</b>							
Licenses and patents	1,073	-	105	-4	20	-743	451
Trademarks	17,670	-	56	-9,349	19	17	8,413
Computer software	40,226	-	672	-561	3,359	-655	43,041
Assets under construction and prepayments	300	-	2,380	-88	-2,491	-	101
Other intangible assets	3,740	-	1,061	-9	-692	220	4,320
<b>Total Gross Values</b>	<b>63,009</b>	-	<b>4,274</b>	<b>-10,011</b>	<b>215</b>	<b>-1,161</b>	<b>56,326</b>
<b>Amortizations and provisions</b>							
Licenses and patents	418	-	113	-38	-	-49	444
Computer software	31,776	-	4,855	-484	263	783	37,193
Other intangible assets	955	-	589	-	-109	90	1,525
<b>Total Amortizations / Provisions</b>	<b>33,149</b>	-	<b>5,557</b>	<b>-522</b>	<b>154</b>	<b>824</b>	<b>39,162</b>
<b>Total net assets</b>	<b>29,860</b>						<b>17,164</b>
	<b>Balance at 31.12.2021</b>	<b>Changes in scope</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>Exchange diff.</b>	<b>Balance at 31.12.2022</b>
<b>Gross values</b>							
Licenses and patents	580	-	18	-	0	475	1,073
Trademarks	17,721	-	-	-	-	-51	17,670
Computer software	35,772	5	871	-417	4,015	-20	40,226
Assets under construction and prepayments	2,243	-	1,510	-	-3,454	-	300
Other intangible assets	2,714	-	1,747	-7	-668	-46	3,740
<b>Total Gross Values</b>	<b>59,030</b>	<b>5</b>	<b>4,147</b>	<b>-423</b>	<b>-107</b>	<b>359</b>	<b>63,009</b>
<b>Amortizations and provisions</b>							
Licenses and patents	126	-	133	-	-	159	418
Computer software	27,325	-	4,670	-258	-1	40	31,776
Other intangible assets	652	-	459	-	-110	-46	955
<b>Total Amortizations / Provisions</b>	<b>28,103</b>	-	<b>5,262</b>	<b>-258</b>	<b>-111</b>	<b>152</b>	<b>33,149</b>
<b>Total net assets</b>	<b>30,927</b>						<b>29,860</b>



### a) Additions

The additions mainly correspond to the development of new IT solutions to optimize processes and analysis through external consulting. Of particular relevance during 2023 and 2022 is the strategic decision taken by the Group to implement SAP HANA through an IaaS agreement (Infrastructure as a Service). This process will continue for several years and will be implemented in all the Group's companies, enabling them to optimize their management and control.

### b) Disposals

Disposals mainly correspond to trademarks amounting to € 9,242 thousand in Gonvarri Material Handling, primarily by Constructor Group UK Ltd which during 2023 has changed its name to Dexion Material Handling; this company's activity related to its former business segment is decreasing and instead its activity related to the main activity of the subgroup is increasing as is its management and control of these.

### c) Changes in scope

The changes in scope correspond to the intangible assets of the companies that were incorporated to the scope of the Group in 2023. (Note 2).

### d) Fully amortized assets

At 31 December 2023 there are fully amortized assets under the heading Computer Software totalling €29,987 thousand (€25,836 thousand at 31 December 2022).

### e) Insurance

It is Company policy to contract all insurance policies deemed necessary to cover intangible assets against all potential risks.

### f) Additional information

There is no intangible asset with ownership restrictions or that has been pledged to secure Liabilities. There are no internally developed intangible assets.

At the year-end the Group does not recognize any intangible asset with an indefinite useful life other than goodwill and trademarks (Note 3.7).

The Group has not detected any indication of impairment of the trademarks and considers that there are no concerns as to their recoverability.



### 10 Right of use assets

The Group adopted IFRS 16 effective January 1, 2019. The movement in right-of-use assets as of December 31, 2023 has been as follows:

	31.12.2022	Additions	Disposals	Contract revisions	Exchange diff.	31.12.2023
<b>Cost</b>						
Port concessions	16,609	-	-	637	-	17,246
Land and buildings	26,433	1,518	-	643	307	28,901
Plants and other buildings	30,210	1,352	-2,302	3,727	-125	32,862
<b>Total cost</b>	<b>73,252</b>	<b>2,870</b>	<b>-2,302</b>	<b>5,007</b>	<b>182</b>	<b>79,009</b>
<b>Amortization and Impairment</b>						
Port concessions	11,666	395	-	-	-	12,061
Land and buildings	9,676	3,330	-	-	279	13,285
Plants and other buildings	17,288	5,827	-2,291	-	31	20,855
<b>Accumulated amortizations</b>	<b>38,631</b>	<b>9,552</b>	<b>-2,291</b>	<b>-</b>	<b>310</b>	<b>46,202</b>
<b>Net Value</b>	<b>34,621</b>	<b>-6,682</b>	<b>-11</b>	<b>5,007</b>	<b>-128</b>	<b>32,807</b>

	31.12.2021	Additions	Disposals	Contract revisions	Exchange diff.	31.12.2022
<b>Cost</b>						
Port concessions	12,970	-	-	3,639	-	16,609
Land and buildings	18,290	6,973	-416	1,977	-391	26,433
Plants and other buildings	30,118	5,879	-6,987	1,591	-391	30,210
<b>Total cost</b>	<b>61,378</b>	<b>12,851</b>	<b>-7,402</b>	<b>7,208</b>	<b>-782</b>	<b>73,252</b>
<b>Amortization and Impairment</b>						
Port concessions	7,130	426	-	4,111	-	11,666
Land and buildings	6,622	3,440	-1,954	1,720	-152	9,676
Plants and other buildings	16,858	6,026	-2,174	-3,285	-137	17,288
<b>Accumulated amortizations</b>	<b>30,610</b>	<b>9,892</b>	<b>-4,127</b>	<b>2,545</b>	<b>-289</b>	<b>38,631</b>
<b>Net Value</b>	<b>30,768</b>	<b>2,959</b>	<b>-3,275</b>	<b>4,663</b>	<b>-494</b>	<b>34,621</b>

#### a) Interest rates

The lease payments have been discounted using the lessee's incremental interest, understood as the interest on the financing that GI would have had to pay to acquire the funds necessary to purchase a similar asset in an equivalent economic environment. To determine the incremental interest rate the Group:

For contracts of less than 7 years, it has used as a basis a recent interest rate applied in a financial transaction of similar short-term conditions with a third party. For contracts maturing in more than 7 years, the quotation for the 7-year Gestamp bond (3.42%) has been used as the basis for calculation. It also considers the risk of maturity including a spread of the Interest Rate Swap curve of the currency in which the lease has been contracted.

#### b) Amortization period

Rights of use are amortized on a straight-line basis over the useful life of the lease in question.

#### c) Other payments for leases

Payments associated with short-term leases or with inherent low-value assets are recognised on a straight-line basis as an expense in the income statement. Low value assets comprise mainly computer equipment and office supplies.

There are no variable lease payments that can be considered significant.

#### d) Determination of the useful life of a contract

In determining the useful life of the contract, Management has considered all the factors and



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circumstances that may generate economic incentive to exercise or not exercise the renovation options of each contract.

The Group has made an analysis by country and by type of lease contract. The conditions for renewal were assessed and the additional duration covered by the renewal option was included.

### 11 Non-current financial assets

The accounting policies relating to financial instruments have been applied to the following headings:

	2023	2022
Non-current derivative financial instruments	10,721	10,781
Other financial assets	1,479	1,768
<b>Total non-current financial assets</b>	<b>12,200</b>	<b>12,549</b>

Non-current derivative financial instruments during 2023 are a consequence of the Group's long-term interest rate derivatives. They have begun to have a positive valuation as a result of the increase in market rates in 2022. The balance of this valuation in 2023 was € 5,616 thousand (€ 10,781 thousand in 2022). In addition, during 2023 the "Put" option arising from the acquisition in 2023 of the Hidria Subgroup for an amount of € 5,105 thousand was recorded under "Non-current derivative financial instruments".

Under "Other financial assets", the Group mainly records guarantees given, amounting to € 1,383 thousand in 2023 and € 1,378 thousand in 2022.

### 12 Trade and other receivables

The balance of this heading is analysed below:

Trade receivables for sales and serv. Rendered	466,764	559,034
Provision for impairment of trade receivables	-11,677	-19,301
<b>Trade receivables - Net</b>	<b>455,087</b>	<b>539,733</b>
<b>Trade receivables - related parties (Note 35) (*)</b>	<b>425,177</b>	<b>447,872</b>
<b>Other receivables - related parties (Note 35) (*)</b>	<b>5,908</b>	<b>6,594</b>
Sundry receivables (*)	7,111	5,192
Installments	5,452	4,172
Personnel	20	9
<b>Other receivables</b>	<b>12,583</b>	<b>9,373</b>
<b>Total trade and other receivables</b>	<b>898,755</b>	<b>1,003,572</b>

(\*) Current trade receivables 2023: € 893,283 thousand /2022: € 999,391 thousand

The ageing analysis of these accounts is as follows (thousand euro):

Current trade receivables at 31 December 2023	Not due	Debt due since			Total
		0-3 months	3-6 months	+6 months	
(1) Customers and trade receivables	739,723	123,135	20,784	21,318	<b>904,960</b>
(2) Impairment provisions	(2,608)	(131)	(191)	(8,747)	<b>(11,677)</b>
<b>Total</b>	<b>737,115</b>	<b>123,004</b>	<b>20,593</b>	<b>12,571</b>	<b>893,283</b>

Current trade receivables at 31 December 2022	Not due	Debt due since			Total
		0-3 months	3-6 months	+6 months	
(1) Customers and trade receivables	860,667	134,981	4,256	18,788	<b>1,018,692</b>
(2) Impairment provisions	(2,532)	(139)	(249)	(16,381)	<b>(19,301)</b>
<b>Total</b>	<b>858,135</b>	<b>134,842</b>	<b>4,007</b>	<b>2,407</b>	<b>999,391</b>



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The book value of trade receivables and current receivables approximates their fair value as they fall due in the short-term.

The Group has calculated the customer risk concentration based on the following grouping, in accordance with type of activity concerned:

Market	31.12.2023	31.12.2022
Gestamp	394,954	424,882
OEM	77,766	87,399
Automobile aux. industry	65,965	103,526
Industry	185,746	202,508
Solar	72,218	63,377
Road steel	40,177	17,656
Racking	46,209	91,651
Other	21,925	27,693
<b>Total</b>	<b>904,960</b>	<b>1,018,692</b>

- Gestamp: the credit rating maintained by Gestamp Group is BB(stable) and Ba3(positive), as per S&P and Moodys, respectively.
- OEM Customer: The Group has determined that the risk concentration relating to these trade receivables is low given that it carries out its activities with large companies in the sector (Volkswagen, Renault, BMW, Porsche, etc.), which are companies with recognized financial solvency.
- Industry, Automobile Auxiliary Industry, Solar and Road Steel: As is explained in Note 4.1.b, the Group's policy is to obtain credit insurance that covers practically all of these trade receivable balances.

Movements in the provision for impairment losses affecting receivables are as follows:

	Impairment provision for customers and trade receivables
<b>Balance at 31.12.2021</b>	<b>17,839</b>
Allocations (Note 30)	4,041
Excess (Note 30)	-1,642
Applications	-1,361
Exchange differences	424
<b>Balance at 31.12.2022</b>	<b>19,301</b>
Allocations (Note 30)	7,173
Excess (Note 30)	-2,566
Applications	-7,059
Transfers (Note 21)	-5,131
Exchange differences	-41
<b>Balance at 31.12.2023</b>	<b>11,677</b>

In 2018 the Group adopted IFRS 9 Financial Instruments, recognising a new expected credit loss model that allows for the early recognition of losses. The amount of the impairment provision, which includes expected and incurred loss at 31 December 2023 is € 11,677 thousand (31 December 2022: € 19,301 thousand). (see Note 3.10 and 4)

As at 31 December 2023, receivables of EUR 165,237 thousand (31 December 2022: EUR 158,025 thousand) were past due, but not impaired in addition to the impairment loss recognised. All Group companies have credit and surety insurance covering the risk of customer insolvency, mainly in the general industrial sector. In addition, receivables not provisioned for more than 180 days are mainly balances of Gonvauto South Carolina to be recovered from long-term customers.

67% percent of trade and other receivables are denominated in euro (69% at 31 December 2022).

The Group classifies the credit quality of trade receivables using internal and external analyses. If customers have been rated independently these ratings are used. Conversely, if there are no independent ratings, credit control assesses the customer's credit worthiness, considering its financial



position, past experience and other factors.

Individual credit limits are established based on internal and external ratings in accordance with the limits established by the Board of Directors. Credit limits are followed up regularly.

During the year for which information is reported, credit limits were not exceeded, and management does not expect any losses to arise owing to default by any of the counterparties indicated.

None of the financial assets pending maturity have been renegotiated during the year.

### 13 Current financial receivables

#### 13.1 Classification by category

Amortized cost		31.12.2023	31.12.2022
Loans granted to related parties	(Note 13.2)	13,030	9,602
Loans granted to third parties		181	235
Other financial assets		60	297
Derivative financial instruments	(Note 18)	341	511
<b>Total</b>		<b>13,612</b>	<b>10,645</b>

#### 13.2 Loans granted and other receivables from related parties (current portion)

The composition of the balance of this caption in the consolidated balance sheet is mainly the operating credit line with the associated company Gestamp Puebla in the amount of 12,087 thousand euros (9,599 thousand euros in 2022), due and uncollected at December 31, 2023, considered as a loan and accruing interest tied to Euribor or SOFR plus a spread.

All of the loans accrue interest at Euribor or SOFR plus a market spread. These balances have not suffered any impairment losses and were initially measured at nominal value given that the effect of updating the cash flows is not expected to be significant. The value indicated in the accounts may therefore be similar to their fair value.

### 14 Inventories

The breakdown of this heading in 2023 and 2022 is as follows:

	31.12.2023	31.12.2022
Goods purchased for resale	568,519	621,202
Raw materials and other consumables	187,578	206,503
Finished products and work in progress	182,178	216,767
Prepayments	1,931	6,190
Impairment	-48,947	-57,943
<b>Total Inventories</b>	<b>891,259</b>	<b>992,719</b>

The movements in provisions for impairment during 2023 and 2022 were as follows:

	Provision for inventory impairment
<b>Balance at 31.12.2021</b>	<b>40,786</b>
Allocations	21,990
Exchange differences	-642
Excess	-4,191
<b>Balance at 31.12.2022</b>	<b>57,943</b>
Allocations	6,318
Exchange differences	-3,065
Excess	-12,249
<b>Balance at 31.12.2023</b>	<b>48,947</b>



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The provisions for impairment relate mainly to damages and defects affecting materials and obsolescence. The allocations and excess amounts recognized by the Group in 2023 are recognized under the headings "Raw materials and other consumables" in the accompanying consolidated income statement totalling €8,378 thousand and €8,328 thousand, respectively (€21,990 thousand and €2,146 thousand, respectively, in 2022).

The change in inventories of goods purchased for resale, raw materials and other supplies included under the heading "Raw materials and other consumables" during the year totalled €-71,608 thousand (€-142,112 thousand in 2022), and the purchases of those goods recognized as an expense totalled €5,150,986 thousand (€5,041,288 thousand in 2022).

The heading "Raw materials and other consumables" includes spare parts amounting to € 24,218 thousand (€ 20,684 thousand in 2022) which are expected to be used in the short term.

At the year-end the Group does not record any inventories pledged to secure compliance with debt commitments.

### 15 Cash and cash equivalents

This heading contains the following items:

	31.12.2023	31.12.2022
Cash and bank deposits	178,954	171,103
Current bank deposits	36,790	25,882
<b>Total cash and cash equivalents</b>	<b>215,744</b>	<b>196,985</b>

Current deposits that credit institutions are considered to be those cash deposits maturing within three months. These bank accounts accrue a financial market interest rate. Sight bank accounts bear a small yield and they are fully available to the Group and not subject to any type of restriction.

### 16 Total equity attributable to the parent company

#### 16.1 Share capital

At 31 December 2023 share capital is represented by 6,706,759 fully subscribed and paid shares with a par value of €30.05 each (the same as at 31 December 2022), and there are no restrictions on their transfer.

Gonvarri Corporación Financiera, S.L. reported that it had ceased to be a single shareholder company on 13 May 2016 after the sale of a share by Holding Gonvarri, S.L. to Gonvarri I. Centro de Servicios, S.L., which was executed in a public document in Madrid on 15 April 2016.

	31.12.2023	31.12.2022
Holding Gonvarri, S.,L.	99,99%	99,99%
Gonvarri I. Centro de Servicios, S.L.	0,01%	0,01%
<b>Total</b>	<b>100,00%</b>	<b>100,00%</b>

#### 16.2 Share premium

At December 31, 2023, the share premium amounted to €15,699 thousand as at December 31, 2022. This reserve is freely distributable.



### 16.3 Legal reserve

Appropriations to the legal reserve are made in compliance with Article 274 of the Spanish Companies Act, which stipulates that 10% of the profits for each year must be transferred to this reserve until it represents at least 20% of share capital. The legal reserve is not available for distribution. Should it be used to offset losses in the event of no other reserves being available, it must be replenished out of future profits. This reserve totals €40,308 thousand at 31 December 2023 (€40,308 thousand at 31 December 2022) and is in compliance with the aforementioned stipulation.

### 16.4 Capitalization reserve

Corresponding to the reserve created for the deduction of the taxable base of 10% of the amount for equity increase of the existent Tax Group in the period, on the terms established by Article 25 of 27/2014 Corporate Income Tax Act. This reserve will be unavailable for 5 years beginning at the closing of the tax period to which the reduction corresponds. The total amount of the Capitalization reserve at 31 December 2023 and 2022 is of €29,901 and €22,134 thousand respectively.

### 16.5 Retained earnings

This heading consists of:

	31.12.2023	31.12.2022
Reserves of the Parent Comp. (Distributable and non-Distributable)	670,914	646,063
Reserves in Fully Consolidated Companies	608,077	503,401
Reserves in Equity Consolidated Companies	105,697	74,195
<b>Total Retained earnings</b>	<b>1,384,688</b>	<b>1,223,659</b>

### 16.6 Distribution of results

The distribution of 2023 parent company profits that will be proposed by the Board of Directors to shareholders at the Annual General Meeting for approval is set out below:

	2023	2022
<b>Available for distribution</b>		
Profit and Loss	92,077	89,697
	<b>92,077</b>	<b>89,697</b>
<b>Distribution</b>		
To Legal Reserve	4,403	7,767
Interim Dividend	80,000	60,000
To Voluntary Reserve	7,674	21,930
	<b>92,077</b>	<b>89,697</b>

The Parent company distributed an interim dividend against profits of €80,000 thousand in 2023 (€60,000 thousand in interim dividend were distributed in 2022 and €30,000 in dividend against reserves).

The amount of the interim dividend out of the profit for the year 2023 does not exceed the profit at that date, less the estimated corporate income tax payable on such profit, in line with the provisions of article 277 of the Capital Companies Act (Consolidated Text) of Royal Decree 1/2010 of 2 July 2010, in accordance with the forecast liquidity statement prepared for this purpose.

	Thousand euro
Expected profit/loss after taxes	92,077
Cash - Flow generated in this period	98,453
Liquidity	Higher than dividend



### 16.7 Consolidated profit/(loss)

The contribution of each company to the consolidated profit/loss in 2023 and 2022 is given next (in thousand euros):

	2023	2022
Sub consolidated Gonwama	35,650	24,102
Gonvarri I.Centro de Servicios, S.L.	24,939	47,010
Subgroup Hidria	13,483	-
Gonvauto, S.A.	12,616	14,663
Gonvarri Ptos. Siderúrgicos,S.A.	11,488	15,886
Gonvarri Solar Steel, S.L.	11,185	6,795
Gonvarri Material Handling AS (C onstructor Group)	7,694	11,777
ArcelorMittal Gonvarri Brasil, Pdtos. Siderúrg. S.A.	7,320	8,572
Gonvauto Navarra, S.A.	6,725	6,289
Arcerlomittal Gonvarri SSC Slovakia, S.R.O	4,211	11,788
Gonvarri Vizcaya, S.L	3,999	4,059
Gonvarri Asturias (antigua Hierros yAplanaciones)	3,468	280
Gonvarri Polska, SP, ZO O.	3,459	8,964
Gestamp Automotive India Private Ltd	3,448	6,290
Gonvauto South Carolina LLC.	3,370	-38
Gonvarri Corporación Financiera, S.L.	3,317	3,646
SGK	2,769	-10,234
Arcerlomittal Gonvarri Nitra S.R.O	2,645	1,772
Gonvauto Asturias, SL	2,598	2,885
Gonvauto Puebla, S.A. de C.V.	2,222	17,257
Flejes Industriales, SA	1,729	3,458
Gonvarri Solar Steel US, Inc.	1,266	-49
Gonvarri Tarragona, S.L.	1,253	2
Gonvarri Czech, S.R.O.	1,224	1,172
Gonvauto Galicia, S.A.	1,240	12,824
Riera i Tutó, SL	1,022	1,374
Suports Desarrollo ySoluciones, SL	711	633
Steel & AlloyProcessing LTD	704	8,304
Suports Energia Sustentable México S.A.P.I. de C.V	561	546
Gonvarri MS Colombia, S.A.S, S.L.	449	1,687
Láser Autom otive Zaragoza, S.L.	381	306
Rejillas Calibradas, SL	370	697
Gonvarri MS Baja California S.A	205	-2,246
Láser Autom otive Valencia, S.L.	193	206
Gonvarri Chile Estructuras Metálicas, Ltda.	98	45
Road Steel Engineering	43	-75
Solar Steel Services	3	-238
Gonvasolar, S.L.	1	98
Addimen Bizkaia, SL	-17	-101
Sogei S.A	-75	132
Gonvarri Italia, S.p.A	-92	-721
H2greem Global Solution SL	-112	-52
Laserboost	-160	-148
Gonvarri Industrial Maroc, S.A.	-163	-337
Riera i Tutó Valencia, S.L.	-189	-
Çepas Galvaniz, Sanayi Anomin Sirketi	-554	-1,001
Gonvarri Valencia, S.A	-685	1,796
Gonvarri MS Corporate, S.L.	-1,987	984
Gonvauto Thüringen, GMBH	-4,955	4,914
Gonvarri Argentina S.A.	-8,005	821
Other consolidated profit/loss	-6,192	645
<b>Total consolidated profit/loss</b>	<b>154,873</b>	<b>217,441</b>



### 16.8 Measurement adjustments

This consolidated balance sheet heading records the net amount of changes in the fair value of certain derivative instruments (Notes 3.10, 3.11 and 18), due to the application of IAS 32 and IFRS 9.

