



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 919 789 891
Organisasjonsform: Aksjeselskap
Foretaksnavn: ALUDYNE NORWAY AS
Forretningsadresse: Vollmonaveien 7
4550 FARSUND

Regnskapsår

Årsregnskapets periode: 01.01.2020 - 31.12.2020

Konsern

Morselskap i konsern: Nei

Regnskapsregler

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

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Trygve Haugeland
Dato for fastsettelse av årsregnskapet: 14.07.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

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, 21.08.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	6, 15	677 954 444	625 577 511
Annen driftsinntekt		412 437	1 275 342
Sum inntekter		678 366 881	626 852 853
Kostnader			
Varekostnad		377 797 107	294 823 518
Lønnskostnad	2	178 353 777	184 437 278
Avskrivning	3, 4	17 533 536	-1 695 955
Annen driftskostnad	2	76 172 984	99 128 439
Sum kostnader		649 857 404	576 693 280
Driftsresultat		28 509 477	50 159 573
Finansinntekter og finanskostnader			
Annen finansinntekt	14	77 747 039	27 955 971
Sum finansinntekter		77 747 039	27 955 971
Annen finanskostnad	14	93 445 185	41 437 101
Sum finanskostnader		93 445 185	41 437 101
Netto finans		-15 698 146	-13 481 130
Ordinært resultat før skattekostnad		12 811 331	36 678 443
Skattekostnad på ordinært resultat	11	2 714 223	7 415 657
Ordinært resultat etter skattekostnad		10 097 108	29 262 786
Årsresultat		10 097 108	29 262 786
Overføringer og disponeringer			
Overføringer annen egenkapital	10	10 097 108	29 262 786
Sum overføringer og disponeringer		10 097 108	29 262 786



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Konsesjoner, patenter, lisenser, varemerker	4	407 141	506 433
Sum immaterielle eiendeler		407 141	506 433
Varige driftsmidler			
Maskiner og anlegg	3	112 171 079	105 301 724
Driftsløsøre, inventar, verktøy, kontormaskiner ol	3, 8	4 740 448	3 679 365
Sum varige driftsmidler		116 911 527	108 981 089
Sum anleggsmidler		117 318 668	109 487 522
Omløpsmidler			
Varer			
Sum varer	7	81 763 852	95 997 625
Fordringer			
Kundefordringer		92 039 312	132 361 976
Andre fordringer		6 893 223	5 214 639
Sum fordringer		98 932 535	137 576 615
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	9	27 977 633	27 715 854
Sum omløpsmidler		208 674 020	261 290 094
SUM EIENDELER		325 992 688	370 777 616
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	10, 12	30 000	30 000
Sum innskutt egenkapital		30 000	30 000



Balanse

Beløp i: NOK	Note	2020	2019
Opptjent egenkapital			
Annen egenkapital	10	43 974 093	33 876 984
Sum opptjent egenkapital		43 974 093	33 876 984
Sum egenkapital		44 004 093	33 906 984
Gjeld			
Langsiktig gjeld			
Utsatt skatt	11	2 066 132	2 755 744
Sum avsetninger for forpliktelser		2 066 132	2 755 744
Annen langsiktig gjeld			
Øvrig langsiktig gjeld		168 617 459	223 105 832
Sum annen langsiktig gjeld		168 617 459	223 105 832
Sum langsiktig gjeld		170 683 591	225 861 576
Kortsiktig gjeld			
Leverandørgjeld		44 185 905	42 939 093
Betalbar skatt	11	3 403 835	5 727 951
Skyldige offentlige avgifter	9	31 818 838	27 645 537
Annen kortsiktig gjeld	16	31 896 426	34 696 475
Sum kortsiktig gjeld		111 305 004	111 009 056
Sum gjeld		281 988 595	336 870 632
SUM EGENKAPITAL OG GJELD		325 992 688	370 777 616