### 17 Non-controlling shareholdings

Movements in, and the composition of, this heading in 2023 and 2022, respectively, are as follows:

	Balance at 31.12.2022	Profit/loss 2023	Distribution of dividends	Changes in scope	Exchange diff.	Balance at 31.12.2023
Arcelormittal Gonvarri Brasil	54,670	7,761	-2,165	-	1,785	62,051
SGK	8,000	2,797	-	-	-2,082	8,715
Laser Automotive Barcelona	789	63	-245	-	-	607
Laser Automotive Valencia	396	185	-	-	-	581
Laser Automotive Zaragoza	582	366	-245	-	-	703
Addimen Bizkaia	2	-1	-	13	-	14
H2greem	570	-108	-	-	-	462
Grupo GMH - Kaufmann	3,588	-	-	-3,588	-	-
Grupo GMH - Gonvarrack USA y Canada	-	-57	-	-	-	-57
AMG Slovakia	56,945	4,114	-	-	-	61,059
AMG Nitra	10,505	2,631	-	-	-	13,136
Sogei S.A	1,947	-32	-	-	-	1,915
Laserboost	-5	-18	-	20	-	-3
Riera Tutó Valencia	1,470	-158	-	-	-	1,312
Riera Tutó	2,809	981	-735	-	-	3,055
<b>Total</b>	<b>142,268</b>	<b>18,524</b>	<b>-3,390</b>	<b>-3,555</b>	<b>-297</b>	<b>153,550</b>

	Balance at 31.12.2021	Profit/loss 2022	Distribution of dividends	Changes in scope	Exchange diff.	Balance at 31.12.2022
Arcelormittal Gonvarri Brasil	44,655	8,875	-4,945	-	6,085	54,670
SGK	15,822	-10,235	-	-	2,413	8,000
Laser Automotive Barcelona	1,006	28	-245	-	-	789
Laser Automotive Valencia	198	198	-	-	-	396
Laser Automotive Zaragoza	533	294	-245	-	-	582
Addimen Bizkaia	9	-7	-	-	-	2
Agromega	468	0	-	-468	-	-
H2greem	-	-50	-	620	-	570
Grupo GMH - Kaufmann	3,427	161	-	-	-	3,588
AMG Slovakia	45,157	11,788	-	-	-	56,945
AMG Nitra	8,733	1,772	-	-	-	10,505
Sogei S.A	1,890	57	-	-	-	1,947
Laserboost	11	-16	-	-	-	-5
Riera Tutó Valencia	-	-	-	1,470	-	1,470
Riera Tutó	2,224	1,320	-735	-	-	2,809
<b>Total</b>	<b>124,133</b>	<b>14,185</b>	<b>-6,170</b>	<b>1,622</b>	<b>8,498</b>	<b>142,268</b>

This Note takes into consideration the non-controlling shareholdings in each of the companies, adding together direct and indirect stakes.

The main changes in non-controlling interests during 2023 include the acquisition of the additional 20% that the Gonvarri Material Handling Subgroup lacked to obtain 100% of the subsidiary Kauffman. In this way, minority interests are reduced by € 3,588 thousand. On the other hand, it is also worth mentioning the dividend distribution during 2023 of ArcelorMittal Gonvarri Brasil, Laser Automotive Barcelona, Laser Automotive Zaragoza and Riera Tutó.

The main changes in non-controlling shareholdings during 2022 include the acquisition of H2greem Global Solutions (Note 2). This transaction generated minority interests of €620 thousand. On the other hand, during 2022 the sale of Agromega was completed and therefore the reduction of non-controlling shareholdings that arose in the Group for this company in the amount of 468 thousand euros. Also



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noteworthy is the dividend distribution in 2022 of ArcelorMittal Gonvarri Brasil, Laser Automotive Barcelona, Laser Automotive Zaragoza and Riera Tuto.

### 18 Financial debt

The breakdown movement of the debt liability, into current and non-current, is as follows:

	31.12.2023	31.12.2022
Bank borrowings	152,301	141,404
Credit facilities	45,932	62,537
Financial lease payables	3,337	3,908
Lease liabilities (IFRS 16)	25,976	27,762
Créditos con partes relacionadas	844	-
Derivative financial instruments	2,244	-
<b>Total non-current borrowings (I)</b>	<b>230,634</b>	<b>235,611</b>
Bank borrowings	72,594	104,238
Credit facilities	124,235	151,910
Discounting facilities	9,572	11,799
Other financial liabilities	2,911	3,211
Loans from Group comp. and rel. parties	32,896	105,841
Financial lease payables	1,868	2,143
Lease liabilities (IFRS 16)	8,365	8,109
Derivative financial instruments	2,551	1,700
<b>Total current borrowings (II)</b>	<b>254,992</b>	<b>388,951</b>
<b>Total borrowings (Gross Debt) (I + II)</b>	<b>485,626</b>	<b>624,562</b>

	31.12.2022	Additions	Disposals	Exchange differences	31.12.2023
Bank borrowings	245,642	58,735	-80,164	682	224,895
Credit facilities	214,447	33,378	-75,530	-2,128	170,167
Discounting facilities	11,799	1,181	-3,408	-	9,572
Other financial liabilities	3,211	-	-432	132	2,911
Loans with Group comp. and rel. parties	105,841	1,121	-73,222	-	33,740
Financial lease payables	6,051	1,344	-2,190	-	5,205
Lease liabilities (IFRS 16)	35,871	2,555	-4,060	-25	34,341
Derivative financial instruments	1,700	3,897	-802	-	4,795
<b>Total borrowings</b>	<b>624,562</b>	<b>102,211</b>	<b>-239,808</b>	<b>-1,339</b>	<b>485,626</b>

	31.12.2021	Additions	Disposals	Exchange differences	31.12.2022
Bank borrowings	161,448	101,369	-18,553	1,378	245,642
Credit facilities	335,733	12,106	-129,434	-3,958	214,447
Discounting facilities	12,867	4,450	-5,518	-	11,799
Other financial liabilities	8,628	120	-6,582	1,045	3,211
Loans with Group comp. and rel. parties	61,986	43,904	-49	-	105,841
Financial lease payables	8,366	-	-2,315	-	6,051
Lease liabilities (IFRS 16)	31,940	13,925	-9,892	-102	35,871
Derivative financial instruments	8,332	1,700	-8,089	-243	1,700
<b>Total borrowings</b>	<b>629,300</b>	<b>177,574</b>	<b>-180,432</b>	<b>-1,880</b>	<b>624,562</b>



### a) Bank borrowings

Loans and credit facilities are at variable rates. These accrue interest at a reference rate plus a spread agreed with the pertinent financial institutions under normal market conditions. In most cases the reference index for the loans arranged is the Euribor, as these have been negotiated in Euros. The Group's loans and credits are mostly negotiated on a 5-year term, and we therefore consider there not to be any difference between their book value and their fair value.

The Group's borrowings are exposed to variations in the spreads at which they have been negotiated since borrowings aimed at financing short-term working capital are renewed annually although they mature in more than one year. The rates at which interest is settled are generally calculated quarterly in order to consider variations in the reference index (Euribor).

Most of the borrowings from credit institutions are denominated in the functional currency of the subsidiary that obtained the loans. The estimated fair value of variable rate loans does not significantly differ from their book value.

At the year-end unpaid accrued interest totalling €2,334 thousand is recognized (€1,283 thousand in 2022).

Currently the financial requirements established by the financing agreements concluded between the parties are met, and none of the causes for early repayment included in both agreements have arisen.

The maturity schedule for the principal of loans from credit institutions is as follows:

2023	Less than 1 year	1-5 years	More than 5 years	Total
AMG Brasil	4,037	7,042	-	11,079
Gonvarri MS Colombia	205	508	-	713
Gonvarri Thuringen	34,979	-	-	34,979
Gonvarri I. Centro de Servicios, S.L.	219	1,188	113	1,520
Gonvarri Valencia	71	426	-	497
Gonvauto Navarra	40	252	-	292
Gonvarri Asturias, S.A. (former Hierros y Aplanaciones)	116	279	33	428
Gonvarri Galicia	95	713	-	808
Gonvarri Corporación Financiera, S.L.	27,251	119,307	452	147,010
Gonvauto Asturias	182	91	-	273
Addimen	13	66	27	106
Flejes Industriales, SA	236	459	-	695
Soqei S.A	578	3,242	-	3,820
Riera I Tuto	584	140	-	724
Riera I Tuto Valencia	632	2,310	-	2,942
Grupo Material Handling	362	886	-	1,248
AMG Slovakia	1,494	6,517	-	8,011
AMG Nitra	1,500	8,250	-	9,750
<b>Total</b>	<b>72,594</b>	<b>151,676</b>	<b>625</b>	<b>224,895</b>

As a general comment, Gonvarri Industries has different business lines and activities in different sectors, mainly related to metal processing. Because of its customers' requirements, Gonvarri needs to maintain a significant safety stock (between 60 to 90 days of sales) to guarantee the customer's demand to prevent occasional supply interruptions. At December 2023, Gonvarri's stock amounts to € 885,258 thousand (approx. 809 thousand tons), while Net Financial Debt represents € 245,890 thousand. As of December 2022, Gonvarri's stock amounted to € 992,719 thousand euros (approx. 763 thousand tons), while Net Financial Debt represented € 404,383 thousand euros. There has been a significant decrease in net financial debt during 2023, mainly as a consequence of the decrease in the average price per ton of steel, going from an average price during 2022 of 1,090 euros/ton to an average price in 2023 of 965 euros/ton, which translates into a decrease of 11%.



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2022	Less than 1 year	1-5 years	More than 5 year	Total
AMG Brasil	721	7,892	-	8,614
Gonvarri MS Colombia	5,855	-	-	5,855
Gonvarri Thüringen	15,000	20,000	-	35,000
Gonvarri I. Centro de Servicios, S.L.	220	835	487	1,542
Gonvarri Valencia	242	284	214	740
Gonvauto, S.A.	2	-	-	2
Gonvauto Navarra	41	160	131	332
Gonvarri Asturias (former Hierros y Aplanaciones)	298	427	-	725
Gonvarri Tarragona	1	-	-	1
Gonvarri Galicia	95	380	428	903
Gonvarri Corporación Financiera, S.L.	55,711	84,591	24	140,326
Addimen	13	68	39	120
Flejes Industriales, SA	213	565	128	906
Laserboost	1	-	-	1
Sogel S.A	456	2,874	1,075	4,405
Obratel	3	-	-	3
Rierra Tutto	780	336	-	1,116
Grupo Material Handling	2,835	1,086	120	4,041
Gonvauto Puebla, S.A. de C.V.	18,751	-	-	18,751
AMG Slovakia	1,500	5,902	3,566	10,968
AMG Nitra	1,500	9,792	-	11,292
<b>Total</b>	<b>104,238</b>	<b>135,192</b>	<b>6,212</b>	<b>245,642</b>

### (b) Credit facilities

The Credit Facilities, similarly to the loans are at variable rate. These accrue interest at a reference rate plus a spread agreed with the pertinent financial institutions under normal market conditions. In most cases the reference index for the loans arranged is the Euribor.

The Group has obtained Lines of Credit from several domestic and foreign financial institutions with a total limit of €5,674,606 thousand (€609,336 thousand in 2022), of which at the year-end it had drawn down €170,167 thousand (€214,447 thousand in 2022).

The amounts drawn on the Group's credit facilities are denominated in the following currencies:

	31.12.2023	31.12.2022
USD	16,198	37,295
Euro	118,623	133,483
Pound Sterling	14,391	20,210
Turkish Lira	2,572	8,333
Colombian Peso	4,535	4,259
Polish Zloty	13,848	10,867
<b>Total</b>	<b>170,167</b>	<b>214,447</b>

The maturities of credit facilities are as follows:

Year	Upto 1 year	1-5 years	More than 5 years	Total
2023	124,235	45,932	-	170,167
2022	151,910	62,537	-	214,447

The Group has the following credit lines available at year-end 2023 and 2022:

Year	Limit	Drawn down	Available
2023	574,606	170,167	404,439
2022	609,336	214,447	394,889



### (c) Discounting facilities

The discount rate for bills discounted at banks is in line with the applicable rate on the financial market. As at 31 December 2023, the Group has discount lines of € 116,000 thousand (€ 111,500 thousand in 2022), of which an amount of € 9,571 thousand has been drawn down at year-end (€ 11,799 thousand in 2022).

The Group has the following discount lines available at year-end 2023 and 2022:

Year	Limit	Drawn down	Available
2023	116,000	9,572	106,428
2022	111,500	11,799	99,701

### (d) Finance lease liabilities

Finance lease liabilities are effectively secured given that the rights to the leased asset revert to the lessor in the event of non-compliance. The Group uses this facility to obtain assets such as industrial premises, primarily (Note 6).

	31.12.2023	31.12.2022
Less than 1 year	1,870	2,112
Between 1 and 5 years	2,827	3,527
More than 5 years	-	188
	<b>4,697</b>	<b>5,827</b>
Future financial liabilities from finance leases	508	224
<b>Present value of liabilities</b>	<b>5,205</b>	<b>6,051</b>

The present value of finance lease liabilities is as follows:

	31.12.2023	31.12.2022
Less than 1 year	1,868	2,142
Between 1 and 5 years	3,337	3,703
More than 5 years	-	206
	<b>5,205</b>	<b>6,051</b>

The amount of future interest payments is in line with normal market practices.

### (e) Operating lease liabilities (IFRS 16)

Operating lease liabilities recognized under this head correspond to the updated values of payments committed under the financial lease agreements detailed in Note 10. The breakdown of these obligations, as well as the future financial costs at 31 December 2023 are as follows:

	31.12.2023	31.12.2022	
Present value of lease obligation	34,341	35,871	
Accrued costs	160	126	
<b>Amount payable for lease</b>	<b>34,501</b>	<b>35,997</b>	
	<b>Less than 1 year</b>	<b>Between 1 and 5 years</b>	<b>More than 5 years</b>
Present value of lease obligations	8,365	17,289	8,687



### (f) Loans of Credit Lines with related companies

At 31 December 2023, this heading amounts to €844 thousand for long term- and €32,896 thousand for short term credit lines. (€105,841 thousand at 31 December 2022), which mainly relates to:

1. The parent company, Gonvarri Corporación Financiera, recorded a liability to the company Holding Gonvarri totalling €25,708 thousand (€96,457 thousand at 31 December 2022).
2. The company Gonvarri Corporación Financiera, as the head of the consolidated tax group in the common territory, recorded a liability to the company Gonvarri Renewable Industries totalling €2,518 thousand (€2,824 thousand at 31 December 2022).
3. Gonvarri Corporación Financiera recorded a debt with the shareholders of Riera i Tutó amounting to € 3,124 thousand (€ 5,243 thousand at 31 December 2022). This debt will be repaid during 2024.
4. The company Gonvarri Vizcaya recorded a liability to the company Holding Gonvarri totalling €1,228 thousand (€1,273 thousand at 31 December 2022).
5. The company GMS Corporate SL recorded a liability to the company Holding Gonvarri totalling €319 thousand (€42 thousand at 31 December 2022).
6. The Gonvarri Material Handling Subgroup has recorded a long-term debt with the Kauffman partner of € 844 thousand. This debt will be settled during the first quarter of 2025.

There are no embedded derivatives relating to these loans.

### (g) Derivative financial instruments

The Group has derivative financial instruments, both interest rate and exchange rate, with the objective of neutralizing the evolution of the variable interest rates of the Group's financing, as well as the potential effect of the exchange rate.

The following table presents an analysis of the fair values of the derivatives contracted at 31 December 2023 and 2022, as well as the maturity dates of the notional amounts to which they are associated.

Instrument type	Fair Value		Notional Maturity Date					TOTAL
	31.12.2023	31.12.2022	2024	2025	2026	2027	2028 and after	
<b>ASSET BALANCES</b>	<b>10,781</b>	<b>11,078</b>	<b>3,116</b>	<b>85,000</b>	<b>85,000</b>	-	-	<b>173,116</b>
- Hedge:								
Exchange rate derivatives	60	297	3,116	-	-	-	-	3,116
Interest rate derivatives	5,616	10,781	-	85,000	85,000	-	-	170,000
- Share options:								
Call option	5,105	-	-	-	-	-	-	-
<b>LIABILITY BALANCES</b>	<b>2,551</b>	<b>1,700</b>	<b>142,185</b>	-	-	-	-	<b>142,185</b>
- Hedge:								
Exchange rate derivatives	307	1,700	142,185	-	-	-	-	142,185
- Share options:								
Put option	2,244	-	-	-	-	-	-	-
<b>NET BALANCES</b>	<b>8,230</b>	<b>9,378</b>	<b>145,301</b>	<b>85,000</b>	<b>85,000</b>	-	-	<b>315,301</b>

#### Exchange rate derivatives

The notional principal on currency forwards outstanding at 31 December 2023 amounted to €145,301 thousand (€96,897 thousand at 31 December 2022). These contracts mainly cover the Group's exposure to changes in the US dollar rate.

The exchange rate swaps contracted by the Group in force at 31 December 2023 are as follows:



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C company	Hedge	Due	Notional	Fixed rate
Gonvarri Productos Siderurgicos	USD/EUR	Enero	2,472	1.13
Gonvauto, S.A	EUR/USD	Enero	644	1.0873
<b>TOTAL NOTIONAL DERIVATIVE ASSETS</b>			<b>3,116</b>	

C company	Hedge	Due	Notional	Fixed rate
Gonvarri Asturias, S.A	USD/EUR	Enero	7,927	1.0842
Gonvarri I Centro de Servicios, S.L	USD/EUR	Enero	16,178	1.0818-1.0935
Gonvarri Productos Siderurgicos	USD/EUR	Enero	4,676	1.0842-1.0928
Gonvarri Solar Steel, S.L	USD/EUR	Enero	10,950	1.0824-1.0912
Gonvarri Valencia, S.L	USD/EUR	Enero	6,586	1.0665-1.0676
Flejes Industriales, S.A	USD/EUR	Febrero	222	1.0818-1.0922
Gonvarri Galicia	USD/EUR	Febrero	193	1.0636-1.1305
Gonvarri Asturias, S.A (former Hierros y Aplanaciones)	USD/EUR	Febrero	3,279	1.0631-1.1308
Gonvarri I Centro de Servicios, S.L	USD/EUR	Febrero	16,446	1.0670-1.0880
Gonvarri Productos Siderurgicos	USD/EUR	Febrero	6,387	1.0632-1.0849
Gonvarri Solar Steel, S.L	USD/EUR	Febrero	13,102	1.0780-1.1312
Gonvarri Valencia, S.L	USD/EUR	Febrero	2,989	1.0908
Gonvarri Asturias, S.A	USD/EUR	Marzo	755	1.0979
Gonvarri Solar Steel, S.L	USD/EUR	Marzo	11,602	1.0895
Flejes Industriales, S.A	USD/EUR	Abril	344	1.0779-1.1004
Gonvarri Asturias, S.A	USD/EUR	Abril	3,491	1.0892-1.0977
Gonvarri I Centro de Servicios, S.L	USD/EUR	Abril	9,296	1.0636-1.0858
Gonvarri Productos Siderurgicos	USD/EUR	Abril	4,749	1.0907-1.0979
Gonvarri Solar Steel, S.L	USD/EUR	Abril	10,452	1.0723
Gonvarri Valencia, S.L	USD/EUR	Abril	3,563	1.0706
Gonvarri Solar Steel, S.L	USD/EUR	Mayo	3,000	1.9690-1.0990
Gonvarri Solar Steel, S.L	USD/EUR	Junio	3,000	1.06500-1.0871
Gonvarri Solar Steel, S.L	USD/EUR	Julio	3,000	1.0692
<b>TOTAL NOTIONAL DERIVATIVE LIAB.</b>			<b>142,185</b>	

Gains and losses recognised in the hedging reserve in equity in respect of foreign currency forward contracts at 31 December 2023 shall be recognised in the income statement in the period(s) during which the hedged transaction affects the income statement.

### Interest rate derivatives

At 31 December 2023, the hedging derivatives contracted by the subsidiary Gonvarri Corporación Financiera, S.L. are IRS swaps, which give rise to variable amounts payable during a calculation period by the customer or by the financial institutions, depending on whether or not the variable rate is higher than the contract rate. The maturities for the loans covered will take place between 2025 and 2026.

The interest rate swaps contracted by the Group in force at 31 December 2023 are as follows:

Contract	Effective date	Due	Variable rate	Fixed rate
Contract 1 - € 85,000 thousand	June 2020	June 2025	Euribor 3 months	0.78%-0.79%
Contract 2 - € 85,000 thousand	June 2021	June 2026	Euribor 3 months	1.05%-1.06%

The years in which interest rate hedge settlements are expected to affect the Consolidated Profit and Loss Account are as follows:

Year	Thousand euros
2024	3,954
2025	1,334
2026	327
<b>Total</b>	<b>5,615</b>

The Company complied with the requirements described in Note 3.11 on accounting standards to classify this financial instrument as a hedge instrument. Specifically, it was formally designated as such and its effective hedging was verified.

### Inefficiency

At 31 December 2023, as in 2022, there were no inefficiencies in the derivatives contracted by the Group.



### Fair value derivatives with changes on the income statement

During 2023, following the acquisition of 41.43% of the shares of the Hidria Subgroup (see Note 34) and the agreement with the Majority Shareholders, whereby for a period of 36 months from April 1, 2024, the latter have the right to sell their shares to Gonvarri Corporación Financiera and another right for Gonvarri Corporación Financiera whereby, if this first option is not exercised by the shareholders, it has the option to buy all the shares from the shareholders for a period of 36 months from April 1, 2027; the need arises to account for a "Put" option and a "Call" option for Gonvarri Corporación Financiera, considered to be hedging derivatives at fair value through profit or loss. Under IFRS-13 this type of contractual options valued at fair value are categorized as level 3.

In order to value these "Put" and "Call" options, the valuation of the Hidria Subgroup and its competitors must be taken into account, as well as the probability of an increase in Gonvarri Corporación Financiera's shareholding in the Hidria Subgroup in each of the two time periods.

The valuation of Hidria Subgroup at market value takes into account its operating capacity to generate earnings before taxes, interest, depreciation and amortization and is obtained through the company's historical data and the approved Business Plan. It is assumed at all times that in the calculation of the value of the Subgroup, the market multiplier, the financial debt and the working capital remain constant and must be updated each time a new fair valuation is made, directly accounting for these variations against the income statement.

### 19 Deferred taxes

The net amount of deferred tax assets and liabilities is as follows:

	31.12.2023	31.12.2022
Deferred tax assets to be recovered in more than 12 months	47,084	57,383
Deferred tax liabilities reversible in more than 12 months	-64,057	-66,414
<b>Net Deferred taxes</b>	<b>-16,973</b>	<b>-9,031</b>

#### 19.1 Deferred tax assets

Movements during the year in deferred tax assets have been as follows (thousand euro):

	31.12.2022	Allocations	Reversals	Transfers	Exchange diff.	31.12.2023
<b>Assets for deductible temp. Differences</b>	<b>23,357</b>	<b>13,818</b>	<b>-15,671</b>	<b>-205</b>	<b>-139</b>	<b>21,160</b>
Non-deductible provisions	21,089	9,646	-14,438	1,737	-879	17,155
Differences amortization criteria	1,283	1,216	-825	-221	-49	1,404
Non-deductible unrealized exchange rate	74	99	-	-87	6	92
Derivatives	424	-	-246	-	-	178
Impact IFRS -9	484	80	-122	-	-5	437
Impact IFRS -16	305	103	-40	-	12	380
Impact hyperinflation Çepas	-1,643	2,674	-	-54	537	1,514
Other	1,341	-	-	-1,580	239	-
<b>Right to rebates and deductions yet to be applied</b>	<b>12,961</b>	<b>-</b>	<b>-2,887</b>	<b>-</b>	<b>285</b>	<b>10,359</b>
<b>Credits to offset losses for the year</b>	<b>21,065</b>	<b>2,677</b>	<b>-8,384</b>	<b>205</b>	<b>2</b>	<b>15,565</b>
<b>Total deferred tax assets</b>	<b>57,383</b>	<b>16,495</b>	<b>-26,942</b>	<b>-</b>	<b>148</b>	<b>47,084</b>

Deferred tax assets in respect of tax-loss carry forwards available for offset are recognized insofar as the future business plans available to the Group call for the likely realization of the relevant tax benefit through future taxable profits.

#### 19.2 Deferred tax liabilities

Movements during the year in deferred tax liabilities are as follows (thousand euro):



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	31.12.2022	Allocations	Reversals	Transfers	Exchange diff.	31.12.2023
Portfolio provisions individual companies	6,405	-	-	-	-	6,405
Freedom to amortize	10,091	1,253	-1,198	1,767	-86	11,827
Derivative	3,092	-	-1,919	-	-	1,173
Subsidies	-	393	-121	-	-	601
Non-deductible provisions	1,439	267	-	-1,640	-66	-
Revaluation land and buildings	44,018	-	-3,178	-	-	40,840
Deferred impact IFRS-15	754	262	-237	-	-42	737
Hyperinflation	-	2,376	-	-	-	2,376
Other	287	140	-204	-127	3	99
<b>Total deferred tax liabilities</b>	<b>66,414</b>	<b>4,691</b>	<b>-6,857</b>	<b>-</b>	<b>-191</b>	<b>64,057</b>

Deferred tax liabilities relate mainly to those deriving from the measurement at fair value of plant and equipment at the transition date. This measurement does not have any effect on the of assets, which has given rise to this temporary difference.

### 20 Deferred income

The entire balance under this heading relates to capital grants that have yet to be taken to the income statement and which have been granted to finance assets.

Movements in this caption in 2023 and 2022 were as follows:

<b>At 31 December 2021</b>		<b>7,450</b>
Attributed to profit/loss (Note 26)		-2,065
Additions		1,377
Inclusions to scope		241
<b>At 31 December 2022</b>		<b>7,003</b>
Attributed to profit/loss (Note 26)		-3,020
Additions		3,346
Disposals		-25
<b>At 31 December 2023</b>		<b>7,304</b>

During the 2023 financial year, the companies Gonvarri Corporación Financiera, Gonvauto, Gonvarri I. Centro de Servicios and Gonvarri MS R&D received grants, the most important of which was in Gonvarri Corporación Financiera in the amount of € 1,382 thousand for the "Smart Factory" project. During the 2022 financial year, the companies Gonvarri MS R&D, Gonvarri I. Service Center and Gonvarri Corporación Financiera received grants.

Maintaining these grants is subject to conditions such as maintaining jobs or not disposing of the subsidized assets. As the requirements established for the grants have been met the amount is taken to the income statement for the year in proportion to the depreciation applied to the assets for which the grants were provided.



### 21 Non-current provisions

The movements of non-current provisions are as follows:

<b>At 31 December 2021</b>	<b>19,312</b>
Allocations	2,263
Applications	-151
Excess	-873
Exchange differences	488
<b>At 31 December 2022</b>	<b>21,039</b>
Allocations	8,699
Applications	-699
Excess	-152
Transfers	5,631
Exchange differences	-473
<b>At 31 December 2023</b>	<b>34,045</b>

The provisions in 2023 relate mainly to the updating of the provisions of Gonvarri Solar Steel in the amount of € 4,329 thousand for risks of the large solar projects related to the increase in activity during 2023, and in Gonvarri Corporación Financiera in the amount of € 2,600 million for different provisions for bonuses and labour remuneration. The provisions in 2022 mainly correspond to provisions in Gonvarri Corporación Financiera for an amount of € 575 thousand for staff remuneration and on the other a provision in Sub consolidated Gonvarri Material Handling for an amount of € 847 thousand due to an open antitrust investigation.

The transfers in 2023 are mainly in Gonvarri Baja California for the commercial and financial risk for the lawsuit in which the company is involved in the amount of € 3,884 thousand, which was a doubtful customer collection risk in 2022 but the outstanding amount has been collected in 2023, although the risk continues to be maintained as the lawsuit is still in progress. On the other hand, a transfer in Gonvarri Solar Steel in the amount of € 1,247 thousand, which at the end of 2022 was considered a customer risk, is now considered to be a guarantee risk in large long-term projects.

The excess in the year 2022 corresponds to restatements of existing provisions for pensions and similar items in the Gonvarri Material Handling sub-consolidation in Germany.

In the opinion of the Directors of the Group, there is no significant litigation or contingency whose likelihood of occurrence justifies recognizing any provision in addition to that which has already been recorded. The Directors of the Group consider that the provisions that have been recorded are sufficient to cover the final settlements that may arise at the end of the inspections and litigation in course and there is no expectation that the additional liabilities would significantly affect the Group's consolidated financial statements should the final outcome of these processes be higher than the provision.

### 22 Non-current tax liabilities

<b>At 31 December 2021</b>	<b>28,912</b>
Allocations	3,517
Applications	-5,126
Excess	-1,468
<b>At 31 December 2022</b>	<b>25,835</b>
Allocations	3,819
Applications	-9,115
Excess	-72
<b>At 31 December 2023</b>	<b>20,467</b>

The main provisions and reversals made under non-current provisions for taxes in 2023 are as follows:

- Provision for liabilities in the amount of € 3,396 thousand and provision for interest on the litigation related to the taxation of the sale of AMG Brazil in the amount of € 422 thousand.



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- Application as payment to the AEAT regarding the liquidation (2019-2020) corresponding to the State aid recovery procedure for State aid for the Indirect Goodwill in Italy for an amount of €1,163 thousand.
- Proceeds from the favourable final resolution of the goodwill litigation in the amount of € 7,951 thousand
- Excess interest provisions for the State aid recovery procedure for the Indirect Trade Fund for Italy amounting to € 72 thousand.

The main provisions and reversals made under non-current provisions for taxes in 2022 are as follows:

- Provision for tax amortisation of goodwill for the year 2022 amounting € 1,919 thousand.
- Provision for liabilities of € 1,483 thousand.
- Application as payment to the AEAT regarding the liquidation (2004-2008) corresponding to the State aid recovery procedure for State aid for the Indirect Goodwill for an amount of €5,126 million.
- Excess goodwill provisions amounting to € 1,468 thousand.

In the opinion of the Directors of the Parent Company, there is no significant litigation or contingency whose likelihood of occurrence justifies recognizing any provision in addition to that which has already been recorded. The Directors of the Parent Company consider that the provisions that have been recorded are sufficient to cover the final settlements that may arise at the end of the inspections and litigation in course and there is no expectation that the additional liabilities would significantly affect the Group's consolidated financial statements should the final outcome of these processes be higher than the provision.

### 23 Trade and other current payables

The breakdown of this heading in 2023 and 2022 is as follows:

	31.12.2023	31.12.2022
Third party suppliers	307,008	342,983
Related party suppliers (Note 35)	207,919	179,632
Public entities (Note 24)	72,317	65,053
Payable for services rendered	124,740	114,941
Liabilities from contract with customers (*)	34,885	46,988
Accrued wages and salaries	19,841	19,779
Suppliers of fixed assets	4,656	2,669
Other payables	13,442	10,514
<b>Total trade and other payables</b>	<b>784,808</b>	<b>782,559</b>

(\*) Liabilities from contracts with customers refer to prepayments made by customers

Information on the average payment period to suppliers for the companies in the Spanish territory is as follows:

	2023	2022
Average payment period to suppliers (days)	40	48
Ratio of operations paid	41%	49%
Ratio of operations pending payments	33%	28%
Total payments made (in thousand euros)	1,924,321	1,839,580
Total payments pending (in thousand euros)	141,030	141,799

Invoices paid in a period shorter than the maximum period established in the default regulations:	2023	% of total paid
Monetary volume (in thousand euros)	1,762,973	92%
Number of invoices	78,520	75%



### 24 Current balances with public entities

The breakdown of current balances with public entities is as follows (thousand euro):

	Debit balances		Credit balances	
	31.12.2023	31.12.2022	31.12.2023	31.12.2022
Tax auth. Debit/Credit from VAT and other concepts	54,066	40,403	61,863	55,657
Tax auth. Withholdings applied	3,432	1,887	4,316	4,046
Social Security Agencies	606	786	6,138	5,350
Current tax	8,983	5,545	5,201	13,483
	<b>67,087</b>	<b>48,621</b>	<b>77,518</b>	<b>78,536</b>

### 25 Ordinary Income from contracts with customers

The net amount of ordinary income classified by type for the years 2023 and 2022:

	31.12.2023	31.12.2022
Sales of goods	5,885,393	5,885,277
Rendering of services	79,447	93,603
	<b>5,964,840</b>	<b>5,978,880</b>

The total amount of ordinary income from contracts with customers at the companies that form the consolidation group (eliminating intragroup transactions) is detailed below:

	2023	2022
Gonvarri I Centro de Servicios, S.L.	1,034,055	1,108,163
ArcelorMittal Gonvarri Brasil, Pdtos. Siderurg. S.A.	524,823	596,925
Gonvauto Thüringen, GMBH	443,457	412,787
Gonvauto Puebla, S.A. de C.V.	420,311	374,874
Gonvauto, S.A.	390,465	339,563
ArcelorMittal Gonvarri SSC Slovakia	376,206	409,502
Steel & Alloy Processing LTD	363,552	328,060
Gonvarri Material Handling AS (Constructor Group)	306,985	371,211
Gonvauto South Carolina LLC.	276,748	309,875
Gonvarri Polska, SP. Z O.	247,723	217,724
Gonvauto Galicia, S.A.	208,151	181,883
Gonvarri Ptos. Siderurgicos, S.A.	205,747	219,797
Gonvarri Valencia, S.A	192,735	232,813
Gonvarri Solar Steel	189,686	120,459
Gonvauto Navarra, S.A.	159,722	141,192
Gonvarri Asturias, S.A. (formerly Hierros y Aplanaciones)	155,951	178,725
ArcelorMittal Gonvarri Nitra	122,139	80,596
Gonvarri Argentina S.A.	77,501	88,325
Flejes Industriales, SA	59,401	67,031
Çepas Galvaniz. Sanayi Anomin Sirketi	53,954	36,434
Gonvarri MS Colombia, S.A.S, S.L.	36,494	46,285
Gonvauto Asturias, SL	32,023	33,916
Riera Tuto S.L.	16,834	19,839
SGK	13,171	20,916
Sogel, S.A.	12,214	15,433
Gonvarri Solar Steel US, Inc.	8,432	-
Gonvarri Chile Estructuras Metalizadas LTD	7,668	186
Suports Desarrollo y Soluciones, SL	5,331	4,402
GMS Francia SAS	4,633	3,895
Gonvarri I. Trading, S.L.	3,624	-
Suports Energia Sustentable México S.A.P.I. de C.V	2,971	3,047
Laser Automotive Zaragoza, S.L.	2,809	2,767
Laser Automotive Barcelona, S.L.	2,522	2,750
Laser Automotive Valencia, S.L.	1,879	2,192
Gonvarri I. Trading Portugal	891	-
H2Greem Global Solutions, S.L.	813	167
Adimen	653	585
Road Steel Engineering	599	182
Gonvarri Tarragona, SL	440	488
Gonvarri Agrotech, S.L.	437	-
Gonvasolar S.L.	294	422
Riera i Tuto Valencia, S.L.	165	-
Solar Steel Services	23	3
Dongguan Gonvarri Summit Automotive Steel Processing Center	-	4,611
Other	608	855
<b>Total ordinary revenue from contracts with customers</b>	<b>5,964,840</b>	<b>5,978,880</b>



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The Group has revenues from the transfer of goods and services over time and at a point in time in the following business lines:

2023						
	Auto	Industry	Road Steel	Solar Structures	Other structures	TOTAL
At a point in time	4,400,325	868,016	-	-	-	5,268,341
Over time	-	-	76,386	250,328	369,785	696,499
<b>TOTAL</b>	<b>4,400,325</b>	<b>868,016</b>	<b>76,386</b>	<b>250,328</b>	<b>369,785</b>	<b>5,964,840</b>

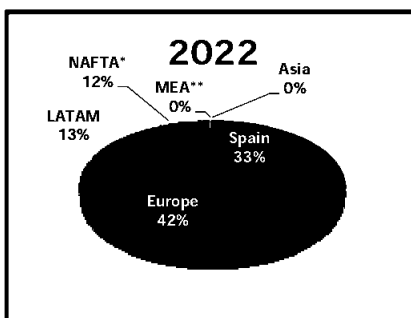
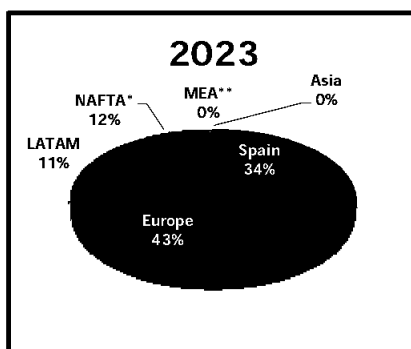
2022						
	Auto	Industry	Road Steel	Solar Structures	Other structures	TOTAL
At a point in time	3,995,747	1,297,188	-	-	-	5,292,935
Over time	-	-	59,168	147,674	479,103	685,945
<b>TOTAL</b>	<b>3,995,747</b>	<b>1,297,188</b>	<b>59,168</b>	<b>147,674</b>	<b>479,103</b>	<b>5,978,880</b>

The ordinary income comes from the "manufacturing and transport", and from the "delivery and installation" of flat steel, aluminium, solar structures, and other system structures, both for their use in industry and in homes.

The breakdown of the Group's ordinary income from contracts with customers by geographic destination area is as follows:

	31.12.2023	31.12.2022
Spain	2,001,562	1,981,838
Europe	2,554,235	2,525,073
LATAM	655,222	741,720
NAFTA*	727,311	704,541
MEA**	19,080	10,508
Asia	7,430	15,200
<b>Total ordinary income</b>	<b>5,964,840</b>	<b>5,978,880</b>

\*North America Free Trade Agreement  
\*\*Middle East and Africa





Gonvarri  
Industries

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## Total ordinary income from contracts with customers by business line

Country	2023					TOTAL
	AUTO	INDUSTRY	ROAD STEEL	SOLAR STRUCTURES	OTHER STRUCTURES	
Germany	440,468	2,989	-	-	50,212	493,669
Argentina	76,797	704	-	-	-	77,501
Belgium	-	-	-	-	10,632	10,632
Brazil	349,174	175,649	-	-	-	524,823
Chile	-	-	7,668	-	-	7,668
Canada	-	-	-	-	1,207	1,207
Colombia	-	8,774	10,967	7,973	8,780	36,494
Denmark	-	-	-	-	15,391	15,391
USA	276,719	29	-	8,432	-	285,180
Spain	1,706,919	468,661	43,449	230,174	22,216	2,471,419
Finland	-	-	-	-	21,170	21,170
France	-	-	4,633	-	-	4,633
Hungary	-	-	-	-	6,141	6,141
Mexico	419,184	-	-	2,986	1,127	423,297
Norway	-	-	-	-	14,853	14,853
the Netherlands	-	-	-	-	29,325	29,325
Poland	234,394	13,318	-	-	8,424	256,136
Portugal	161,792	44,700	-	-	302	206,794
Czech Rep.	-	-	-	-	22,965	22,965
Romania	-	-	-	-	13,985	13,985
Russia	8,232	4,432	-	-	14,568	27,232
Slovakia	415,393	82,952	-	-	3,459	501,804
Sweden	-	-	-	-	39,189	39,189
Switzerland	-	-	-	-	15,596	15,596
Turkey	-	13,508	9,669	763	30,014	53,954
United Kingdom	311,253	52,299	-	-	40,230	403,782
	<b>4,400,325</b>	<b>868,015</b>	<b>76,386</b>	<b>250,328</b>	<b>369,786</b>	<b>5,964,840</b>

Country	2022					TOTAL
	AUTO	INDUSTRY	ROAD STEEL	SOLAR STRUCTURES	OTHER STRUCTURES	
Germany	403,513	9,274	-	-	72,164	484,951
Argentina	87,953	371	-	-	-	88,325
Belgium	-	-	-	-	9,468	9,468
Brazil	353,286	243,639	-	-	-	596,925
Chile	-	-	-	-	186	186
China	4,611	-	-	-	-	4,611
Colombia	-	7,672	14,525	8,706	15,382	46,285
Denmark	-	-	-	-	17,523	17,523
USA	309,875	-	-	-	-	309,875
Spain	1,432,493	793,824	25,462	125,800	75,701	2,453,279
Finland	-	-	-	-	27,465	27,465
France	-	-	3,895	-	-	3,895
Israel	-	-	-	-	488	488
Hungary	-	-	-	-	11,774	11,774
Mexico	374,784	-	-	3,111	90	377,985
Norway	-	-	-	-	10,311	10,311
the Netherlands	-	-	-	-	26,039	26,039
Poland	194,785	22,917	-	-	11,476	229,177
Portugal	169,031	50,764	-	-	1	219,797
Czech Rep.	-	-	-	-	26,435	26,435
Romania	-	-	-	-	18,884	18,884
Russia	15,310	675	-	630	19,304	35,919
Slovakia	342,160	147,938	-	-	2,444	492,542
Sweden	-	-	-	-	42,227	42,227
Switzerland	-	-	-	-	15,841	15,841
Turkey	-	-	15,287	9,427	11,721	36,434
United Kingdom	307,946	20,114	-	-	64,178	392,238
	<b>3,995,748</b>	<b>1,297,188</b>	<b>59,168</b>	<b>147,674</b>	<b>479,101</b>	<b>5,978,880</b>



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The group has recognized the following assets through contracts with customers:

	2023	2022
Assets through contract with customers	64,543	61,052
<b>Total</b>	<b>64,543</b>	<b>61,052</b>

All assets from contracts with customers in the business lines "Auto" and "Solar Structures" correspond to performance obligations classified as satisfied "over time".

The Group has evaluated the expected loss on assets from contracts with customers, which was immaterial the end of 2023 and 2022.

There are no performance obligations derived from long-term contracts that have not been satisfied.

### 26 Revenue from other Operating Contracts

"Revenue from other Operating Contracts" for 2023 and 2022 relates mainly to the following items:

	2023	2022
Leases	5,122	5,177
Capital grants (note 20)	3,020	2,065
Storage	4,686	4,109
Transport	5,390	4,292
Sundry services	10,859	4,113
Management Fee GRI and Gonvama	5,223	5,069
<b>Total revenue from operating contracts</b>	<b>34,300</b>	<b>24,825</b>

The line "leases" mainly includes the income from property leases detailed in Note 7, €4,625 thousand (€4,683 thousand in 2022). The remaining rental income mainly relates to one-off rentals of machinery.

The "Sundry Services" line includes revenues from administration, production and other minor miscellaneous services. The main impact of 2023 within this item is due to extraordinary income with Volkswagen for a stock impairment related to the war in Ukraine amounting to €5,354 thousand.

### 27 Transactions denominated in foreign currency

Transactions carried out by Group companies in currencies other than the euro in 2023 and 2022 are as follows:

	2023	2022
Purchases	1,959,128	2,356,347
Sales	2,144,788	2,660,434
Services Received	81,646	95,178
Services Rendered	62,032	62,823

During the year, 37% of transactions were carried out in currencies other than the euro (45% in 2022), with the dollar, the Brazilian real and the pound being the predominant non-euro currencies in these transactions.