Skatteetaten

Vår dato 12.03.2019	Din/Deres dato 19.02.2019	Saksbehandler Torstein Kinden Helleland
800 80 000 Skatteetaten.no	Din/Deres referanse Trygve Haugeland	Telefon 22078139
Org.nr 974761076	Vår referanse 2019/5468598	Postadresse Postboks 9200 Grønland 0134 OSLO

CHASSIX NORWAY AS
Postboks 158 Lundevaagen
4552 FARSUND

Tillatelse til å utarbeide årsregnskap og årsberetning engelsk språk for Chassix Norway AS, org.nr. 919 789 891

Vi viser til deres brev av 19. februar 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Chassix Norway AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Chassix Norway 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

Fra søknaden gjengis:

Chassix Norway AS utvikler, produserer og selger støpte aluminiumsprodukter til bilindustrien utenfor Norge. Selskapet inngår i et konsern som rapporterer all informasjon på engelsk, og morselskapet har hovedkontor i USA. Selskapet opererer således i en bransje av sterk internasjonal karakter. Alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk. Selskapet benytter også engelsk som arbeidsspråk.

Morselskapet er det amerikanske selskapet Chassix Inc. En norsk oversettelse vil kun ha til formål å tilfredsstillende 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 mv., 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 gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *“informative regnskaper for ulike grupper av regnskapsbrukere”*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt særlig vekt på at selskapet er heleid av et utenlandsk selskap. Selskapet opererer i en internasjonal bransje. Arbeidsspråket i bransjen er engelsk. Videre er det vektlagt at alle sentrale aktører og samarbeidspartnere innen denne bransjen behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Henning Stokke
seniorrådgiver
Juridisk avdeling
Skattedirektoratet

Torstein Kinden Helleland

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



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Statsautoriserte revisorer
Ernst & Young AS

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Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Aludyne Norway AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Aludyne Norway AS, which comprise the balance sheet as at 31 December 2020, the income statement and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company as at 31 December 2020 and its financial performance and 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 laws, regulations, and auditing standards and practices generally accepted in Norway, including 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations 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

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Managing Director (management) are responsible for the other information. Our opinion on the audit of the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally 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 and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance 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



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includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (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 the 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 law, regulations and generally accepted auditing principles in Norway, including 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, 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 fair presentation.

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

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Independent auditor's report - Aludyne Norway AS

A member firm of Ernst & Young Global Limited

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Kristiansand, 18 June 2021
ERNST & YOUNG AS

The auditor's report is signed electronically

Espen Fyllingen
State Authorised Public Accountant (Norway)

Penneo document key: BISSV-YNGIS-BP7EG-DFQDT-NW6BA-VG572

Independent auditor's report - Aludyne Norway AS

A member firm of Ernst & Young Global Limited



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

Espen Fyllingen

Oppdragsansvarlig partner

Serial number: 9578-5999-4-2137889

IP: 88.88.xxx.xxx

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Aludyne Norway AS

Annual report 2020

Annual accounts

- Income statement
- Balance sheet
- Cash flow statement
- Notes

Auditors' report



Aludyne Norway AS **Board of director's report 2020**

SCOPE OF THE BUSINESS

The company was established 4th of October 2017, and started with regular operations from 1st of March 2018.

Aludyne Norway AS, the Company, is a subsidiary of Aludyne Inc. Ultimate parent company is UC Holdings Inc., which has its headquarter in Detroit, USA. The Company's office address is at Lundevaagen, Farsund.

Aludyne Norway has its production facilities in Lundevaagen in the county of Farsund, in a plant leased from Siva. The Company develops, produces and sells casted aluminum mainly for the automotive industry. The customer base consists of among others Jaguar Land Rover, BMW, Daimler, Porsche and Benteler.

GOING CONCERN

The annual report has been prepared under the assumption of going concern in accordance with the Norwegian Accounting Act section 3-3a, and the Board of Directors confirm that this assumption is appropriate. It is also the Board of Directors opinion that the annual report accurately present the Company's assets and liability, financial position and profits.