### 28 Other income/expense

The heading "Other net profit/(loss) for the year" is broken down into the following items:

	2023	2022
Excess provisions for risks, taxes and other	202	5
Profit/loss on trans. involving fixed assets (Notes 6, 7 and 8)	-14,541	-8,453
Other ordinary profit/loss	10,426	-10,827
<b>Total net Other income/expense</b>	<b>-3,913</b>	<b>-19,275</b>



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In "Results on fixed asset operations" for 2023 there is primarily the impairment of fixed assets revalued by the PPA in Gonvarri Material Handling Subgroup in 2018 in the amount of € 11,995 thousand in trademarks and goodwill (see Note 8 and 9), as well as € 3,154 thousand in property, plant and equipment (see Note 6) in various companies. Additionally, gains on the sale of fixed assets amounting to 115 thousand euros are recognized, mainly from the sale of machinery in AMG Nitra.

In 2022, primarily the impairment of fixed assets of the plants in Russia in the amount of € 9,875 thousand was recognized, due to the unstable situation resulting from the war in Ukraine. On the other hand, goodwill of Kredit was impaired in the amount of €1,738 thousand, as a result of the annual review in accordance with the accounting policy detailed in Note 3.9 (see Note 8). In addition, gains on the sale of fixed assets were recorded in the amount of € 3,160 thousand, mainly from the sale of all fixed assets in Dongguan.

Finally, in "Other current management results", during 2023, the most significant item is the restatement of tax credits for PIS and COFINS taxes in ArcelorMittal Gonvarri Brazil (€2,883 thousand). The rest is mainly due to positive impacts in several companies that are not individually significant.

In 2022, the extraordinary losses due to PIS and COFINS taxes in ArcelorMittal Gonvarri Brazil (€ -5,420 thousand), due to the impairment of net assets in Gonvarri Baja California (€ -2,169 thousand) and customer guarantee and anti-trust expenses in Gonvarri Material Handling Subgroup (€ -1,595 thousand) were noteworthy.

### 29 Personnel expenses

Personnel expenses break down as follows:

	2023	2022
Wages and salaries	197,696	185,439
Termination benefits	1,604	2,127
Social Security contributions	42,243	41,008
Other employee benefits	13,958	10,955
<b>Total personnel expenses</b>	<b>255,501</b>	<b>239,529</b>

GI Group's average payroll in 2023 and 2022, broken down by category is as follows, and does not significantly differ from the number at the end of each of the years:

	2023		
	Male	Female	Total
Directors/Management	58	16	74
Administration, Finance and IT	858	226	1,084
Purchasing dept	120	29	149
Technical dept.	659	142	801
Productions and maintenance dept.	3,109	462	3,571
Other	116	20	136
<b>Total average payroll</b>	<b>4,920</b>	<b>895</b>	<b>5,815</b>
	2022		
	Male	Female	Total
Directors/Management	55	14	69
Administration, Finance and IT	835	203	1,038
Purchasing dept	115	26	141
Technical dept.	648	125	773
Productions and maintenance dept.	3,159	431	3,590
Other	123	18	141
<b>Total average payroll</b>	<b>4,935</b>	<b>817</b>	<b>5,752</b>

The average headcount of the GI Group in 2023 shows an increase of 63 people compared to the previous year, as a result of increased activity in 2022.



Of the Group's total number of employees, 38% are working in Spain and 62% outside Spain in 2023 (in 2022, 28% in Spain and 72% outside Spain).

At 31 December 2023 the number of employees with a disability exceeding 33% was 82 (85 in 2022).

No amount whatsoever has been paid for contributions or allocations for pensions under employee benefits.

### 30 Other operating expenses

The breakdown of this heading in 2023 and 2022 is as follows:

	2023	2022
Transport	89,115	84,439
Repairs and maintenance	45,299	46,921
Utilities	41,948	48,699
Work done by third parties	35,269	32,912
Other services	22,321	14,307
Insurance premiums	9,106	8,734
Other taxes	8,272	8,149
Independent professional services	7,144	7,315
Variation in trade credit loss provisions (Note 12)	4,607	2,399
Advertising and public relations	4,469	4,129
Lease and royalty payments	3,610	2,835
Research and development expenses	1,708	1,987
Banking services	973	804
<b>Total other operating expenses</b>	<b>273,841</b>	<b>263,632</b>

The most significant variations over 2022 are related to the increase in the cost of transportation, offset by lower spending on supplies due to the slowdown in the increase in activity experienced in 2022. The item with the highest increase is related to other services, mainly due to the increase in communications expenses.

The heading "Other Services" mainly includes travel expenses, system maintenance expenses and expenses for legal advice.

The line of leases includes those contracts whose duration is less than 12 months or whose amount is less than 5 thousand euros, as established by the new regulations in force, IFRS 16.



### 31 Financial income and expenses

The breakdown of this heading in 2023 and 2022 is as follows:

		2023	2022
<b>Financial income</b>			
On receivables from related parties (Note 35)	(a)	3,169	1,785
Marketable securities and other fin. Instruments	(b)	8,767	2,294
<b>Other Financial income</b>	(c)	<b>5,621</b>	<b>2,683</b>
		<b>17,557</b>	<b>6,762</b>
<b>Financial expense</b>			
On payables to related parties (Note 35)	(d)	-2,093	-1,464
Bank borrowings	(e)	-14,875	-9,286
On payables to third parties		-1,734	-2,020
Interest on discounted bills		-2,041	-1,644
Interest on discounted bills IFRS 16		-1,801	-1,416
<b>Other Financial expense</b>	(f)	<b>-3,358</b>	<b>-2,115</b>
		<b>-25,902</b>	<b>-17,945</b>
<b>Impairment and results from fin. Instruments</b>			
Profit/loss from equity investments		93	-297
		93	-297
<b>Exchange differences</b>			
Gains on exchange		57,190	58,519
<b>Losses on exchange</b>		<b>-85,557</b>	<b>-69,068</b>
		<b>-28,367</b>	<b>-10,549</b>
<b>Measurement at fair value of financial instruments</b>			
<b>Gains on measurement at fair value of financial instruments</b>	(g)	<b>1,664</b>	-
		<b>1,664</b>	-

- The financial income from "Receivables with related parties" mainly includes financial surcharges for delays in collections from related party customers. The most significant increases in 2023 compared to 2022 are in Gonvarri I Service Center and Gonvarri Galicia.
- Income from "Marketable securities and other financial instruments" experiences a significant increase during 2023 as a result of the collection of interest related to the interest rate hedging derivatives held by Gonvarri Corporación Financiera arising from the rise in the Euribor, with an impact of € 4,017 thousand.
- The increase in "Other financial income" is due to Gonvarri Corporación Financiera for the update of the provision for goodwill in the amount of € 1,271 thousand and a significant impact also in Gonvarri Asturias in the amount of € 1,373 thousand for late payment interest on delayed collection from customers.
- The financial expenses for related party debts include the financial cost of the loan that Gonvarri Corporación Financiera has with Holding Gonvarri.
- Financial expenses on "Bank borrowings" include financial interest on debts of the Group companies with external financial institutions for the financing of their activities. The expenses increase during 2023 as a result of the rise in Euribor.
- The increase in "Other financial expense" is mainly due to the restatement of the value of the amount pending payment for the acquisition of 51% of Riera i Tuto in Gonvarri Corporación Financiera.
- The "Measurement at fair value of financial instruments" includes the restatement of the fair value of the put/call option arising in Gonvarri Corporación Financiera as a result of the agreement reached with the Hidria Subgroup partners (see note 34).



### 32 Income tax

#### 32.1 Tax expense

The breakdown of corporate income tax expense for 2023 and 2022 is as follows:

	2023	2022
Current tax	37,246	75,991
Deferred tax for the year (Note 19)	11,281	-6,866
Other adjustments to tax expense	1,932	1,049
<b>Total income taxes</b>	<b>50,459</b>	<b>70,174</b>

The heading "Other adjustments to tax expense" includes payments of accordingly agreed assessments and the provisions for certain tax items that are being contested.

The Group's income tax differs from the theoretical amount that would have been obtained had the average weighted tax rate applicable to the consolidated companies' profits been used, as follows:

	2023	2022
Profit before taxes	223,856	301,800
Adjustment for equity cons. Companies	-53,403	-31,898
<b>Adjusted profit</b>	<b>170,453</b>	<b>269,902</b>
Theoretical tax rate	43,301	68,887
Differences due to different taxes	-688	-1,411
Exempt income or non-deductible expenses	7,329	1,209
Negative tax bases and diff. Between acc./tax bases	-390	-4,252
Deductions applied	-4,144	-4,563
Adj. For changes in tax rates without deductions	-1,906	4,858
Other tax expense adjustments	6,999	4,325
Effect Hyperinflation Turkey and Argentina	-42	1,122
<b>Tax expense</b>	<b>50,459</b>	<b>70,174</b>

The theoretical rate applied in 2023 is of 25%, just as in 2022. The Group uses this theoretical rate due to the fact that most of its business takes place within Spain.

The line "Difference due to different rates" includes the effect of the difference in tax rates compared with the theoretical rate applied and which mainly concerns the subsidiaries located in Brazil, Poland, Colombia, Portugal, Russia, Italy, United Kingdom, India, Argentina and the United States.

In 2023 and 2022 exempt income and non-deductible expenses include permanent differences, such as provisions and non-deductible expenses as well as the differences deriving from the Group's consolidation process, mainly deriving from the elimination of transactions carried out among Group companies.

The line "Other tax expense adjustments" relates to the provision recorded by the Group deriving from tax assessments raised this year that have been contested (Note 22).

In 2023 and 2022 the deductions applied mainly cover the deductions deriving from double domestic and international taxation arising on investments in the Environment, on the reinvestment of extraordinary profits and on amounts relating to job creation.

#### Regulatory changes 2024 "Pillar 2":

Legislation for the implementation of Pillar 2 under BEPS 2.0 has been enacted in certain jurisdictions in which the Group operates, while in the rest of the jurisdictions in which the Group is present it is either at a different stage of processing or will not be applicable. In general, this Pillar 2 legislation will typically be applicable as of fiscal years beginning on or after January 1, 2024.



The Group falls within the scope of this new regulation and, to this end, has made a preliminary estimate of the potential exposure it could have in 2024. This first estimate is based on the most recent tax returns, on the Country-by-Country Report of the group in which it is included and on the financial statements of the entities that fall within the scope. From this estimate, a potential impact can be concluded, mainly in China, Poland and Hungary, i.e. jurisdictions that either already have nominal tax rates below 15% or have tax incentives that reduce the effective tax rate below this threshold. However, in order to have a more precise estimate for the year 2023, given that, in accordance with the applicable mercantile and accounting regulations, the ultimate parent company is Acek Desarrollo y Gestión Industrial, S.L., it will be necessary to analyse the impact considering the entire scope of that consolidation group.

Notwithstanding the above, for the year 2024, it will be necessary to take into consideration, firstly, how the proportion of consolidated profit before tax from continuing operations subject to these new regulations will evolve, which will depend on factors such as revenues, costs and currency exchange rates and, secondly, how the nominal and effective tax rates of the different jurisdictions in which the Group operates may evolve in 2024.

### Subsequent tax events 2024:

On January 18, 2024, the Constitutional Court has declared unconstitutional the Royal Decree Law 3/2016, of December 2, which introduced certain measures in the corporate income tax. The Court considers that the approval of such measures by Royal Decree Law has violated art. 86.1 of the Spanish Constitution, since by means of such regulatory instrument it is not possible to "affect the rights, duties and freedoms of citizens regulated in Title I". Specifically, it considers that this has affected the duty to contribute to the support of public expenditures.

In particular, the amendments to corporate income tax that have been annulled are: the establishment of the 25% limitation on the offsetting of tax losses; the introduction of a limit on the application of double taxation deductions; and the obligation to automatically include in the taxable income the impairment losses on investments deducted in previous years.

With the annulment of this RD 3/2016, the original Corporate Income Tax Law is once again applicable according to its original wording, which allows the recoverability of tax losses with a limit of 70% (instead of 25%) of the taxable income generated in the year. This measure has no impact on the Group, since at the end of 2023 it has no tax loss carry forwards in any of its Spanish companies.

### **32.2 Tax consolidation**

In accordance with the content of transitional provision twenty-five of Law 27/2014, the company Gonvarri Corporación Financiera, S.L., holding tax identification number B-28088045, from 1 January 2015, is the parent company of the tax group identified by number 0292/13 which, at 31 December 2023, consists of the following companies:

- Gonvauto, S.A.
- Gonvarri I Centro de Servicios, S.L.
- Gonvarri Tarragona, S.L.
- Gonvasolar, S.L.
- Gonvarri MS R&D SL
- Gonvarri I. Trading, S.L.
- Gonvauto Galicia, S.A.
- Gonvarri Asturias, S.A.
- Gonvauto Asturias, S.L.
- GRI R&D Engineering SL
- Solar Steel Services, SL
- Inversiones Energéticas Andinas S.L.
- Flejes Industriales S.A
- Gonvarri Valencia S.A.
- GRI Renewable Industries, S.L.
- GRI Towers Galicia, S.L.
- GRI Towers Sevilla, S.L.
- Road Steel Engineering, S.L.
- Gonvarri Solar Steel, S.L.
- Gonvarri Material Handling, S.L.
- Suport Desarrollo y Soluciones, S.L.
- Laserboost, S.L.
- Gonvarri Agrotech, S.L.



Holding Gonvarri, SL, domiciled in Vizcaya, is the parent company and Gonvarri Corporación Financiera, S.L. is the representative company of said consolidated Group and, as a result, is responsible for the presentation and payment of the taxes of said Group before the General Directorate of Taxes.

The companies Gonvarri Vizcaya, S.L., Gonvarri MS Corporate, S.L. and Addimen Bizkaia, SL are also taxed on a consolidated basis under Basque Regional Legislation.

### (a) Years open to inspection

In general terms, all tax returns for the years that have not lapsed in accordance with the various bodies of tax legislation applicable to each group company are open to inspection.

### (b) Contentious-administrative proceedings:

#### Spain

##### Corporate income tax. 2011-2014

At present and as a result of the inspection procedure brought by the Spanish Tax Agency (A.E.A.T.) against the Company, relating to the periods 2011-2014, there is a contentious-administrative procedure pending before the National High Court for an amount of €9,891 thousand, which corresponds to the taxation of the sale of 50% of AMG Brasil in 2008. This amount was provisioned during the year 2021 (see note 22).

##### Recovery State aid 2003 to 2014, 2015-2016, 2017-2018, 2019-2020 and 2021:

On 27 March 2023, the Company received the settlement, which put an end to the State aid recovery procedure for indirect goodwill from 2019 and 2020 (€ 1,144 thousand) that had been initiated on 27 June 2022. This settlement was paid and appealed by means of an economic-administrative claim before the T.E.A.C. on 21 April 2023.

On September 1, 2023, the Company received notification of the initiation of the State aid recovery procedure for indirect goodwill for the year 2021, which is currently being processed.

#### Mexico

-Gonvarri MS Baja California SA de CV / IS-IVA 2019 Inspection: in March 2023, the company received a resolution of the appeal filed against the Initial Act (IS 2018 / controversy € 1,556 thousand), declaring the tax credit contained in the act (very favourable for the company) to be null and void.

On March 16, 2023 the company filed a lawsuit before the Court of Administrative Justice (Nullity Recourse), without waiting for the SAT to reevaluate and issue a new Act, which saves the cost of the guarantee and prevents the SAT from having a new opportunity to review and reevaluate the situation and return to the initial point with a new Act. Currently awaiting final resolution.

-Gonvarri MS Baja California SA de CV / Customs Inspection 2017: on August 15, 2023, a Nullity Recourse is filed against the Act issued by the SAT, resulting in a dispute amounting to € 23 million.



### (c) Inspection procedures

#### Spain

- On July 27, 2023, the general inspection procedure initiated against the Tax Group of which the Company is a representative, relating to the periods 2016-2019 and the concepts (CIT-VAT-PIS-NRT), was completed.

Regarding corporate income tax, the Company signed tax assessments for an amount of € 4.851 thousand and a non-conformity assessment for an amount of € 674 thousand, the settlement of which has been appealed before the T.E.A.C.A. (Tax Court of Appeals). In relation to Value Added Tax, the Company signed a tax assessment for an amount of € 96 thousand.

- On June 27, 2023, the general inspection procedure was completed for the companies Gonvarri I. Centro de Servicios, S.L and Gonvauto, S.A., in relation to the periods 2016-2019 (I.S.) and 2018-2019 ( VAT-PIT). With respect to Corporate Income Tax, the Companies signed tax assessments in the amount of €24 thousand and with respect to Value Added Tax, tax assessments were signed in the amount of €36 thousand.

At the date of preparation of these consolidated financial statements, the inspection procedures were still in progress, although the Parent companies' directors consider that the aforementioned taxes have been properly settled and, therefore, even if discrepancies arose in the current legal interpretation of the tax treatment granted to the transactions, any resulting liabilities, if any, would not have a material effect on the accompanying consolidated financial statements.

### 32.3 Tax losses available for offset

At 31 December 2023 the Group's tax losses available for offset break down as follows:

Company	Originating period	Available until	Base amount	Status
Addimen Bizkaia SL	2015-2016	2045-2046	132	Not cap.
Addimen Bizkaia SL	2017-2020	2047-2050	703	Capitalized
Gonvarri S tälteknik AB	2020	No limit	384	Capitalized
Çepas Galvaniz Demir Çelik AŞ	2021	2026	2,642	Not cap.
Complete Storage & Interiors UK	2020-2022	No limit	287	Not cap.
Constructor Finland	2013	No limit	1,311	Not cap.
Constructor Finland	2016	2026	2,529	Capitalized
Constructor Finland	2017-2018	2027-2028	648	Not cap.
Constructor Group UK	2019	No limit	669	Capitalized
Constructor Group UK	2013-2021	No limit	3,049	Not cap.
Constructor Norge	Before 2013	No limit	968	Capitalized
GMH AS	2018	No limit	1,759	Capitalized
GMH AS	2019-2023	No limit	8,550	Not cap.
Gonvarri Argentina	2023	until 2025	6,061	Not cap.
Gonvarri Chile Estructuras Metálicas, Ltda.	2015-2023	No limit	2,057	Not cap.
Gonvarri Industrial Maroc SL	2018-2023	2024-No limit	1,985	Not cap.
Gonvarri MS Baja California	2017-2022	2027-2032	13,544	Not cap.
Gonvarri MS Colombia	2014-2017	2032-No limit	4,436	Not cap.
Gonvarri MS Colombia	2018-2020	2030-2032	6,051	Capitalized
Gonvarri Solar Steel USA	2012-2022	2032-No limit	10,982	Not cap.
Gonvauto South Carolina LLC.	2013-2020	2033-No limit	19,812	Capitalized
Gonvauto Laser Blanking Germany GmbH	2017-2021	No limit	2,620	Not cap.
Gonvauto Thuringen, GMBH	2017-2023	No limit	8,169	Capitalized
H2G reem Global Solutions, S.L.	2022-2023	No limit	533	Capitalized
MAG Aliança Automóveis do Brasil SSC S.	2023	No limit	2,657	Capitalized
Riera y Tuto Valencia	2023	No limit	427	Capitalized
SGH SL	2020-2023	No limit	12	Capitalized
SGK LLC	2022	No limit	2,120	Capitalized
SOGEL, S.A.	2015-2023	No limit	8,287	Capitalized
<b>Total</b>			<b>113,383</b>	



At 31 December 2022 the Group's tax losses available for offset break down as follows:

Company	Originating period	Available until	Base amount	Status
Addimen Bizkaia SL	2015-2020	2045-2050	835	Capitalized
Gonvarri Stålteknik AB	2020	No limit	437	Capitalized
Çepas Galvaniz Demir Çelik AŞ	2021	2026	4,317	Capitalized
Constructor Finland	2013-2018	2025-2028	5,220	Capitalized
Constructor Group UK	2017-2021	No limit	2,841	Capitalized
Constructor Group UK	2013-2016	No limit	1,691	Not cap.
Constructor Norge	Before 2013	No limit	1,286	Capitalized
GMH AS	2018-2022	No limit	3,132	Capitalized
GMH AS	2018-2022	No limit	4,029	Not cap.
Gonvarri Aluminium	2022	No limit	197	Capitalized
Gonvarri Chile Estructuras Metálicas, Ltda.	2013-2021	No limit	2,112	Not cap.
Gonvarri Industrial Maroc SL	2020-2022	No limit	1,925	Not cap.
Gonvarri Italia	2015-2016	No limit	282	Capitalized
Gonvarri MS Baja California	2017-2021	2027-2031	12,239	Not cap.
Gonvarri MS Colombia	2014-2018	No limit	5,384	Capitalized
Gonvarri MS Colombia	2018-2022	2030-2032	5,624	Not cap.
Gonvarri Solar Steel USA	2012-2019	2032-No limit	12,644	Not cap.
Gonvauto South Carolina LLC.	2013-2020	2033-No limit	25,805	Capitalized
Gonvauto Laser Blanking Germany GmbH	2017-2021	No limit	2,675	Not cap.
Gonvauto Thuringen, GMBH	2017-2020	No limit	5,161	Capitalized
H2Greem Global Solutions, S.L.	2022	No limit	244	Capitalized
Severstal Gonvarri Holding SL	2020-2022	No limit	12	Capitalized
Severstal Gonvarri Kaluga Ilc	2022	No limit	4,914	Capitalized
SOG El, S.A.	2015-2020	No limit	7,595	Capitalized
<b>Total</b>			<b>110,600</b>	

Deferred tax assets for tax-loss carry forwards are recognized to the extent that the corresponding tax benefit will probably be realized by way of future tax benefits.

At the end of 2023 and 2022 the Group has made projections of future tax base flows in order to evaluate the recovery of the tax-loss carry forwards that have been generated and these projections show a positive evolution of profits, the Directors have decided to recognize the tax credits deriving from the capitalization of the tax-loss carry forwards originating this year and in prior years.

The main Group companies with capitalised tax credits have been analysed and it has been concluded that none of them show signs of impairment.

### 33 Commitments

#### 33.1 Commitments for the purchase of assets (investment commitments)

At 31 December 2023 the Group has commitments to purchase property, plant and equipment amounting to €33,093 thousand (€33,440 thousand in 2022), mainly relating to machinery and buildings.

The commitments to purchase fixed assets at December 31, 2023 mainly include investments in the new longitudinal line in Portugal for € 6,777 thousand, the new Souspeed AB 1300 line in Changshu for € 2,576 thousand and the Tailor Welding Blank project in Campinas for € 1,200 thousand.

#### 33.2 Contingent benefits

At 31 December 2023 and 2022 there are no contingent benefits whatsoever.



### 34 Investments

#### 34.1 Investments in joint ventures and associates

The interests maintained by the Group in joint ventures associates which it recognizes in the consolidated financial statements using the equity method are as follows:

Company		31.12.2023	31.12.2022
MAG Aliança Automóveis do Brasil SSC S.A.	(1)	25%	25%
Group Vama Gonvarri	(2)	50%	50%
G estamp Automotive India Private Ltd.		50%	50%
Rejillas Calibradas, S.L		20%	20%
Subgroup Hidria		41%	-

(1) The % interest that is given here will not match the percentages used in the following tables, as these use the % used by AMG Brazil to integrate this company to their balance sheet.

(2) The Vama Gonvarri Group includes the following companies: Vama Gonvarri Advance AASS, Vama Gonvarri AASS Shenyang, Vama Gonvarri AASS Changshu, Vama Gonvarri AASS Chongqing and Vama Gonvarri AASS Loudi.

The breakdown and movements in investments in joint ventures and associates over which the Group does not hold control are set out in the following table:

The main movements in 2023 were the following:

Company	31.12.2022	Profit/Loss 2023	Exchange differences	Changes in scope	Dividends	31.12.2023
MAG Aliança Automóveis do Brasil SSC S.A.	11,942	451	490	-	-	12,883
Subgroup Vama Gonvarri	92,128	35,650	-6,538	-	-	121,240
G estamp Automotive India Private Ltd.	52,607	3,449	-2,229	-	-	53,827
Rejillas Calibradas, S.L	5,969	370	-	-	-300	6,039
Subgroup Hidria	-	13,483	-	69,431	-	82,914
	<b>162,646</b>	<b>53,403</b>	<b>-8,277</b>	<b>69,431</b>	<b>-300</b>	<b>276,903</b>

- On January 9, 2023, Gonvarri Corporación Financiera obtained 40.18% of the shares of the Hidria Subgroup, whose holding company is located in Slovenia, for which it paid € 71,486 thousand. Additionally, in 2023 it acquired 1.25% of the subgroup through the acquisition of shares from minority shareholders, paying an additional € 2,222 thousand for these shares. The subgroup is mainly engaged in the development, production and marketing of advanced technology systems for both the automotive and industrial sectors. The companies comprising this subgroup are:

Sociedad	País
H&R d.d (subgroup Hidria)	Slovenia
Hidria Holding d.o.o	Slovenia
HGR Nalozbe d.o.o	Slovenia
Hidria RUS	Russia
Hidria GmbH	Switzerland
Hidria d.o.o	Slovenia
Tomos Invest	Slovenia
Hidria P d.o.o	Slovenia
Hidria IP d.o.o	Slovenia
Hidria Suzhou	China
Hidria Nep d.o.o	Serbia
Hidria Bausch kft	Hungary
Hidria Bausch GmbH	Germany

In addition to the acquisition of 41.43% during 2023, an agreement was signed with the Majority Shareholders whereby for a period of 36 months after April 1, 2024, the latter will have the right to sell their shares to Gonvarri Corporación Financiera, giving rise to a "Put" option on the liabilities side of the Group's balance sheet initially valued at fair value on



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January 9, 2023 for an amount of € 4,384 thousand. In the same way, in this agreement, a "Call" option recorded on the assets side of the Group's balance sheet arises, whereby, for 36 months, from April 1, 2027, Gonvarri has the right to purchase all the shares from the remaining shareholders, valued at fair value in the amount of € 5,581 thousand. The difference in the fair values of the "Put" and "Call" options reduces the value of Gonvarri Corporación Financiera's shareholding in Hidria Subgroup by € 1,197 thousand. See note 18.

Change in the scope of consolidation in 2023 due to the acquisition of the Hidria subgroup:

	2023	% Shares
Initial payments (09/01/2023)	71,486	40.18%
Increase March 2023	1,823	1.03%
Increase September 2023	399	0.22%
Initial valuation "Put/Call" option	-1,197	-
Dividend distribution against reserves (*)	-3,080	-
<b>Total</b>	<b>69,431</b>	<b>41.43%</b>

(\*) Decreases the value of the equity interest

At the end of 2023, the fair values of these "Put" and "Call" options arising from the Hidria Subgroup acquisition contract were revalued, giving a value of € 5,105 thousand for the "Call" option and a value of € 2,244 thousand for the "Put" option. This restatement of fair values has a positive impact on the Group's financial result of € 1,664 thousand.

Finally, in the context of the signed agreement, among others, a clause is provided for whereby, in the event of a deadlock, Gonvarri would have the power to exercise the "Deadlock Resolution Option", i.e. it would have the right to purchase all the shares of all the other shareholders, giving it potential voting rights from the date of the first anniversary of the First Closing Date (January 2024).

The main movements in 2022 were the following:

Company	31.12.2021	Profit/Loss 2022	Exchange differences	Dividends	31.12.2022
MAG Aliança Automóveis do Brasil SSC S.A.	9,269	809	1,864	-	11,942
Subgroup Vama Gonvarri	70,523	24,102	-2,497	-	92,128
Gestamp Automotive India Private Ltd.	48,892	6,290	-2,575	-	52,607
Rejillas Calibradas, S.L.	5,672	697	-	-400	5,969
	<b>134,356</b>	<b>31,898</b>	<b>-3,208</b>	<b>-400</b>	<b>162,646</b>

Summarized financial information regarding joint ventures and associates recognized using the equity method is set out below:

### Summarized Balance Sheet 2023

Heading	Gestamp Automotive India Private Ltd.	MAG Aliança Automóveis do Brasil SSC S.A.	Rejillas Calibradas, S.L.	Subgroup Vama Gonvarri	Subgroup Hidria
Total non-current assets	51,557	18,315	21,092	170,989	194,306
Total current assets	86,171	16,469	18,384	222,281	154,274
Total non-current liabilities	3,300	4,611	1,074	13,848	62,275
Total current liabilities	26,775	4,410	8,204	136,942	86,176
<b>NET ASSETS</b>	<b>107,653</b>	<b>25,763</b>	<b>30,198</b>	<b>242,480</b>	<b>200,129</b>
% interest	50%	50%	20%	50%	41%
<b>Book value</b>	<b>53,827</b>	<b>12,882</b>	<b>6,040</b>	<b>121,240</b>	<b>82,914</b>



### Summarized Balance Sheet 2022

Heading	Gestamp Automotive India Private Ltd.	MAG Aliança Automóveis do Brasil SSC S.A.	Rejillas Calibradas, SL	Subgroup Vama Gonvarri
Total non-current assets	44,275	14,114	21,395	171,891
Total current assets	83,215	21,715	17,027	253,712
Total non-current liabilities	2,927	933	1,499	37,718
Total current liabilities	19,350	11,013	7,077	203,630
<b>NET ASSETS</b>	<b>105,213</b>	<b>23,883</b>	<b>29,846</b>	<b>184,255</b>
% interest	50%	50%	20%	50%
<b>Book value</b>	<b>52,607</b>	<b>11,942</b>	<b>5,969</b>	<b>92,128</b>

### Summarized comprehensive income statement 2023

Heading	Gestamp Automotive India Private	MAG Aliança Automóveis do Brasil SSC S.A.	Rejillas Calibradas, SL	Subgroup Vama Gonvarri	Subgroup Hidria
Net revenue	103,620	49,450	40,817	308,020	392,051
Operating expense	-97,781	-47,874	-38,445	-223,429	-353,634
<b>Operating profit</b>	<b>5,839</b>	<b>1,576</b>	<b>2,372</b>	<b>84,591</b>	<b>38,417</b>
Financial income	3,326	-520	122	-1,100	-2,453
Exchange differences	171	-20	-11	90	-
<b>Profit before taxes</b>	<b>9,336</b>	<b>1,036</b>	<b>2,483</b>	<b>83,581</b>	<b>35,964</b>
Tax expense	-2,438	-134	-631	-12,281	-3,419
<b>Total profit/loss</b>	<b>6,898</b>	<b>902</b>	<b>1,852</b>	<b>71,300</b>	<b>32,545</b>
% interest	50%	50%	20%	50%	41%
<b>Profit/loss eq. cons. Comp</b>	<b>3,449</b>	<b>451</b>	<b>370</b>	<b>35,650</b>	<b>13,483</b>

### Summarized comprehensive income statement 2022

Heading	Gestamp Automotive India Private	MAG Aliança Automóveis do Brasil SSC S.A.	Rejillas Calibradas, SL	Subgroup Vama Gonvarri
Net revenue	120,764	45,260	44,412	262,064
Operating expense	-105,675	-42,085	-40,015	-200,527
<b>Operating profit</b>	<b>15,089</b>	<b>3,175</b>	<b>4,397</b>	<b>61,537</b>
Financial income	2,248	-738	357	-2,454
Exchange differences	25	4	84	79
Impairment and other profit/loss	-	-18	-300	-
<b>Profit before taxes</b>	<b>17,362</b>	<b>2,423</b>	<b>4,538</b>	<b>59,162</b>
Tax expense	-4,782	-806	-1,051	-10,959
<b>Total profit/loss</b>	<b>12,580</b>	<b>1,617</b>	<b>3,487</b>	<b>48,203</b>
% interest	50%	50%	20%	50%
<b>Profit/loss eq. cons. Comp</b>	<b>6,290</b>	<b>809</b>	<b>697</b>	<b>24,102</b>

There are no contingent liabilities or commitments relating to the Group's interests in the joint ventures and associates.

### 34.2 Subsidiaries with significant non-controlling shareholders

The financial information for subsidiaries that have significant non-controlling shareholders is set out below:

Company	2023	2022
ArcelorMittal Gonvarri Brasil	50%	50%
SGK	50%	50%
ArcelorMittal Gonvarri Nitra S.R.O	50%	50%
ArcelorMittal Gonvarri SSC Slovakia	50%	50%



## Consolidated annual accounts 2023

The accumulated balances for the outside shareholder classified as significant total €144,961 thousand (€130,120 thousand in 2022) (Note 17).

The summarized information for the subsidiaries is set out below. This information is based on amounts before inter-company eliminations:

### Summarized Balance Sheet 2023

Heading	SGK	AMG Brasil	ArcelorMittal Gonvarri Nitra S.R.O	ArcelorMittal Gonvarri SSC Slovakia
Total non-current assets	418	79,436	24,984	43,911
Total current assets	19,880	112,534	41,320	116,769
Total non-current liabilities	113	10,694	9,345	12,982
Total current liabilities	2,755	57,174	30,688	25,580
<b>Total Net Assets</b>	<b>17,430</b>	<b>124,102</b>	<b>26,271</b>	<b>122,118</b>
% interest	50%	50%	50%	50%
<b>Total non-contr. shareholders</b>	<b>8,715</b>	<b>62,051</b>	<b>13,136</b>	<b>61,059</b>

### Summarized Balance Sheet 2022

Heading	SGK	AMG Brasil	ArcelorMittal Gonvarri Nitra S.R.O	ArcelorMittal Gonvarri SSC Slovakia
Total non-current assets	3,152	78,575	26,329	42,815
Total current assets	14,472	109,425	27,204	107,010
Total non-current liabilities	61	8,770	10,371	12,928
Total current liabilities	1,563	69,890	22,152	23,008
<b>Total Net Assets</b>	<b>16,000</b>	<b>109,340</b>	<b>21,010</b>	<b>113,889</b>
% interest	50%	50%	50%	50%
<b>Total non-contr. shareholders</b>	<b>8,000</b>	<b>54,670</b>	<b>10,505</b>	<b>56,945</b>

### Summarized comprehensive income statement 2023

Heading	SGK	AMG Brasil	ArcelorMittal Gonvarri Nitra S.R.O	ArcelorMittal Gonvarri SSC Slovakia
Net turnover	13,171	526,238	122,239	376,799
Other operating income	5,766	7,222	5	47
Operating expense	-12,998	-519,043	-114,836	-366,192
<b>Operating profit</b>	<b>5,939</b>	<b>14,417</b>	<b>7,406</b>	<b>10,654</b>
Financial income	1,098	409	-738	-372
Exchange differences	395	-74	-	-
Impairment and other profit/loss	-	535	-	168
<b>Profit before taxes</b>	<b>7,432</b>	<b>15,287</b>	<b>6,670</b>	<b>10,450</b>
Tax expense	-1,839	235	-1,409	-2,222
<b>Total Profit/loss</b>	<b>5,593</b>	<b>15,522</b>	<b>5,261</b>	<b>8,228</b>
% interest	50%	50%	50%	50%
<b>Profit/loss ext. partner (Note 16)</b>	<b>2,797</b>	<b>7,761</b>	<b>2,631</b>	<b>4,114</b>



## Consolidated annual accounts 2023

### Summarized comprehensive income statement 2022

Heading	SGK	AMG Brasil	ArcelorMittal Gonvarri Nitra S.R.O	ArcelorMittal Gonvarri SSC Slovakia
Net turnover	20,914	597,042	80,614	409,482
Other operating income	554	5,698	2	47
Operating expense	-44,301	-580,641	-75,844	-379,346
<b>Operating profit</b>	<b>-22,833</b>	<b>22,099</b>	<b>4,772</b>	<b>30,183</b>
Financial income	421	-530	-281	-235
Exchange differences	-424	205	-	-
Impairment and other profit/loss	-	809	-	-
<b>Profit before taxes</b>	<b>-22,836</b>	<b>22,583</b>	<b>4,491</b>	<b>29,948</b>
Tax expense	2,366	-4,834	-948	-6,372
<b>Total Profit/loss</b>	<b>-20,470</b>	<b>17,749</b>	<b>3,543</b>	<b>23,576</b>
% interest	50%	50%	50%	50%
<b>Profit/loss ext. partner (Note 16)</b>	<b>-10,235</b>	<b>8,875</b>	<b>1,772</b>	<b>11,788</b>

### 35 Related party transactions

The Group is ultimately controlled by the company Acek Desarrollo y Gestión Industrial, S.L. (formerly Corporación Gestamp, S.L.), (Incorporated in Madrid), which holds 65% of the company's shares. The remaining 35% are held by ArcelorMittal Group through different companies.

The following transactions were carried out with related parties at market prices:

- Holding Gonvarri, S.L
- Grupo GRI Renewable Industries "GRI"
- Grupo Acek Desarrollo y Gestión Industrial, S.L and its shareholders
- ArcelorMittal Group
- Associates
- Joint arrangements
- Key executives and their family members
- Directors and their families

Related party transactions are subject to the same time periods and conditions as other transactions with third parties outside of the Group, as well as the compensation deriving from those transactions.

No guarantee has been granted to, or received from, associated companies to guarantee the settlement of debts among them, with the exception of the guarantees provided to Acek Desarrollo y Gestión Industrial, S.L. (formerly Corporación Gestamp, S.L.) Holding Gonvarri, S.L or GRI Renewable Industries S.L. (Note 38).

There is no amount payable to associated companies that must covered by a provision at 31 December 2023.

#### (a) Sale of goods, rendering of services and interest received

	2023				Total
	Grupo Acek DG I, S.L.	Grupo Arcelor Mittal	Holding Gonvarri S.L.	Other associates	
Sales of goods	2,293,796	271,638	-	13,244	2,578,678
Rendering of services	8,075	9,546	-	11	17,632
Financial income (Note 31)	3,157	-	-	12	3,169
Income from sundry services	62,297	3,634	281	5,313	71,525
	<b>2,367,325</b>	<b>284,818</b>	<b>281</b>	<b>18,580</b>	<b>2,671,004</b>



## Consolidated annual accounts 2023

	2022				Total
	Grupo Acek DGI, S.L.	Grupo Arcelor Mittal	Holding Gonvarri S.L.	Other associates	
Sales of goods	2,232,036	242,948	-	10,384	2,485,368
Rendering of services	8,724	10,433	-	16	19,173
Financial income (Note 31)	1,785	-	-	-	1,785
Income from sundry services	11,922	2,532	23	5,613	20,090
	<b>2,254,467</b>	<b>255,913</b>	<b>23</b>	<b>16,013</b>	<b>2,526,416</b>

### (b) Purchases of goods and services and interest paid

	Grupo Acek DGI, S.L.	Grupo Arcelor Mittal	Holding Gonvarri S.L.	Other associates	Total
Purchases	253,514	2,281,766	-	389	2,535,669
Sundry service expense	7,906	837	53	300	9,096
Financial expense (Note 31)	-	2	2,091	-	2,093
	<b>261,420</b>	<b>2,282,605</b>	<b>2,144</b>	<b>689</b>	<b>2,546,858</b>

	2022				Total
	Grupo Acek DGI, S.L.	Grupo Arcelor Mittal	Holding Gonvarri S.L.	Other associates	
Purchases	266,015	2,438,779	-	946	2,705,740
Sundry service expense	4,069	846	50	199	5,164
Financial expense (Note 31)	16	340	1,107	1	1,464
	<b>270,100</b>	<b>2,439,965</b>	<b>1,157</b>	<b>1,146</b>	<b>2,712,368</b>

### (c) Remuneration of key management personnel and directors

In 2023 the members of the Board of Directors received wages and salaries totalling €2,520 thousand (€2,100 thousand in 2022) of which €1,200 thousand are attributable to the leasing of services of the members of the Board of Directors. At the closing of the year, the Group had not granted any loans nor prepayments to any of the Directors.

Total remuneration paid in 2023 to Senior Management personnel amounts to €1,247 thousand (€1,961 thousand in 2022). There are no contributions to pension plans and insurance premiums just as in the previous year.

The Company did not grant any loans to senior management in 2023 nor 2022.

### (d) Year-end balances arising from sales/purchases of goods/services

at 31.12.2023		Grupo Acek DGI, S.L.	Grupo Arcelor Mittal	Holding Gonvarri S.L.	Other associates
Trade and other receivables	(Note 12)	394,954	28,485	-	8,133
Trade and other payables	(Note 23)	27,795	179,986	123	15

at 31.12.2022		Grupo Acek DGI, S.L.	Grupo Arcelor Mittal	Holding Gonvarri S.L.	Other associates
Trade and other receivables	(Note 12)	424,882	23,120	2	6,461
Trade and other payables	(Note 23)	5,691	173,531	215	195

Since these balances are due and payable or accrue market interest, their fair value is similar to their book value.



### (e) Balances at the year-end for loans granted and received

Thousand euros	2023	2022
Gestamp Puebla	12,087	9,548
Gestamp Aguascalientes	-	51
Non-controlling shareholders	943	-
<b>Total loans granted</b>	<b>13,030</b>	<b>9,599</b>

The detail of loans and credits granted to the companies Gestamp Puebla corresponds entirely to a current account in dollars financed by Gonvauto Puebla which accrues interest at market rates and is recorded in the short term as it has a maturity of less than one year.

Thousand euros	2023	2022
Holding Gonvarri, S.L.	27,254	97,773
Non-controlling shareholders	3,124	-
Riera i Tutó	-	-
GRI Renewable Industries	2,518	2,825
<b>Total loans received</b>	<b>32,896</b>	<b>100,598</b>

### (f) Dividends receivable

As of December 31, 2023, there are no active dividends receivable. (There neither were active dividends receivable in 2022)

### (g) Director conflict of interest situations

In order to avoid conflicts of interest with the parent company, during the year Directors that held positions on the Board of Directors complied with the obligations established in Article 229 of the Spanish Companies Act. Both they and persons associated with them have abstained from entering into the conflicts of interest defined by Article 229 of that law, except in the cases in which the appropriate authorization has been obtained.

At 31 December 2023, the representative of the company ArcelorMittal España, S.A. and member of the Board of Directors of the parent company, Mr. Stephan Paul Brettnacher reported the following transactions with companies pertaining to GI Group:

Director	Company	Description	Amount €
ArcelorMittal España, S.A.	Gonvarri I. Centro de Servicios, S.L.	Toll manufacturer	10,157
ArcelorMittal España, S.A.	Gonvauto, S.A.	Storage	1,070,570
ArcelorMittal España, S.A.	Gonvauto Navarra, S.A.	Storage	560,145
ArcelorMittal España, S.A.	Gonvarri Asturias, S.A.	Toll manufacturer	546,262
ArcelorMittal España, S.A.	Gonvauto Galicia, S.A.	Toll manufacturer	16,624

These transactions have not been made in a personal capacity but by the company ArcelorMittal España, S.A. These are transactions for ordinary operations and have been made at market price.

### Directors Liability Insurance

The group paid €21 thousand for the premium for the directors' liability insurance covering any damages caused by actions or omissions when performing their duties (€17 thousand in 2022).



### 36 Environment

#### a) Property, plant and equipment

Assets intended to minimize environmental impact and to protect and improve the environment at 31 December 2023 and 2022 are as follows:

Characteristics and utilization	2023		2022	
	Book value	Accumulated depreciation	Book value	Accumulated depreciation
Buildings	322	204	709	305
Machinery	7,570	7,111	6,846	6,726
Tooling	12	12	11	11
Other facilities	2,558	2,241	2,724	2,229
Furnishing	7	7	6	6
Furnishing under constr.	-	-	5	-
<b>Total</b>	<b>10,469</b>	<b>9,575</b>	<b>10,301</b>	<b>9,277</b>

#### b) Expenses relating to environmental protection

During the year the Group incurred certain ordinary environmental expenses totalling €1,370 thousand (€1,183 thousand in 2022) for materials and maintenance.

#### c) Provisions relating to environmental upgrades

During the year no provision whatsoever was recorded to cover the risks and expenses relating to environmental action and only those recorded in prior years that had not been implemented were maintained.

#### d) Contingencies relating to environmental protection and improvement

As at 31 December 2023 and 2022 there were no contingencies related to environmental protection and improvement or risks that should be transferred to other entities. This year there has therefore been no need to establish a provision for environmental actions.