SAFETY, PROTECTION, STAFF AND EHS SYSTEMS

For the year 2020 we had one recordable accident. No serious material damages or fires during the operational period.

Aludyne Norway AS has focused on prevention of potential serious events. We have worked actively with developing leading indicators like near miss reporting, risk analysis, shop floor observation and management and safety delegate involvement. These efforts have resulted in an increase in reported incidents and actions to improve the safety.

The work environment is considered as satisfactory.

Absenteeism for 2020 was 6.3%. Focus for the prevention of sick leave and follow up of staff on sick leave are high priorities.

EXTERNAL ENVIRONMENT

The automotive industry experiences a strong focus on the environmental aspects of the operation. Aludyne Farsund have ISO14001:2015 certification. Yearly Audit from "The Norwegian Veritas GL" proved that the system is still valid, and we only got a few minor deviations.

All relevant environmental aspects affected by our business, have been identified and procedures are in place. As part of our efforts for continuous improvements, we have made a number of major and minor improvements of our environmental management system and relevant environmental aspects.



Aludyne Norway AS **Board of director's report 2020**

There were no violations of the emission permit issued by the Norwegian Environment Agency in 2020. Minor deviations (within the permit) are registered and actions implemented.

EQUALITY

The company has a policy of equal opportunities to increase the diversity. Also, there is a policy in place to prevent inequalities among employees of different gender, age, ethnic background, mobility or religion etc., in matters related to salary, promotion and recruitment. As an example the plant is constructed for easy access and move around for wheelchair users with automatic door openers.

The management of the company consists of six persons, and thereof two are women.

Work schedule is determined by position and is independent of sex. Share of employees working part time are equal for women as for men.

In 2021 the company will run a survey to check if salaries are determined independent of sex.

As of December 31, 2020 there were 48 women and 221 men employed.

FINANCIAL RISK

Market risk

The company is limited exposed for currency fluctuations. Sales to most customers are in EUR, but this currency risk is partly covered by purchase agreements in the same currency. In addition a part of the future cash flow in EUR is hedged to NOK.

Credit risk

The company's credit risk is determined to be low as indicated by low historical losses on trade debt, and the evaluation of the customers to be in sound financial positions.

Liquidity risk

The liquidity of the company is satisfactory. The company's monthly reporting structure ensure a constant watch of risk elements.

BUSINESS OUTLOOK

For 2021 the Covid-19 virus has had limited effect on the global car market and the global car industry, compared to the effects for 2020.

The European automotive industry is still influenced by strong competition with focus on increased efficiency and cost reduction pressures downward in the supply chain. Continuous product development and the ability to increase the flexibility in the cost structure are key factors to continue the positive development of the business. The market for the products is considered to develop positively as the automotive industry continue to focus on emission reduction and light weighting.



Aludyne Norway AS
Board of director's report 2020

The company is secured with long term customer contracts and has made one substantial contract for new products in 2020.

RESULT, FINANCING AND LIQUIDITY

The board is of the opinion that the statutory accounts present an accurate picture of the company's development and result for 2020.

The revenue for 2020 was 678,4 MNOK. The year end result for 2020 was 10,1 MNOK.

The company's liquidity at December 31, 2020 was 28 MNOK.

The short term debt per December 31, 2020 was 39% of the total debt.

Total assets at the end of 2020 were 326 MNOK, bringing the equity ratio at 13,5 %.

The company's equity as of 31.12.2020 was 44 MNOK.

THE BOARD

The board consists of seven members.

Farsund, Teams meeting, June 9, 2021

Valentin Alexander
Lange
Chairman of the
Board

Lill Hege Hals
General manager

Alexander Debrye
Board member

James Bryson
Owen
Board member

Jan Erik Hetland
Representative of
the employees

Linda Løyning
Sivertsen
Representative of
the employees

Jan Espeland
Representative of
the employees

Jon Ola Ystgaard
Board member



Aludyne Norway AS

Income statement

	Note	2020	2019
Revenue			
Sales revenue	6, 15	677 954 444	625 577 511
Other operating income		412 437	1 275 342
Total revenue		<u>678 366 881</u>	<u>626 852 853</u>
Operating expenses			
Cost of goods sold		377 797 107	294 823 518
Payroll expenses	2	178 353 777	184 437 278
Depreciation	3, 4	17 533 536	-1 695 955
Other operating expenses	2	76 172 984	99 128 439
Total operating expenses		<u>649 857 404</u>	<u>576 693 280</u>
Operating result		<u>28 509 477</u>	<u>50 159 573</u>
Financial income and expenses			
Other financial income	14	77 747 039	27 955 971
Other financial expenses	14	93 445 185	41 437 101
Net financial items		<u>-15 698 146</u>	<u>-13 481 130</u>
Profit before tax		<u>12 811 331</u>	<u>36 678 443</u>
Income tax expense	11	<u>2 714 223</u>	<u>7 415 657</u>
Net income		<u>10 097 108</u>	<u>29 262 786</u>
Allocated of Profit			
Transferred to other equity	10	<u>10 097 108</u>	<u>29 262 786</u>



Aludyne Norway AS

Balance sheet as of December 31

	Note	2020	2019
Fixed assets			
<i>Intangible assets</i>			
Concessions, patents, licences, trade marks	4	407 141	506 433
Total intangible assets		<u>407 141</u>	<u>506 433</u>
<i>Tangible assets</i>			
Machinery and plant	3	112 171 079	105 301 724
Fixtures and fittings, tools, office machinery etc.	3, 8	4 740 448	3 679 365
Total tangible assets		<u>116 911 527</u>	<u>108 981 089</u>
Total fixed assets		<u>117 318 668</u>	<u>109 487 522</u>
Current assets			
Inventories	7	<u>81 763 852</u>	<u>95 997 625</u>
<i>Receivables</i>			
Trade receivables		92 039 312	132 361 976
Other receivables		6 893 223	5 214 639
Total accounts receivable		<u>98 932 535</u>	<u>137 576 615</u>
Cash and cash equivalents	9	<u>27 977 633</u>	<u>27 715 854</u>
Total current assets		<u>208 674 020</u>	<u>261 290 094</u>
Total assets		<u>325 992 688</u>	<u>370 777 616</u>



Aludyne Norway AS

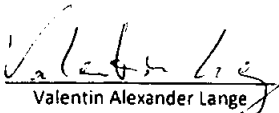
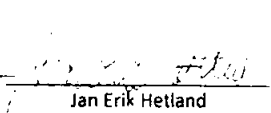

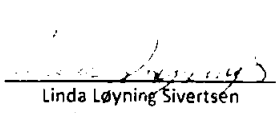
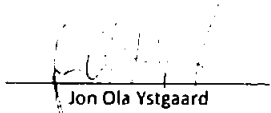
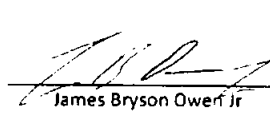
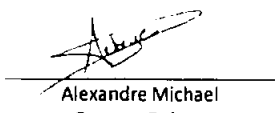
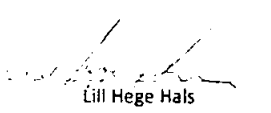
Balance sheet as of December 31

	Note	2020	2019
Equity			
<i>Paid-in capital</i>			
Share capital	10, 12	30 000	30 000
Total paid-in capital		<u>30 000</u>	<u>30 000</u>
<i>Retained earnings</i>			
Other equity	10	43 974 093	33 876 984
Total retained earnings		<u>43 974 093</u>	<u>33 876 984</u>
Total equity		<u>44 004 093</u>	<u>33 906 984</u>
Liabilities			
<i>Provisions</i>			
Deferred tax liability	11	2 066 132	2 755 744
Total provisions		<u>2 066 132</u>	<u>2 755 744</u>
<i>Other long-term liabilities</i>			
Other long-term liabilities	13	168 617 459	223 105 832
Total other long-term liabilities		<u>168 617 459</u>	<u>223 105 832</u>
<i>Current liabilities</i>			
Trade creditors		44 185 905	42 939 093
Tax payable	11	3 403 835	5 727 951
Public duties payable	9	31 818 838	27 645 537
Other short-term liabilities	16	31 896 426	34 696 475
Total current liabilities		<u>111 305 004</u>	<u>111 009 056</u>
Total liabilities		<u>281 988 595</u>	<u>336 870 632</u>
Total equity and liabilities		<u>325 992 688</u>	<u>370 777 616</u>