#### e) Environmental liabilities

The Group considers that there are no environmental liabilities.

#### f) Environmental grants received

In 2023 and 2022 no environmental grants were received.

### 37 Audit fees

The fees received by the auditors for audit services relating to the individual and consolidated annual accounts for Group companies are distributed as follows:

	2023	2022
Audit services	485	477
Other verification services	15	17
Tax advisory services	53	561
Other services	70	10
<b>Total PriceWaterhouseCoopers</b>	<b>623</b>	<b>1,065</b>
Audit services	847	765
Other verification services	122	117
Tax advisory services	508	521
Other services	188	188
<b>Total Other auditors/consultants</b>	<b>1,665</b>	<b>1,591</b>
<b>Total</b>	<b>2,288</b>	<b>2,656</b>



These fees are recognized under the heading "Other operating expense" in the accompanying income statement.

Total fees for the audits of PWC's individual and consolidated companies in Spain amount to € 294 thousand in 2023 (€ 277 thousand in 2022).

### 38 Bank Guarantees

At 31 December 2023 the Group has bank guarantees amounting to €111,382 thousand (€119,019 thousand at 31 December 2022), of which €15,553 thousand are financial guarantees (€26,605 thousand in 2022) and €95,829 thousand correspond to technical guarantees (€92,414 thousand in 2022).

The Group has signed documentary loans with banks totalling €69,813 thousand to secure the payment of several financial liabilities recognized at the end of the year (€66,160 thousand in 2022).

### 39 Events after the end of the reporting period

There have been no additional post-closing events that could have a significant impact on the Company's financial statements for 2023.

### 40 Other information

#### **STATEMENTS REFERRED TO BY ARTICLES 42BIS.4.B, 42 TER.4.B AND 54.BIS.6.B OF ROYAL DECREE 1065/2007 (27 JULY)**

The information relating to compliance with Articles 42bis, 42ter and 54bis of the General Tax Management and Inspection Procedures and Actions and the development of common tax application procedures, approved by Royal Decree 1065/2007 (27 July), was provided in the notes to the individual annual accounts for the companies Gonvarri Corporación Financiera, S.L. GRI Renewable Industries, S.L. as the parent companies of their respective subgroups and with respect to the foreign subsidiaries.



### Appendix 1: Consolidation scope 2023

Company	Domicile	% equity to parent company of GI group		Business	Auditor
		Direct	Indirect		
Gonvarri MS Corporate, S.L.	Bilbao	100%		4	PWC
Gonvarri MS Colombia, S.A.S, S.L.	Colombia		100%	2	PWC
GMS Francia SAS	France		100%	9	N/A
Çepas Galvaniz Sanayi Anonim Sirketi	Turkey		100%	2	Gran Thornton
Gonvarri Chile Estructuras Metálicas, Ltda.	Chile		100%	9	N/A
Gonvarri Asturias, S.A	Asturias		100%	2	PWC
Road Steel Engineering, SL	Valladolid		100%	2	PWC
Suports Desarrollo y Soluciones, SL	Valencia		100%	5	N/A
Suports Energia Sustentable México S.A.P.I. de C.V	México		100%	5	N/A
Gonvarri MS Baja California S.A	México		100%	5	N/A
Gonvarri MS Perú, S.A.C.	Perú		100%	10	N/A
Gonvarri MS R&D, SL	Madrid		100%	9	PWC
Gonvarri Agrotech, S.L.	Asturias		100%	12	N/A
Gonvarri Solar Steel, S.L	Asturias		100%	9	PWC
Solar Steel Services, S.L	Spain		100%	2	N/A
Gonvarri Solar Steel US, Inc	USA		100%	9	N/A
Solar Steel Italy	Italy		100%	9	N/A
Gonvauto Asturias, SL	Madrid	100%		1	PWC
Addimen Bizkaia, SL	Bilbao	93%		2	PWC
ArcelorMittal Gonvarri SSC Slovakia, S.R.O	Slovakia	50%		1	Deloitte
ArcelorMittal Gonvarri Nitra S.R.O	Slovakia		50%	1	Deloitte
Flejes Industriales, SA	Alicante	100%		1	PWC
Sogei S.A	Madrid	70%		5	MAG Auditores
Gonvarri Argentina S.A	Argentina	100%		2	SC
ArcelorMittal Gonvarri Brasil, Pdtos. Siderúrg. S.A.	Brazil	50%		2	KPMG
MAG Aliança Automóveis do Brasil SSC S.A	Brazil		25%	2	KPMG
Gonvauto Thüringen, GMBH	Germany	100%		1	PWC
Laser Blanking Germany, GMBH	Germany	100%		1	N/A
Gestamp Automotive India Private Ltd	India	50%		2	SRBC & CO LLP
Gonvarri Polska, SP, ZO O.	Poland	100%		2	EY
Gonvarri Czech, S.R.O.	Czech Rep.	100%		1	N/A
Gonvauto Galicia, S.A	Galicia	100%		2	PWC
Gonvauto, S.A	Barcelona	100%		1	PWC
Gonvauto Puebla, S.A. de C.V.	México		100%	2	Baker Tilly
Gonvarri I.Centro de Servicios, S.L.	Madrid	100%		2	PWC
Gonvarri Industrial Maroc, S.A	Morocco	100%		5	AC
Gonvarri Italia, S.p.A	Italy	100%		5	N/A
Gonvarri I. Trading, S.L.	Madrid	100%		10	N/A
Gonvarri Ptos. Siderúrgicos, S.A	Portugal	100%		2	PWC
Gonvarri I Trading Portugal	Portugal	100%		2	N/A
Gonvarri Steel Services US, INC	(Delaware) USA	100%		4	N/A
Gonvauto South Carolina LLC.	(South Carolina) USA		100%	1	N/A
Gonvarri Valencia, S.A	Valencia	100%		2	PWC
Gonvarri Tarragona, S.L.	Tarragona	100%		2	PWC
Láser Automóvil Barcelona, S.L.	Barcelona	51%		1	N/A
Láser Automóvil Valencia, S.L.	Valencia	51%		1	N/A
Láser Automóvil Zaragoza, S.L.	Zaragoza	51%		1	N/A
Gonvarri Vizcaya, S.L	Bilbao	100%		5	N/A



## Consolidated annual accounts 2023

Company	Domicile	% equity to parent company of GI group		Business	Auditor
		Direct	Indirect		
Gonvasolar, S.L.	Madrid	100%		9	N/A
Gonvauto Navarra, S.A.	Navarra	100%		1	PWC
Joint SGH, S.L	Madrid	50%		4	N/A
SGK LLC	Russia		50%	2	Baker Tilly
Steel & Alloy Holding LTD.	(Birmingham) UK	100%		4	PWC
Steel & Alloy Processing LTD	(Birmingham) UK		100%	1	PWC
Vama Gonvarri Automotive Solutions CO. LTD	China	50%		2	EY
Vama Gonvarri Automotive Solutions (Shenyang) CO. LTD	China		50%	2	EY
Vama Gonvarri Automotive Solutions (Changshu) CO. LTD	China		50%	2	EY
Vama Gonvarri Automotive Solutions (Chongqing) CO. LTD	China		50%	2	EY
Vama Gonvarri Automotive Solutions (Loudi) CO. LTD	China		50%	2	EY
Laserboost	Spain	90%		5	N/A
Riera Tutó, S.L.	Barcelona	51%		2	PWC
Riera Tutó Valencia, S.L.	Valencia	51%		2	N/A
Rejillas Calibradas S.L.	Barcelona	20%		2	PWC
H2Green Global Solutions, S.L.	Madrid	51%		9	N/A
Gonvarri Material Handling AS	Oslo, Norway	100%		11	KPMG
Constructor Finland OY	Finland		100%	11	KPMG
Constructor Rus LLC	Russia		100%	11	Kept
Dexion GmbH	Germany		100%	11	KPMG
Dexion KFT Hungary	Hungary		100%	11	Bergmann KONYVSZ AKERTO
Dexion NV SA Belgium	Belgium		100%	11	KPMG
Constructor Norge AS Norway	Norway		100%	11	KPMG
Dexion Storage Solutions SRL, Romania	Romania		100%	11	KPMG
Constructor Sverige AS Sweden	Sweden		100%	11	KPMG
Constructor Shared Services AB Sweden	Sweden		100%	11	KPMG
Dexion Polska SP. Z.o.o Poland	Poland		100%	11	Polska Grupa Audyt
Dexion Sro Czech Republic	Czech Rep.		100%	11	KPMG
Constructor Danmark A/S Denmark	Denmark		100%	11	KPMG
Dexion Spol Sro Slovakia	Slovakia		100%	11	Ing Jana Meszaros
Dexion Material Handling Ltd	the United Kingdom		100%	11	Hillier Hopkins
Constructor Dexion Holland BV	the Netherlands		100%	11	216 Accountant
Dexion Österreich GmbH	Austria		100%	11	KPMG
Gonvarri Stålteknik AB	Sweden		100%	11	KPMG
Kredit SRO Czech Republic	Czech Rep.		100%	11	KPMG
Kaufmann Systems AG	Switzerland		100%	11	KPMG
Complete Storage & Interiors LTD	the United Kingdom		100%	11	Azets
Lampe Lagertechnik GmbH	Germany		100%	11	KPMG
Dexion Storage Solution Unipessoal LDA	Portugal		100%	11	N/A
Gonvarri Material Handling, S.L.	Madrid		100%	4	N/A
Gonvarrack USA	USA		51%	11	N/A
Gonvarrack Canada	Canada		51%	11	N/A
GMH Colombia	Colombia		100%	11	N/A



## Consolidated annual accounts 2023

Company	Domicile	% equity to parent company of GI Group		Business	Auditor
		Direct	Indirect		
H&R d.d (subgroup Hidria)	Slovenia	41%		13	Mazars d.o.o.
Hidria Holding d.o.o	Slovenia		100%	13	Mazars d.o.o.
HGR Nalozbe d.o.o	Slovenia		100%	13	N/A
Hidria RUS	Russia		100%	13	N/A
Hidria GmbH	Switzerland				N/A
Hidria d.o.o	Slovenia		100%	13	Mazars d.o.o.
Tomos Invest	Slovenia		100%	13	N/A
Hidria P d.o.o	Slovenia		99%	13	Mazars d.o.o.
Hidria IP d.o.o	Slovenia		100%	13	Mazars d.o.o.
Hidria Suzhou	China		100%	13	N/A
Hidria Nep d.o.o	Serbia		100%	13	N/A
Hidria Bausch kft	Hungary		100%	13	Kanász Péterné
Hidria Bausch GmbH	Germany		100%	13	HWS Lange GmbH & Co. KG

### Business of Gonvarri Group companies

1 Cutting of steel products	8 Manufacture of flanges
2 Steel Services Centre	9 Renewables
3 Financial	10 Without activity
4 Holding	11 Racking
5 Service Delivery	12 Greenhouses
6 Transport	13 Electromobility
7 Manufacture of wind towers	



## Consolidated annual accounts 2023

2022

Company	Domicile	% equity to parent company of GI Group		Business	Auditor
		Direct	Indirect		
Gonvarri MS Corporate, S.L.	Bilbao	100%		4	PWC
Gonvarri MS Colombia, S.A.S, S.L.	Colombia		100%	2	PWC
GMS Francia SAS	France		100%	9	N/A
Çepas Galvaniz, Sanayi Anonim Şirketi	Turkey		100%	2	Gran Thornton
Gonvarri Chile Estructuras Metálicas, Ltda.	Chile		100%	9	N/A
Hierros y Aplanaciones, S.A.	Asturias		100%	2	PWC
Road Steel Engineering, SL	Valladolid		100%	2	PWC
Suports Desenvollop i Solucions, SL	Valencia		100%	5	N/A
Suports Energia Sostenible Mexico S.A.T. de C.V.	México		100%	5	N/A
Gonvarri MS Baja California S.A	México		100%	5	N/A
Gonvarri MS Deutschland, GMBH	Germany		100%	9	N/A
Gonvarri MS Perú, S.A.C.	Perú		100%	10	N/A
Gonvarri MS R&D, SL	Madrid		100%	9	PWC
Gonvarri Agrotech, S.L.	Asturias		100%	12	N/A
Gonvarri Solar Steel, S.L	Asturias		100%	2	PWC
Obratel	Spain		100%	2	N/A
Gonvarri Solar Steel US, Inc	USA		100%	9	N/A
Gonvauto Asturias, SL	Madrid	100%		1	PWC
Addimen Bizkaia, SL	Bilbao	93%		2	PWC
Acerlomitál Gonvarri SSC Slovakia, S.R.O	Slovakia	50%		1	Deloitte
Acerlomitál Gonvarri Nitra S.R.O	Slovakia		50%	1	Deloitte
Flejes Industriales, SA	Alicante	100%		1	PWC
Sogei S.A	Madrid	70%		5	MAG Aud.
Gonvarri Argentina S.A.	Argentina	100%		2	SC
Accionaria Gonvarri Brasil, Ptos. Siderurg. S.A	Brazil	50%		2	KPMG
MAG Aliança Automóveis do Brasil SSC S.A.	Brazil		25%	2	KPMG
Gonvarri Aluminium, GMBH.	Germany	100%		1	N/A
Gonvauto Thüringen, GMBH	Germany	100%		1	PWC
Laser Blanking Germany, GMBH	Gera	100%		1	N/A
Gestamp Automotive India Private Ltd	India	50%		2	EY
Gonvarri Polska, SP, ZO O.	Poland	100%		2	EY
Gonvarri Czech, S.R.O.	Czech Rep.	100%		1	N/A
Gonvauto Galicia, S.A.	Galicia	100%		2	PWC
Gonvauto, S.A.	Barcelona	100%		1	PWC
Gonvauto Puebla, S.A. de C.V.	México		100%	2	KPMG
Gonvarri I.C entro de Servicios, S.L.	Madrid	100%		2	PWC
Gonvarri Industrial Maroc, S.A.	Morocco	100%		5	AC
Gonvarri Italia, S.p.A.	Italy	100%		5	N/A
Gonvarri I. Trading, S.L.	Madrid	100%		10	N/A
Gonvarri Ptos. Siderúrgicos, S.A.	Portugal	100%		2	PWC
Gonvarri Steel Services US, INC	(Delaware) USA	100%		4	N/A
Gonvauto South Carolina LLC.	(South Carolina) USA		100%	1	N/A
Gonvarri Valencia, S.A	Valencia	100%		2	PWC
Gonvarri Tarragona, S.L.	Tarragona	100%		2	PWC
Láser Automotive Barcelona, S.L.	Barcelona	51%		1	N/A
Láser Automotive Valencia, S.L.	Valencia	51%		1	N/A
Láser Automotive Zaragoza, S.L.	Zaragoza	51%		1	N/A
Gonvarri Vizcaya, S.L	Bilbao	100%		5	N/A



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JointSGH, SL	Madrid	50%		4	N/A
SGK LLC	Russia		50%	2	Baker Tilly
Steel & Alloy Holding LTD.	(Birmingham) UK	100%		4	PWC
Steel & Alloy Processing LTD	(Birmingham) UK		100%	1	PWC
Dongguan Gonvarri Summit Automotive Steel Processing Center CO. LTD	China	100%		2	N/A
Vama Gonvarri Automotive Solutions CO. LTD	China	50%		2	EY
Vama Gonvarri Automotive Solutions (Shenyang) CO. LTD	China		50%	2	EY
Vama Gonvarri Automotive Solutions (Changshu) CO. LTD	China		50%	2	EY
Vama Gonvarri Automotive Solutions (Chongqing) CO. LTD	China		50%	2	EY
Vama Gonvarri Automotive Solutions (Loudi) CO. LTD	China		50%	2	EY
Laserboost	Spain	90%		5	N/A
Riera Tutó, S.L.	Barcelona	51%		2	PWC
Riera Tutó Valencia, S.L.	Valencia	51%		2	N/A
Rejillas Calibradas S.L.	Barcelona	20%		2	PWC
H2Green Global Solutions, S.L.	Madrid	51%		9	N/A
Gonvarri Material Handling AS	Oslo, Norway	100%		11	KPMG
Constructor Finland OY	Finland		100%	11	KPMG
Constructor Rus	Russia		100%	11	Kept
Dexion GmbH	Germany		100%	11	KPMG
Dexion KFT Hungary	Hungary		100%	11	Bergmann KONYSZ
Dexion NVSA Belgium	Belgium		100%	11	KPMG
Constructor Norge AS Norway	Norway		100%	11	KPMG
Dexion Storage Solutions SRL, Romania	Romania		100%	11	KPMG
Constructor Sverige AS Sweden	Sweden		100%	11	KPMG
Constructor Shared Services AB Sweden	Sweden		100%	11	KPMG
Dexion Polska SP. Z.o.o Poland	Poland		100%	11	Polska Grupa
Dexion Sro Czech Republic	Czech Rep.		100%	11	Proxy Audits
Constructor Danmark A/S Denmark	Denmark		100%	11	KPMG
Dexion Spol Sro Slovakia	Slovakia		100%	11	Audit SK Sro
Constructor Group UK Ltd	the United Kingdom		100%	11	Hilliard Hopkins
Constructor Dexion Holland BV	the Netherlands		100%	11	216 Accountan
Dexion Österreich GmbH	Austria		100%	11	KPMG
Gonvarri Stålteknik AB	Sweden		100%	11	KPMG
Kredit SRO Czech Republic	Czech Rep.		100%	11	KPMG
Kaufmann Systems AG	Switzerland	80%		11	KPMG
Complete Storage & Interiors Ltd	the United Kingdom		100%	11	Azets
Lampe Lagertechnik GmbH	Germany		100%	11	KPMG
Dexion Storage Solution Unipessoal LDA	Portugal		100%	11	N/A
Gonvarri Material Handling, S.L.	Madrid		100%	4	N/A

### Business of Gonvarri Group Companies:

1 Cutting of steel products	7 Manufacture of wind towers
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6 Transport	12 Greenhouses



### Consolidated Directors' report for 2023

#### Business in 2023

In 2023, the Gonvarri Industries (GI) Group has had a complicated financial year, against a backdrop of great uncertainty in the markets, with significant increases in all production, labour and transport costs. All this was largely the result of the conflicts and great instabilities that exist worldwide, which are generating great logistical and supply problems for certain materials, steel being one of them.

Overall, this year resulted in a lower profit than in 2022, due to a decline in automotive contract prices in the first half of the year, which was followed by a decline in industrial prices in the second half of the year. In terms of activity levels, we had good volumes in the first half of the year, which were revised down in the second half, but overall remained in a range similar to 2022.

Despite market instabilities, the involvement, performance and efficiency of our teams have enabled the Group to adapt the best approach at every moment in the face of constant uncertainty, achieving an EBITDA of €275MM, which represents 4.61% of sales. All divisions of the GI Group have met expectations in terms of results, although it is worth highlighting the Europe & Americas Division, as the one with the highest contribution to the Consolidated result, and the ASIA and Solar Steel Divisions, as the divisions with the highest growth, stemming from the increased activity in the automotive sector, the sale of higher value-added products in our plants in China, as well as an increase in the solar projects portfolio.

In terms of activity, the Group recorded a volume increase over the previous year of an additional 7.4%, finally reaching 2019 figures, with around 5 million tons sold.

The automotive world continues to be the Group's reference market worldwide. In 2023, the supply chain of this business stabilized, and the raw material crises, with microchips at the forefront, can be considered to be over, having been a year in which more than 90 million units were produced worldwide, seeing an increase in vehicles produced with new propulsion technologies, electric and hybrid, as well as the rise of new manufacturers.

This trend in the automotive market towards the electrification of vehicles, strongly promoted by the administrations to meet climate change objectives, is not without difficulties in its implementation, such as higher prices of electric vehicles, poor charging infrastructures or their autonomy, which is slowing down development.

As mentioned above, worldwide passenger car production has reached 90 million units manufactured, which represents a year-on-year increase of more than 10%. In the Old Continent, Germany and Spain continue to be the main producers. Spain, which is the second largest European producer, increased vehicle production by 9.1% to 2.4 million vehicles, which keeps the country in ninth place worldwide, behind Brazil. These figures are still far from the expectations set to reach 3 million vehicles produced, figures that were close to being achieved in 2019.

On the other hand, during 2023, the GI Group continued to develop other markets such as Metal Structures, to which it contributes its high technology in the manufacture of Road Safety elements, the market for structures for Photovoltaic Parks, and the Storage or handling market with the contribution of synergies to the GMH subgroup, acquired in 2018, after carrying out a strong commercial action. All these markets, where the Group diversifies its activity, have improved both in terms of activity and results.

The Group now has 48 Production Centres and a presence in a total of 27 countries worldwide.

In the chapter on inorganic growth, we should highlight the effort made to enter a new market such as electric mobility, reaching a purchase and sale agreement for the acquisition of a minority stake of 41.43% of the Hidria Group. This agreement was finally signed in January 2023. This acquisition is part of the development and diversification strategy that the Group has and will help us to reach different



markets and products and seek a common connection with the world of industry around the transformation of metals and pursuing greater technological content and added value.

Simultaneously with the purchase and sale agreement, Gonvarri signed a shareholders' agreement to regulate the relationship of the shareholders, the governance of the entity, the economic and political rights of the shares and the terms and conditions of the transfer of the shares. The agreement also contains option agreements on the shares of the majority shareholders.

The Group maintains its growth plans studying new locations and new industrial possibilities through the construction of new facilities as well as by the acquisition of already established businesses aiming to increase its presence and approach new areas of diversification.

In 2023, €87.5 million in CAPEX has materialised, with €33 million of budgeted projects still to be executed. The main investments undertaken are:

In Spain: new facilities of Riera Tuto Valencia in Sagunto, assembly of a new 1200 Tn press for Gonvauto's L8, the offices of Gonvarri Asturias and its new P5 tube profiling machine for 120x120 solar tube with a total investment of 10.8mM€.

In Europe: Expansion of production capacity in Portugal with the new transverse and longitudinal lines for a total of €5.6 million.

In Asia: Expansion of production capacity with the expansion of the Changshu plant in China and a new press in India €26.2m.