Aludyne Norway AS

Balance sheet as of December 31

	Note	2020	2019
Farsund, June 9, 2021			
 Valentin Alexander Lange Chairman of the Board	 Jan Erik Hetland Employee representative	 Jan Espeland Employee representative	
 Linda Løyning Sivertsen Employee representative	 Jon Ola Ystgaard Board member	 James Bryson Ower jr Board member	
 Alexandre Michael Georges Debrye Board member	 Lill Hege Hals Managing director		



Aludyne Norway AS

Cash flow statement

	Note	2020	2019
Cash flow from operating activities			
Profit/(loss) before tax		12 811 331	36 678 443
Depreciation and amortization		17 533 536	-1 695 955
Taxes paid		-5 727 951	0
Changes in inventories, trade receivables and trade payables		55 803 249	-47 956 416
Changes in other current assets		-1 678 584	9 082 944
Changes in other current liabilities		1 373 253	-2 588 989
Net cash flow from operating activities		<u>80 114 834</u>	<u>-6 479 973</u>
Cash flow from investing activities			
Purchase of fixed assets		<u>-25 364 682</u>	<u>-59 336 474</u>
Net cash flow from investing activities		<u>-25 364 682</u>	<u>-59 336 474</u>
Cash flow from financing activities			
Change in loans from Group companies		<u>-54 488 373</u>	<u>59 654 913</u>
Net cash flow from financing activities		<u>-54 488 373</u>	<u>59 654 913</u>
Net change in cash and cash equivalents		261 779	-6 161 534
Cash and cash equivalents at 01/01		<u>27 715 854</u>	<u>33 877 388</u>
Cash and cash equivalents at 12/31		<u>27 977 633</u>	<u>27 715 854</u>



Aludyne Norway AS

Notes to the accounts for 2020

Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act and generally accepted accounting principles for in Norway.

Sales revenue

Revenues from sale of goods are recognized in the income statement once delivery has taken place and most of the risk has been transferred.

Other operating income

Revenues related to government grants.

Balance sheet classification

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets/long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Long term liabilities are recognized at nominal value.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments.

Inventories

Inventories are recognized at the lowest of cost and net selling price. The net selling price is the estimated selling price in the case of ordinary operations minus the estimated completion, marketing and distribution costs. The cost is arrived at using the FIFO method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location. Manufactured finished goods and work in progress are valued at full production costs. Foreseeable obsolescence is written down.

Foreign currency translation

Transactions in foreign currency are recorded at current exchange rates that are updated daily. Monetary items in a foreign currency are translated into NOK using the exchange rate applicable on the balance sheet date. Changes to exchange rates are recognized in the income statement as they occur during the accounting period.

Leasing

Lease contract with terms that transfer the majority of economic benefits and obligations to the company (finance lease) are capitalized in the balance sheet, and the present value of the minimum lease cost is included as interest bearing debt. Leases in terms of which the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Operating lease costs are expensed as a regular leasing cost and are classified as an operating cost. The company have only operating lease contracts where the lease payments are accounted for on a straight line basis over the estimated useful lives.



Aludyne Norway AS

Notes to the accounts for 2020

Intangible assets

At year end the negative goodwill is depreciated with an amount that correspond to expected loss at the date of the acquisition. The rest is depreciated over the next 5 years form 2019-2023.

Pensions

The company has defined contribution plan. For the defined contribution pension scheme the future pension benefits are largely dependent on years of service, salary and current return of the deposit portfolio.