In LATAM: Upgrading of facilities and production capacities at the Campinas and Paraná plants (€9mM).

In the financial area, constant monitoring of market financing levels is maintained in order to adapt the costs of the bilateral financing lines that the Group maintains with its pool of financial institutions, for the purpose of ensuring an adequate availability of financing at as low a cost as possible. In this sense, financing costs have been reduced, without taking into account the implicit increase due to the rise in interest rates, both in Spain and abroad, and sufficiently long terms have been obtained so that their amortisation is reasonably accompanied by the cash generated in the operations of the Projects financed with them.

The Group's Net Financial Debt (NFD) has gone from €404mM in 2022 to €246mM at the end of 2023 (including IFRS 16 in both cases). This reduction is due to lower working capital needs to be financed, as a consequence of the reduction in material prices, taking into account the €73.7 million disbursement made at the beginning of the year by the Hidria Group. The 2023 results bring the NFD/EBITDA ratio to 0.89 times, which reinforces and demonstrates the message that the Group maintains a strict control of its indebtedness and reflects the good and healthy condition of its balance sheet.

Once again this year, it is worth highlighting the impact of the currency volatility in some of the countries in which our businesses are carried out on the Group; particularly important were the devaluations suffered by the Argentine Peso of 371%, considered as of July 1, 2018 as a hyperinflationary economy, and of the Turkish Lira with 64%, which was also declared a hyperinflationary economy as of April 1, 2022. In addition, there has been a slight deterioration of the US Dollar by 4% in fiscal year 2023. These deteriorations were offset to some extent by appreciations of the Brazilian Real of 4%, the British Pound of 2% and the Polish Zloty of 7%.cc

All these depreciations have been passed on to the Group's income statement, with an impact of € -28 million compared to the figure of € -10 million for this item in the 2022 results. The Group's policy continues to be to hedge commercial purchase or sale transactions at the time they become known and which are carried out in currencies other than the Euro.

In the tax area, the Company Gonvarri Corporación Financiera, S.L. (the parent company of the GI Group), during fiscal year 2023, managed to close the inspection procedure open to the Tax Group of which it is the representative company, for the fiscal years 2016-2019.



At the date of preparation of these Consolidated Financial Statements, the Parent Company's Directors consider that the tax returns for all taxes have been adequately settled and, therefore, in the event of future audits, where discrepancies arise in the interpretation of current legislation due to the tax treatment granted to the transactions, any resulting liabilities, if they materialize, would not have a significant effect on the accompanying consolidated financial statements.

### Foreseeable evolution of the Group

The GI Group faces the year 2024 with optimism and enthusiasm, even though there are still many uncertainties and some macroeconomic risks, especially in Europe due to the effects of the Russia-Ukraine war, which is now two years old and may continue to affect demand and the evolution of the price of raw materials, along with the supply chain of certain goods.

The automotive world remains marked by the change in propulsion technology, placing this matter at the center of the strategic decisions of governments and OEMs. Although the theoretical global vehicle production forecast for 2024 is lower than the 2023 volume (89.6 vs. 90.1 million units), the first weeks of 2024 are encouraging with results above forecasts.

The main OEM Customers expect to bring out new models more adapted to the potential Customer in terms of selling price in 2025. Until then, no major changes are foreseen with respect to 2023, which may be a positive factor given the many existing causes of uncertainty.

As for the estimated figures for the GI Group, the goal is to increase production volumes compared to 2023 and 2022, reaching the levels of 2019, where just over 5 million tonnes were sold.

However, the estimated material price reduction for 2024, added to the increase in energy, labour and production costs, makes it a challenge for the GI Group to reach EBITDA and Net Income similar to the results presented for 2023.

With regard to management lines, it should be noted that the GI Group will finalize its 2022-2024 Strategic Plan in 2024, in which it will continue to develop and prioritize the following main lines:

- At Gonvarri Industries, health and safety has always been a priority that we must continue to reinforce within our Health & Safety System.
- In addition, competitiveness, based on the extensive use of all the advances of recent years in the field of digitisation, innovation and efficiency, as well as Industry 4.0, continues to be the focus, as well as the training and capacitation of professionals in digital competences and up-skilling and re-skilling.
- ESG (Environmental, Social and Corporate Governance) is a priority within our corporate culture. We are focused on the long term and see sustainability as both an obligation and an opportunity to provide greater added value to our customers. In this regard, in 2021 we reinforced our commitment by incorporating a specific area of Sustainability into our management and adding specific emission reduction targets, and so for 2030 the Board has approved the following:
  - 50% reduction in scope 1 emissions (fossil fuels)
  - 100% reduction of scope 2 (Electricity) emissions. In this regard, the Group is making progress so that the entire electricity supply of our plants comes from renewable energy sources, signing PPA agreements like the agreement that has just entered into operation for Spain, and promoting the use of solar panels on the roofs of all those plants where it is feasible to install them.

The electrification and decarbonisation process of supply chains is unstoppable. There are more and more programmes, which are more demanding both locally and globally. This shows that the automotive sector will be key to decarbonisation in the coming years and we must continue to support and accompany our customers.

The GI Group believes it is well positioned in the processing of high yield strength steels for vehicle weight reduction, as well as in the development and distribution of the new Green Steel market, which,



although still a nascent market, we have no doubt will be fundamental to the future decarbonisation of the entire Company.

- Emphasis will be placed on consolidating the acquired businesses, as part of the diversification strategy, to bring them first to operational excellence through the implementation of the Group's production models, with subsequent geographical expansion of these businesses.
- Continuity of the Compliance Model, started in 2018, which includes improvement objectives in the mechanism for monitoring, measuring and controlling identified risks.

### Number of employees

During 2023 the headcount of the GI Group increased by 1.10%, from 5,752 employees as at 31 December 2022 to 5,815 employees as at 31 December 2023, mainly linked to the increase and complexity of operations in this year. GI has approximately 62% of its workforce outside Spain.

### Environmental activity

Regarding environmental issues, the Group has purchased fixed assets for the purpose of minimizing its environmental impact, as well as improving and protecting the environment, for a gross amount of €2.5 million. On the other hand, expenses for environmental improvement have been incurred in the amount of €1.4Mm (€1Mm in 2022), not having received any related subsidy for these expenses.

As indicated above, Sustainability and the Environment is a key axis for the GI Group, having started in recent years a Plan to reduce CO2 emissions (Carbon Neutral Plan), where we would like to emphasize the following periods and future expectations:

#### 2023 vs 2022

13% reduction (Scope 1 + Scope 2):

- Direct emissions are reduced by 7%. Fossil fuel consumption is reduced by 6%. The savings and efficiency measures (SEMs) have prevented an increase of around 10% in natural gas consumption\*.
- Emissions from electricity consumption are reduced by 19% despite a 2% increase in electricity consumption. The % of RES-E in electricity consumption increases from 64% to 68%, due to:
  - Photovoltaic self-consumption increases from 5% to 6% with the entry of plants in Navarra, Valencia and Kredit.
  - The purchase of certificates increases from 59% to 62%. In 2023, the factories in Colombia, Changsu and Riera y Tuto were incorporated.
  - An improvement of the consumption mix and country emission factors applied. Average electricity emission factor improved by 21%.
  - The SEMs have avoided a 12% increase in consumption\*.

\* Accumulated Eco-Energy. Estimated

#### Period 2021-2023

Period 21-23 there is a cumulative reduction of 45% (Scope 1 + Scope 2).

Emissions peaked in 2021. From this year onwards, progressive reduction of emissions.

- Direct emissions are reduced by 17%, accompanied by a 16% reduction in fossil fuel consumption.
- Emissions from electricity consumption are reduced by 62% despite a 3% increase in electricity consumption, for the following reasons:
  - The purchase of certificates in the period increases from 4% to 62% of total electricity consumption.
  - Self-consumption in the period rises from 1% to 6% of total electricity consumption.



- Country/supplier emission factors improve due to the effect of decarbonisation of the electricity sector.

### Forecasts 2024

The SEM projects are still in progress, with more than 15 projects under study and/or approved. The Burgos Aerotermia facility and the connection of the Laubach factory to the Biomass District Heating system will be the most important ones for 2024.

In relation to the Photovoltaic System projects, 6 new plants (Changshu II, Burgos, Barcelona, Galicia, Senica and Puebla II) are scheduled to start operations.

PPA contracting is once again becoming active thanks to the positive evolution of the electricity markets. Several contracts are being negotiated in 2024 and could be initiated as of 2025.

Given that the Group's Directors consider that there are no contingencies relating to the protection and improvement of the environment, or any environmental risks, no provision whatsoever has been allocated to cover this type of risk.

### R&D Activities

During 2022 and 2023, the group has consolidated its strong commitment to Innovation, based on an intense Market Intelligence or market surveillance activity and its impact on Gonvarri Industries' business. This analysis is carried out both from the evolution in the markets in which GI is already present, as well as in the projection to new markets, addressing the new challenges of decarbonization, electrification and digitization, all important axes of today's economy.

Thus, we are developing innovative projects co-financed through PERTE VEC, within the Seat - Volkswagen F3 group, which are aimed at decarbonizing one of our plants through hydrogen, on the one hand, and digitizing our production means, on the other hand, in the search for the digital twin through Industry 4.0 initiatives.

Similarly, GI is seeking to explore complementary markets to its core business, such as the development of composite material solutions to replace steel and aluminium for the automotive industry, or the design and manufacture of electrolyzers for hydrogen generation (H2Green). The latter is part of the trend towards new energies that reduce the risk of energy dependence, both our own and that of our potential industrial customers.

### Occupational safety activity

In the labour area, it is worth mentioning the continued low levels of occupational accidents, being noteworthy that during this year there have been no major accidents, as a result of the focus on risks assessed as particularly serious, which are prevented not only through systematic control and staff training and awareness, but also with the planning and implementation of investments in improving working conditions, which during 2023 totalled almost €5mm.

It is also worth mentioning the increase of the relative effort made in the education and training of personnel on the risks and instructions to be taken into account on their jobs and also the articulation of policies and systematics that have an impact on the participation of personnel in the improvement of working conditions and in the Management Systems by directly consulting the personnel involved.

### Acquisition of treasury shares

GI Group companies have not carried out any transactions involving treasury shares in 2023.



### **Risk management policy**

The Group's activities are exposed to different undefinable factors related to the current environment that are conditioning the ordinary performance of the financial markets.

The GI Group's policy in this situation focuses on maintaining the highest liquidity level possible, minimizing the risks arising from its ordinary activities and its investment plans. This policy also allows it to remain within the market to take advantage of the opportunities and the favourable moments that arise, while avoiding difficult and unfavourable situations.

Within the aforementioned policy, the use of hedging instruments is a resource that is favourably considered within a policy of prudence that governs its actions.

### **Average payment period**

The Company's average payment period for suppliers is within the legal limits established by law 3/2004 (29 December), amended by Law 5/2010 (5 July) and the calculation method was developed in the ICAC Resolution dated 29 January 2016. During 2023 the average payment period at the Spanish companies in the GI Division is 40 days.

### **Non-financial information**

The non-financial information is presented in the consolidated directors' report of the final parent company of the Group, Acek Desarrollo y Gestión Industrial, S.L.

### **Relevant events after the reporting period**

There have been no additional post-closing events that could have a significant impact on the Company's financial statements for 2023.

Madrid, 11 March 2024



**Gonvarri Material Handling AS**

**Annual accounts and notes 2023**

Board of Director's report  
Profit and loss account  
Balance sheet  
Statement of cash flows

**Notes to the company accounts:**

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- 3 Wages and Administration cost
- 4 Impact of the war in Ukraine
- 5 Financial items
- 6 Tax
- 7 Shares and voting rights
- 8 Other short-term receivables
- 9 Cash and cash equivalents, Group Bank
- 10 Equity and shareholders information
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- 12 Pension expenses and pension liabilities
- 13 Number of employees
- 14 Subsequent events

**Auditors' report 2023**

Information is marked as Restricted and belongs to GMH.



**Gonvarri Material Handling AS (GMH)  
Organization number 918 858 903**

**Board of Director's report 2023**

**Information about the nature of business and where the business is run**

The company's purpose is trade, production and other economic activities, including participation in Norwegian and foreign companies. The company was founded on March 29, 2017 and is located in Oslo municipality, Norway. The company's main activity is investments in, and further development of, subsidiaries in storage systems.

**Statement of the assumption of continues operations**

In the annual accounts, continued operating assumptions are assumed, since in the opinion of the Board there are no circumstances which imply otherwise.

**Working environment (internal)**

The company has two employees at the end of 2023. Services are handled within accounting from Constructor Shared Services AB, Sweden. The working environment is satisfactory. The company had 10 days of sickness absence in 2023. During the year there have been no serious reports of accidents, or accidents that have resulted in material damage or personal injury.

**Equality**

The company's employees consist of two men. Both the board and the company's management are aware of the societal expectations of measures to promote gender equality in the company and the board.

**External environment (external)**

The company does not pollute the external environment.

**Board liability insurance**

The board members and the managing director are covered by a group liability insurance up to an amount of 80.000.000 EUR.

**Statement of the financial accounts**

It is the Board's opinion that the financial statements give a satisfactory description of the company's position year end.

The company showed in 2023 an operating profit of 5.218 tEUR, this is mainly due to received dividend of 5.216 tEUR. For 2022 the operating profit was -8.968 which was mainly related to the write down of the shares in Russia of 8.460 tEUR. The value of shares in subsidiaries was in 2023 reduced by 20.373 through repayment of capital for two subsidiaries. In 2023 the interest-bearing liability towards the owner was repaid in full.

The company's operating expenses are presented net after deduction of certain costs charged to the company's subsidiaries, the cost amounting to 3.332 tEUR in 2023 vs. 2.657 tEUR in 2022.

The company is financed in Euro. Earnings in the company's subsidiaries are mainly in Euro, and thus the value of these will also be in Euro. Due to fluctuations in exchange rates in 2023, net unrealized exchange profit is recorded by 394 tEUR, vs. net unrealized exchange profit 510 tEUR in 2022.

Information is marked as Restricted and belongs to GMH.



Cash flow through the year is positive by 7.247 tEUR with cash flow from operating, investment and financing activities respectively 2.430 tEUR, 19.279 tEUR and -14.462 tEUR.

The company's short-term debt amounted to 95% of total debt per 31.12.2023 (56% 2022). This year's equity ratio amounts to 41%, up from 36% in 2022.

### **Impact of the war in Ukraine**

We are closely following the extraordinary situation in Russia due to the Russia-Ukraine war and sanctions on Russia over its Ukraine invasion, starting late February 2022. The situation is mainly affecting the Russian entity (Constructor RUS), but this also affects other group entities and intra-group transactions with Constructor RUS. The Russian entity continues as a standalone unit within the GMH Group, there are no interaction between Russia and the rest of the group, and all intercompany sales ended second half of 2022. Based on this, in 2022 GMH decided to write down the shares in the Russian unit with 8.460 tEUR.

### **Transparency act**

The company publishes the report to meet the requirements of the Transparency Act on its website <https://www.gonvarri-mh.com/our-commitment>.

### **Statement that provides a basis for assessing the company's future development**

The company's equity is recorded at 39.901 tEUR. The corresponding figure for 2022 was 35.978 tEUR. The company's subsidiaries were below in turnover but showed a better result compared to both the 2023 budget and 2022 result.

It is estimated which values the total assets of the business represent and estimates of value have been made by discounting future cash flows that the subsidiaries are forecasted to generate. As stated above, in 2022 GMH wrote down the value of the shares in the Russian entity with 8.460 tEUR. It has not been found necessary to write down any other assets as of 31.12.2023.

The general economic development in Europe will affect the company's markets.

The Board emphasizes that there is usually considerable uncertainty associated with assessments of future conditions. The Ukrainian war brings further uncertainty to the market, both in Russia but also generally throughout Europe. The company is prepared to adapt to significant changes in the market situation as quickly as possible and are, together with the subsidiaries and owner, monitoring the development closely.

The accounts of the company have been prepared on the basis of continued operations and the Board confirms that this assumption is present, cf. the description of financing and liquidity above.

### **Information of market, liquidity and financial risk**

The operations of the company's subsidiaries have an overall exposure to developments in general economic conditions. These companies have shown earning improvements that have made the Group and, consequently, the parent company more robust for any adverse effects of such fluctuations.

The parent company has partly financed parts of the group and has consequently been exposed to fluctuations in working capital and cash flow in some of the subsidiaries.

The company's equity is 39.901 tEUR, of which paid equity amounts to 39.685 tEUR.

Information is marked as Restricted and belongs to GMH.

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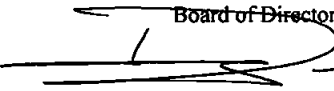


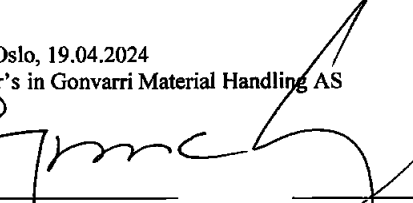
The Board of Director's recommends the following allocation:

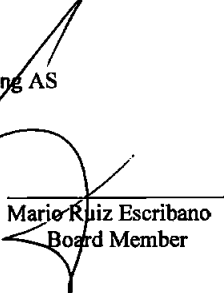
Profit for the Year (EUR 1.000)	3.942
To retained earnings	-3.942
Total	0

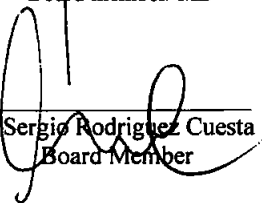
Oslo, 19.04.2024

Board of Director's in Gonvarri Material Handling AS

  
\_\_\_\_\_  
Juan Maria Riberas Mera  
Chairman

  
\_\_\_\_\_  
Jesus Calvo Moreira  
Board member/ MD

  
\_\_\_\_\_  
Mario Ruiz Escribano  
Board Member

  
\_\_\_\_\_  
Sergio Rodriguez Cuesta  
Board Member

Information is marked as Restricted and belongs to GMH.



## Gonvarri Material Handling AS Balance sheet

<i>in thousands of EUR</i>	Note	31.12.2023	31.12.2022
<b>Assets</b>			
Deferred tax asset	6	651	737
Long term receivable group companies	2	-	4 022
Restricted deposit	11	844	-
Shares in subsidiaries	4,7	59 125	78 403
<b>Total financial assets</b>		<b>60 620</b>	<b>83 163</b>
<b>Total non-current assets</b>		<b>60 620</b>	<b>83 163</b>
Short term receivable group companies	2	21 028	3 400
Other Short-term receivable	8	50	59
Deposit Group Bank	9	9 503	13 417
Cash and cash equivalents	9	7 434	187
<b>Total current assets</b>		<b>38 016</b>	<b>17 063</b>
<b>Total assets</b>		<b>98 635</b>	<b>100 226</b>
<b>Equity and liabilities</b>			
Paid in capital		228	228
Share premium reserve		39 457	39 457
<b>Total paid in capital</b>		<b>39 685</b>	<b>39 685</b>
Gain/loss carried forward		216	-3 707
<b>Total retained earnings</b>		<b>216</b>	<b>-3 707</b>
<b>Total equity</b>	10	<b>39 901</b>	<b>35 978</b>
Other financial payable	11	844	-
Long-term debt related parties	2,11	-	25 922
Long-term debt to group companies	2,11	2 046	1 948
<b>Total non-current liabilities</b>		<b>2 890</b>	<b>27 870</b>
Pension liability	12	273	291
<b>Total pension liabilities</b>		<b>273</b>	<b>291</b>
Short-term debt related parties	2,11	869	1 261
Short-term debt to group companies	2,11	347	96
Other short-term debt	2,9	603	1 328
Drawn Group Bank	9	53 753	33 402
<b>Total current liabilities</b>		<b>55 571</b>	<b>36 087</b>
<b>Total equity and liabilities</b>		<b>98 635</b>	<b>100 226</b>

Oslo, 19.04.2024

Board of Director's in Gonvarri Material Handling AS

Juan Maria Riberas Mera  
Chairman

Jesus Calvo Moreira  
Board Member/ MD

Mario Ruiz Escribano  
Board Member

Sergio Rodriguez Cuesta  
Board Member

Information is marked as Restricted and belongs to GMH.



## Gonvarri Material Handling AS Profit and loss account

<i>in thousands of EUR</i>	Note	1.1-31.12.2023	1.1-31.12.2022
Dividend received	2	5 216	348
<b>Operating income</b>		<b>5 216</b>	<b>348</b>
Wages and other personnel expenses	3	-46	-599
Administration cost	3	49	-257
Exceptional operating items / write downs	3,4	-	-8 460
<b>Operating profit before depreciation and amortisation</b>		<b>5 218</b>	<b>-8 968</b>
<b>Operating profit</b>		<b>5 218</b>	<b>-8 968</b>
Financial income	5	1 184	810
Financial expenses	5	-2 374	-955
<b>Profit before tax</b>		<b>4 029</b>	<b>-9 113</b>
Deferred tax expense	6	-87	-
<b>Net profit/(loss) from ordinary activities</b>		<b>3 942</b>	<b>-9 113</b>

Profit/(loss) for the year is distributed as follows:

Net profit/(loss) from ordinary activities		3 942	-9 113
Retained earnings	10	-3 942	9 113
<b>Total</b>		<b>-</b>	<b>-</b>

Information is marked as Restricted and belongs to GMH.

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## Gonvarri Material Handling AS Statement of cash flows

<i>in thousands of EUR</i>	Note	1.1-31.12.2023	1.1-31.12.2022
Profit before tax		4 029	-9 113
Net interest expenses		-1 584	-654
Write down		-	8 460
Net exchange		394	510
Changes in other net operating assets		-409	286
<b>Net cash flow from operating activities</b>		<b>2 430</b>	<b>-511</b>
Change in shares in subsidiaries - repayment capital		20 373	-
Change in shares in subsidiaries - purchase shares		-1 094	-205
<b>Net cash flow from investing activities</b>		<b>19 279</b>	<b>-205</b>
Change in Group Bank		24 264	-2 814
Change in debt Group Companies		-13 648	-1 117
Change in interest-bearing debt related party		-25 922	-0
Change in other financial liability		844	648
<b>Net cash flow from financing activities</b>		<b>-14 462</b>	<b>-3 284</b>
<b>Net change in cash and cash equivalents</b>		<b>7 247</b>	<b>-3 999</b>
Cash and cash equivalents as of 1 January		187	4 187
<b>Cash and cash equivalents as of 31 December</b>	9	<b>7 434</b>	<b>187</b>

Information is marked as Restricted and belongs to GMH.