The company's employees have been included in the AFP scheme. They have been entering a scheme, that until further notice is based on a contribution plan.

Government grants

Government grants are recorded as expense reimbursement.

Taxes

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities. Deferred tax is calculated as 23/22 percent of temporary differences and the tax effect of tax losses carried forward. Deferred tax assets are recorded in the balance sheet when it is more likely than not that the tax assets will be utilized

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term highly liquid investments with maturities of three months or less.

Note 2 - Wage costs, number of employees, remuneration, loans to employees and auditor's fee

<i>Wage costs</i>	2020	2019
Salaries	143 909 350	151 880 459
Payroll tax	20 510 330	23 192 531
Pension costs	6 642 840	6 551 146
Other payments	7 291 257	2 813 143
Total	<u>178 353 777</u>	<u>184 437 279</u>
The average number of employees in the company:	277	286



Aludyne Norway AS

Notes to the accounts for 2020

Management remuneration

	Managing Director
Salary	1 661 719
Pension expenses	66 469
Other remuneration	119 616

The company's management is included in of an agreement on performance-based bonus, which provision is made in the financial statement.

Loans and guarantees to management, employee representatives and shareholder etc.:

No loans or guarantees have been given to management, employee representatives or shareholders.

Auditor fee has been divided as follows

	2020	2019
Audit fee	436 500	427 000
Other services	101 119	83 000
Total	<u>537 619</u>	<u>510 000</u>

VAT is not included in the figures of auditor's fee.

Note 3 - Tangible assets

	Machinery and plant etc.	Running equipment, tools etc.	Total
Acquisition cost 01.01.2020	124 572 948	4 954 808	129 527 756
Additions	23 105 543	2 259 139	25 364 682
Acquisition cost 31.12.2020	<u>147 678 491</u>	<u>7 213 947</u>	<u>154 892 438</u>
Acc. depreciation 31.12.2020	<u>-35 507 413</u>	<u>-2 473 499</u>	<u>-37 980 912</u>
Net carrying amount at 31.12.2020	<u>112 171 078</u>	<u>4 740 448</u>	<u>116 911 526</u>
Depreciation for the year	-16 236 187	-1 198 058	-17 434 245
Useful economic life	1-15 years	1-10 years	



Aludyne Norway AS

Notes to the accounts for 2020

Note 4 - Intangible assets

	Licenses
Acquisition cost at 01.01.2020	595 406
Acquisition cost 31.12.2020	595 406
Acc. depreciations 31.12.2020	-188 265
Net carrying amount at 31.12.2020	407 141
Depreciations for this year	99 291
Useful economic life	33 % per year

Note 5 - Pensions

The company's pension scheme satisfies the requirements of the Norwegian Act on Compulsory Occupational Pensions ("lov om obligatorisk tjenstepensjon"). The premium payments for 2020 amounted to 5 % of total employee payments in the range of 1-7,1 G, and 8 % in the range of 7,1 - 12 G. The company's pension scheme meets the requirements of that law.

The pension scheme is a scheme that provides a lifelong addition to the regular pension. Employees can choose to retire in the from the age of 62, also next to stand in the job, and the vesting period could be expanded until they are 67 years old. The pension scheme is defined benefit multi-employer pension plan, financed through premiums that are determined as a percentage of salary. Currently there are no reliable measurement and allocation of liabilities and assets in the scheme. For accounting purposes, the scheme is treated as a defined contribution plan where premium payments are expensed as incurred, and no provisions are recognized.

Note 6 - Sales of goods

	2020	2019
<i>By business area</i>		
Sales of automotive components	669 400 642	617 080 579
Sales of aluminum from production (scrap, sale, etc.)	8 553 802	8 496 932
	<u>677 954 444</u>	<u>625 577 511</u>
<i>Geographical distribution</i>		
International	668 828 942	615 823 982
Domestic	9 125 502	9 753 529
	<u>677 954 444</u>	<u>625 577 511</u>



Aludyne Norway AS

Notes to the accounts for 2020

Note 7 - Inventories

	2020	2019
Raw materials	5 406 976	5 016 492
Work in progress	33 092 085	42 037 298
Finished goods	9 091 501	16 180 039
Purchased goods for resale	32 690 115	31 100 008
Biological assets	1 483 175	1 663 788
Total	<u>81 763 852</u>	<u>95 997 625</u>

Inventory is valued at full production cost.