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## Note 1: Accounting principles

### Gonvarri Material Handling AS

The financial statements consist of the profit and loss statement, balance sheet and notes to the accounts. The financial statements form a whole. The financial statements have been presented in compliance with the Norwegian Companies Act, the Norwegian Accounting Act and Norwegian generally accepted accounting principles in effect as of December 31, 2023. The financial statements give a true and fair view of assets and liabilities, financial standing and result.

The financial statement is presented in thousands of Euro (EUR). The functional currency of the company is Euro (EUR). Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of each transaction. Receivables and liabilities in foreign currencies are translated into the functional currency at the exchange rates at the end of the reporting period. Foreign currency exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit and loss.

The financial statements have been prepared based on the fundamental principles governing historical cost accounting, comparability, continued operations, congruence and prudence. Transactions are recorded at their value at the time of the transaction. Income is recognized at the time of delivery of goods or services. Costs are expensed in the same period as the income to which they relate.

In cases where actual figures are not available at the time of the closing of the accounts, generally accepted accounting principles require management to make estimates and assumptions regarding the effect of these items on the statement of profit and loss as well as the balance sheet. Actual results could differ from these estimates.

Costs are expensed in the same period as the income to which they relate is recognized. Costs that cannot be directly related to income are expensed as incurred. All costs related to restructuring and discontinued activities are expensed at the time restructuring or discontinuance is decided upon.

The company's operating expenses are presented net of certain costs charged to the company's subsidiaries, in accordance with the principle of fair presentation of financial performance as required by § 6-3 of the Norwegian Accounting Act. The consolidation of expenses from subsidiaries is done in compliance with accounting standards and principles, ensuring that the resulting financial statements provide a true and fair view of the company's financial position and performance.

Items which fall due within one year are classified as current assets/liabilities. Other assets are classified as non-current assets and other debt is classified as non-current liabilities. Current assets/liabilities are recognized initially at the lowest/highest of acquisition cost and fair value. Other assets are classified as fixed assets. Fixed assets are recognized at historical cost, with deductions for depreciation. In the event of a decline in value which is not temporary, the fixed asset will be subject to a write-down.

When applying the basic accounting principles and disclosure of transactions and other items, the "substance over form" rule is adopted. Losses which are probable and quantifiable are charged to profit and loss.

#### *Related parties*

Parties are classified as related if one party has influence on the decisions of the other party.

Transactions between related parties are mainly based on the arm's lengths principles.

#### *Investments in subsidiaries*

Subsidiaries are entities of which the company owns, either directly or indirectly, over fifty percent of the voting rights, or as to which the company has the power, in some other way, to control the entity's operating and financial policies. Subsidiaries are assessed in the balance sheet using the cost method.

Information is marked as Restricted and belongs to GMH.



The company's investments in subsidiaries are valued at the lower of average cost and fair value. If the fair value of an investment in subsidiary is lower than book value, and the decline in value is not temporary, the investment will be written down to fair value. Previous write-downs are reversed when the basis for such write-down is no longer present.

#### *Dividends and repayment of capital*

Dividends received from subsidiaries are recorded as an operating income and classified as an operating activity in the statement of cash flow. Received repayment of capital is reported as a reduction of the cost price of the shares in the balance sheet and is classified as an investing activity.

#### *Receivables*

Receivables are accounted for at face value with deductions for expected loss. If fair value of receivables is lower than book value, and the decline in value is not temporary, the receivables will be written down to fair value.

Previous write-downs are reversed when the basis for such write-down is no longer present.

#### *Pension liabilities and pension costs*

Two employees were transferred to the company in 2017 from BSG Norway AS including a pension plan that entitles its members to defined future benefits, called defined benefit plans.

Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

#### *Assets and liabilities in foreign currency*

Cash and cash equivalents, assets and liabilities in foreign currencies are recorded at the year-end exchange rates.

#### *Deferred tax and tax expense*

Deferred tax is calculated based on temporary differences between book values and values according to the tax basis for assets and liabilities at year end. For the purposes of calculating deferred tax, nominal tax rates are used. Positive and negative differences are offset to the extent they reverse within the same time-frame. Temporary differences, including carry-forward of unused tax losses, that will constitute a future tax deduction, give rise to a deferred tax asset. The deferred tax expenses for the year is the change in deferred tax assets/ liabilities together with currency differences and changes in deferred tax assets/liabilities related to takeovers.

Information is marked as Restricted and belongs to GMH.

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## Note 2: Transactions and agreements with related parties

Gonvari Material Handling AS is owned by Gonvari Corporacion Financiera SL.

The company has received repayment capital of 20.373 thousand EUR in 2023

Dexion GmbH	17.373 thousand EUR
Constructor Finland Oy	3.000 thousand EUR

The company has received dividend of 5.216 thousand EUR in 2023, and 348 thousand EUR in 2022  
For the year 2023 5.216 thousand is recognized and reported as operating income  
For the year 2022 348 thousand is recognized and reported as operating income

Dividend is received from following units in 2023

Dexion Polska Sp. Z.o.o	448 thousand EUR
Kaufmann Systems AG	394 thousand EUR
Constructor Sverige AB	4.374 thousand EUR

Dividend is received from following units in 2022:

Constructor Dexion Holland BV	184 thousand EUR
Dexion Polska Sp. Z.o.o	164 thousand EUR

Transactions with related parties are based on the principle of arm's length.

Gonvari Material Handling AS have transactions with owner and subsidiaries, figures included in P&L and Balance Sheet.

For the P&L, the transactions are related to Management fee and Recharges;

In thousands of EUR	2023	2022
Management fee to Group Companies	3 332	2 657
Management fee from Owner / related parties	-869	-670
Recharges from Owner / related parties		-435
Recharges from subsidiaries (included in Management fee to Group companies)	-2 099	-1 319
Recharges from CSS (Group cost to Gonvari Material Handling AS)	-41	-42
<b>Net P&amp;L transactions with Group companies and related parties</b>	<b>322</b>	<b>192</b>

For the Balance Sheet, below the transactions related to receivables and liabilities;

Receivables from group companies comprise of the following items:

In thousands of EUR:	2023	2023	2022	2022
Currency	LC (1000)	EUR (1000 kr)	LC (1000)	EUR (1000 kr)
EUR	-	-	4 022	4 022
<b>Long-term receivable from group companies</b>				<b>4 022</b>

Current receivable from group companies comprise of the following items:

In thousands of EUR:	2023	2023	2022	2022
Currency	LC (1000)	EUR (1000 kr)	LC (1000)	EUR (1000 kr)
EUR	21 028	21 028	3 401	3 401
<b>Short-term receivable from group companies</b>		<b>21 028</b>		<b>3 401</b>
<b>Total receivables from group companies</b>		<b>21 028</b>		<b>7 423</b>

Debt to group companies and related parties comprise of the following items:

In thousands of EUR:	2023	2023	2022	2022
Currency	LC (1000)	EUR (1000 kr)	LC (1000)	EUR (1000 kr)
EUR	2 046	2 046	1 948	1 948
<b>Long-term debt to group companies</b>		<b>2 046</b>		<b>1 948</b>

Debt to related parties comprise of the following items:

In thousands of EUR:	2023	2023	2022	2022
Currency	LC (1000)	EUR (1000 kr)	LC (1000)	EUR (1000 kr)
EUR	-	-	25 922	25 922
<b>Long-term debt related parties</b>				<b>25 922</b>
<b>Total long-term debt to group companies and related parties</b>		<b>2 046</b>		<b>27 870</b>

Short-term debt to group companies comprise of the following items:

In thousands of EUR:	2023	2023	2022	2022
Currency	LC (1000)	EUR (1000 kr)	LC (1000)	EUR (1000 kr)
EUR	347	347	96	96
<b>Short-term debt to group companies</b>		<b>347</b>		<b>96</b>

Short-term debt to related parties comprise of the following items:

In thousands of EUR:	2023	2023	2022	2022
Currency	LC (1000)	EUR (1000 kr)	LC (1000)	EUR (1000 kr)
EUR	869	869	1 261	1 261
<b>Short-term debt to related parties</b>		<b>869</b>		<b>1 261</b>
<b>Total short-term debt to group and related parties</b>		<b>1 216</b>		<b>1 357</b>

Related parties is to the mothercompany Gonvari Corporacion Financiera, denominated in EUR.

Liabilities to group companies are denominated in EUR, and other currencies are translated to EUR with closing rates 31.12.2023.

GMH AS is the owner of the GMH Group cash pool, and details for net drawn in Group Bank is specified in note 9

Information is marked as Restricted and belongs to GMH.



## Note 3: Wages and Administration cost

Wages and personnel expense comprise of the following items:

<i>in thousands of EUR</i>	2023	2022
Wages and salaries	-251	-263
Social securities	-35	-31
Pension cost	-56	-63
<b>Total wages and personnel expense</b>	<b>-343</b>	<b>-358</b>
Wages and personell expense invoiced from owner	-	-435
Wages and personnel costs recharged from group companies	-2 073	-1 298
Management fee invoiced subsidiaries	2 369	1 903
<b>Net wages and personnel expense</b>	<b>-46</b>	<b>-188</b>

Administration cost comprise of the following items;

Rent and leasing cost	-12	-10
Consultants and hired services	-238	-270
Other cost and provisions	235	-441
Management Fee invoiced from owner	-869	-670
Net recharged costs from CSS	-29	-31
Net Management fee invoiced subsidiaries without salaries/wages	962	754
<b>Administration cost</b>	<b>49</b>	<b>-668</b>
<b>Total</b>	<b>2</b>	<b>-856</b>

For the year 2022 the amount of tEUR 411 is reclassified between Net wages and Administration cost

Exceptional operating items / Write down comprise of the following items;

Shares in Constructor RUS	-	-8 460
<b>Total</b>	<b>-</b>	<b>-8 460</b>

The managing director is employed in the Spanish subsidiary from 01.01.2023, in 2022 cost was recharged from owner His salary costs is for the year 2023 recharged from Gonvarri Material Handling SL to Gonvarri Material Handling AS (GMH AS) GMH AS has no salary cost to the Managing Director.

Payments/fees to auditors for Gonvarri Material Handling are included in administration expenses and have the following split:

<i>in thousands of EUR</i>	2023	2022
Audit	117	120
Other advisory services	69	73
<b>Total</b>	<b>186</b>	<b>193</b>

## Note 4: Impact of the war in Ukraine

We are closely following the extraordinary situation in Russia due to the Russia-Ukraine war and sanctions on Russia over its Ukraine invasion, starting late February 2022. The situation is mainly affecting the Russian entity (Constructor RUS), but this also affects other group entities and intra-group transactions with Constructor RUS. The Russian entity will continue as a standalone unit within the GMH Group, there will be no interaction between Russia and the rest of the group, and all intercompany sales ended second half of 2022. Based on the precautionary principle, GMH decided to write down the shares in the Russian unit with 8.460 tEUR by the end of 2022

## Note 5 : Financial items

Financial items comprise of the following items;

<i>in thousands of EUR</i>	2023	2022
Interest income	790	300
Net foreign exchange	394	510
<b>Financial income</b>	<b>1 184</b>	<b>810</b>
Interest expense	-2 315	-831
Other financial expenses	-59	-24
<b>Financial expenses</b>	<b>-2 374</b>	<b>-855</b>
<b>Total Financial items</b>	<b>-1 190</b>	<b>-145</b>

Information is marked as Restricted and belongs to GMH.

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## Note 6: Tax

Deferred tax assets comprise of the following items:

<i>in thousands of EUR</i>	2023	2022
Loss carried forward	-10 447	-7 168
Other temporary differences	-279	-291
<b>Total temporary differences</b>	<b>-10 726</b>	<b>-7 459</b>
Not recognised temporary differences	7 769	4 108
<b>Basis for deferred tax asset</b>	<b>-2 958</b>	<b>-3 352</b>
Tax rate	22 %	22 %
<b>Total deferred tax asset</b>	<b>-651</b>	<b>-737</b>

Current Tax expense comprise of the following items:

<i>in thousands of EUR</i>	2023	2022
Profit/(loss) before tax	4 029	-9 113
Translation differences due to EUR/NOK conversion	-2 893	-1 911
Permanent differences	-5 192	8 143
Change temporary differences	1	-28
<b>Taxable profit</b>	<b>-4 055</b>	<b>-2 908</b>

Deferred tax expense comprise of the following items:

<i>in thousands of EUR</i>	2023	2022
Change in deferred tax asset	87	-0
<b>Deferred tax expense</b>	<b>87</b>	<b>-0</b>

Reconciliation of effective tax rate:

Expected tax from nominal tax rate	886	-2 005
Effect of translation differences due to EUR/NOK conversion	-636	-420
Effect permanent differences	-1 142	1 791
Effect temporary differences	0	-6
<b>Total tax expense/ income in income statement</b>	<b>-892</b>	<b>-640</b>
Effect not recognized temporary differences	805	640
<b>Total tax expense/ income in income statement</b>	<b>-87</b>	<b>-0</b>

## Note 7: Shares and voting rights

Shares in subsidiaries as per 31.12.2023 comprise of the following items:

<i>in thousands of euro</i>	Owner share %	Registered office	Equity per 31.12.23 1)	Profit after financial items 2023 1)	Book value
Dexion Spol sro	88,7 2)	Slovakia	461	48	-
Constructor Sverige AB	100,00	Sweden	3 015	1 524	3 177
<i>Constructor Shared Services SWE AB</i>	<i>100,00</i>	<i>Sweden</i>			
<i>Gonvarri Stålteknik AB</i>	<i>100,00</i>	<i>Sweden</i>			
Dexion GmbH	100,00	Germany	24 208	9 235	5 390
<i>Lampe Lagertechnik GmbH</i>	<i>100,00</i>	<i>Germany</i>			
Dexion Austria	100,00	Austria			35
Dexion NV/SA	99,93 3)	Belgium	1 529	-228	826
Dexion SRO	100,00	Czech Republic	662	-20	151
Dexion Kft	96,67 4)	Hungary	221	66	1 016
Constructor Dexion Holland BV	100,00	Netherlands	3 218	1 332	542
Dexion Polska Sp. Z.o.o	100,00	Poland	2 589	300	1 207
Dexion Storage Solutions SRL	100,00	Romania	11 497	3 311	5 616
Constructor Denmark A/S	100,00	Denmark	1 996	637	920
Constructor Norge AS	100,00	Norway	1 127	271	2 001
Constructor Finland	100,00	Finland	4 679	688	6 000
Constructor RUS	100,00	Russia	7 374	540	-
O.S.KREDIT	100,00	Czech Republic	6 964	858	11 313
Constructor Group UK Ltd	100,00	United Kingdom	8 576	-2 128	8 482
<i>Complete Storage &amp; Interiors Ltd</i>	<i>100,00</i>	<i>United Kingdom</i>			
Kaufmann Systems AG	100,00	Switzerland	2 744	358	11 994
Dexion Storage Solutions Unipessoal Lda	100,00	Portugal	-91	-202	255
Gonvarri Material Handling SL	100,00	Spain	217	24	200
<i>Gonvarack US INC*</i>	<i>51,00</i>	<i>USA</i>			
<i>Gonvarack Canada INC*</i>	<i>51,00</i>	<i>Canada</i>			
<i>Gonvarri Material Handling Columbia S.A.</i>	<i>100,00</i>	<i>Columbia</i>			
<b>Total shares in subsidiaries</b>					<b>59 125</b>

1) 100% of the company's equity and profit after financial items (before tax) pr 31.12. 2023.

The company's voting rights equals owner share. Companies in *italic* is indirectly owned by Gonvarri Material Handling AS

2) Dexion Spol sro: 11,3% owned by Constructor Dexion Holland BV

3) Dexion NV/SA: 0,07% owned by Constructor Dexion Holland BV

4) Dexion Kft: 3,33% owned by Dexion GmbH

5) Gonvarack US and Canada is a Joint Venture with Ontario Inc. which owns 49%

Information is marked as Restricted and belongs to GMH.



## Note 8: Other short-term receivables

Other short-term receivables comprise of the following items:

<i>in thousands of EUR</i>	2023	2022
Prepayments	50	59
<b>Total other short-term receivables</b>	<b>50</b>	<b>59</b>

## Note 9: Cash and cash equivalents, Group Bank

Cash and cash equivalents, Group Bank comprise of the following items:

<i>in thousands of EUR</i>	2023	2022
Cash	7 434	187
Other overdraft facilities	-	-448
Net drawn Group Bank	-44 249	-19 985
<b>Total cash and cash equivalents</b>	<b>-36 815</b>	<b>-20 246</b>

Gonvarri Material Handling AS (GMH AS) is part of a Group cash pool with Skandinaviska Enskilda Banken AB (SEB)  
Gonvarri Corporacion Financiera (Owner) is Guarantor for a limited general guarantee in SEB of total value 120 MSEK  
GMH AS has an overdraft facility with SEB and the facility has a total value 100 MSEK  
By 31.12.2023 the overdraft facility has 100 MSEK available.

GMH AS has granted guarantees for Gonvarri Material Handling Group units with the amount of EUR 5.908.466  
GMH AS has not pledged any assets.

Information is marked as Restricted and belongs to GMH.



## Note 10: Equity and shareholders information

Changes in equity comprise of the following items::

<i>in thousands of EUR</i>	Paid in capital	Share premium	Total paid in capital	Retained earnings	Total equity
Profit/(loss) for the year				481	481
OCI - Pension cost				-73	-73
<b>Equity as of 31.12.2021</b>	<b>228</b>	<b>39 457</b>	<b>39 685</b>	<b>5 413</b>	<b>45 098</b>
Profit/(loss) for the year				-9 113	-9 113
OCI - Pension cost				-8	-8
<b>Equity as of 31.12.2022</b>	<b>228</b>	<b>39 457</b>	<b>39 685</b>	<b>-3 707</b>	<b>35 978</b>
Profit/(loss) for the year				3 942	3 942
OCI - Pension cost				-20	-20
<b>Equity as of 31.12.2023</b>	<b>228</b>	<b>39 457</b>	<b>39 685</b>	<b>216</b>	<b>39 901</b>

Share capital of 228 thousand EUR comprise of 30.000 shares with face value of NOK 72.00, recalculated to EUR 7.59.

All shares are A shares.

All shares have voting rights.

By 31.12.23 all shares are paid.

100 % of total shares are owned by Gonvarri Corporacion Financiera SL, Spain.

There exists no option agreements

The company is part of the consolidated figures of Gonvarri Corporacion Financiera SL. in Spain.

The consolidated accounts that include the company can be obtained from:

Gonvarri Corporacion Financiera SL., Prolongación de Embajadores s/n, 28053 Madrid, Spain.

## Note 11: Total liabilities

Short-term liabilities comprise of the following items:

<i>in thousands of EUR</i>	Note	2023	2022
Short-term debt related parties	2	869	1 261
Short-term interest-bearing debt to group companies	2	347	96
Accounts payables		173	142
Other short-term liabilities		430	1 186
<b>Total short-term liabilities</b>		<b>1 819</b>	<b>2 685</b>

Long-term liabilities comprise of the following items:

<i>in thousands of EUR</i>	Note	2023	2022
Long-term liabilities related parties	2	-	25 922
Long-term interest-bearing debt to group companies	2	2 046	1 948
Other financial payable		844	-
<b>Total long-term liabilities</b>		<b>2 890</b>	<b>27 870</b>

Other financial payable relates to restricted deposit, and is connected to the purchase of the final 20% of the shares in Kaufmann Systems AG

Information is marked as Restricted and belongs to GMH.



## Note 12: Pension expenses and pension liabilities

The pension arrangements in the company fulfills the requirements of the act related to mandatory occupational pensions (OTP).

Pension expenses and liabilities related to the defined benefit plans are reviewed by an actuary.

Two persons are included in the pension scheme arrangements in the company.

Economic assumptions for defined benefit plans	2023	2022
Expected return	3,70 %	3,20 %
Discount rate	3,70 %	3,20 %
Wage growth	3,75 %	3,75 %
Social security base adjustment / inflation	3,50 %	3,50 %
Pension adjustment	2,40 %	1,70 %

Assumptions regarding future mortality have been based on published statistics and mortality tables

Change in pension liability comprise of the following items:

<i>in thousand of EUR</i>	2023	2022
Opening balance	291	335
Net periodic pension cost	66	69
Employer contribution	-98	-106
Exchange	-6	-16
OCI	21	8
<b>Net pension liabilities recognised in the balance sheet end of year</b>	<b>273</b>	<b>291</b>

Net pension funds and liabilities by 31.12:

<i>in thousands of EUR</i>	2023	2022
Defined benefit obligation funded plans (secured)	843	838
Fair value of plan assets	-570	-547
<b>Net liabilities recognised in the balance sheet</b>	<b>273</b>	<b>291</b>

## Note 13: Number of employees

Number of employees comprise of the following items:

<i>Number of employees:</i>	2023	2022
Average total year	2,0	2,0
As of 31 December	2,0	2,0

Information is marked as Restricted and belongs to GMH.

407  
512



**Note 14: Subsequent events**

There are no significant events after the end of the reporting period.

Information is marked as Restricted and belongs to GMH.



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To the General Meeting of Gonvarri Material Handling AS

## Independent Auditor's Report

### Opinion

We have audited the financial statements of Gonvarri Material Handling AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

### In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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.

### Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

#### Offices in:

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bodo	Knarvik	Stord	Ålesund
Drammen	Kristiansand	Straume	

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accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

#### 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

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

Oslo

KPMG AS  
Kjetil Kristoffersen  
State Authorised Public Accountant  
(This document is signed electronically)

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

## Kristoffersen, Kjetil

State Authorized Public Accountant

On behalf of: KPMG AS

Serial number: no\_bankid:9578-5998-4-1007631

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