Note 8 - Leasing contracts

The company has only operating lease contracts where the lease payments are accounted for on a straight line basis over the estimated useful lives. Lease not property NOK 863 887.

Note 9 - Restricted cash

	2020
Restricted cash related to employees withholding tax	6 559 194

Note 10 - Owners equity

	Share capital	Other equity	Total
Owners equity 01.01.20	30 000	33 876 984	33 906 984
Profit for the year		10 097 108	10 097 108
Owners equity 31.12.20	<u>30 000</u>	<u>43 974 092</u>	<u>44 004 092</u>



Aludyne Norway AS

Notes to the accounts for 2020

Note 11 - Income taxes

<i>Income tax expenses</i>	2020	2019
Tax payable	3 403 835	5 727 951
Change in deferred tax	-689 611	1 687 706
Total income tax expense	<u>2 714 224</u>	<u>7 415 657</u>

<i>Tax base estimation</i>	2020	2019
Ordinary result before tax	12 811 337	36 678 443
Permanent differences	-473 957	-2 970 910
General income	<u>12 337 380</u>	<u>33 707 533</u>
Limitation of deduction for interest between related	0	-4 699 309
Change in temporary differences	3 134 597	-109 514
Utilization of loss carry forward	0	-2 862 568
Tax base	<u>15 471 977</u>	<u>26 036 142</u>
Tax payable	3 403 835	5 727 951

<i>Temporary differences outlined</i>	2020	2019
Fixed assets	22 920 833	20 619 794
Inventory / Goods	-5 784 426	-4 284 426
Provisions	-7 744 909	-3 809 275
	<u>9 391 498</u>	<u>12 526 093</u>

Deferred income tax liability (22%)	2 066 130	2 755 740
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Effective tax rate **2020**

Expected income taxes, statutory tax rate 22%	2 818 494
Permanent differences (23%)	-104 271
Income tax expense	<u>2 714 223</u>

21,2 %

Note 12 - Share capital and shareholder information

Shareholders per 12/31:

	Ordinary shares	Ownership share	Voting rights
Aludyne Inc.	30 000	100%	100 %

Aludyne Inc. is registered in the US and the main office is located in Galleria Officentre, Suite 501, Southfield, MI 48034.

Aludyne Norway AS is part of the group of UC Holdings Inc.



Aludyne Norway AS

Notes to the accounts for 2020

Note 13 - Intercompany balance group company and associate

<i>Debt</i>	2020	2019
Chassix Inc.	-94 408 448	-154 784 886
DMI Automotive Spain	-74 209 011	-68 320 947
Total	<u>-168 617 459</u>	<u>-223 105 833</u>

The annual interest rates: 2-3%.

Pledged assets: None.

Note 14 - Financial items in income statement

	2020	2019
Currency income	77 726 278	27 900 914
Other interest income	20 761	55 057
Currency loss	-88 935 845	-35 263 694
Intercompany interest cost	-3 840 329	-5 832 289
Other interest cost	-669 011	-341 119
Total	<u>-15 698 146</u>	<u>-13 481 131</u>

Note 15 - Government grants

The company has recognized a receivable of NOK 500,000 in grants in 2020 related to the scheme SkatteFUNN. The receivable is related to three projects. The grant is in 2020 related to costs incurred in 2020 and is recognized as a reduction of costs.

Note 16 - Other short-term liabilities

	2020	2019
Accrued vacation expense	15 057 958	16 904 530
Other provisions for personnel	8 280 247	4 672 964
Other provisions	8 558 221	10 466 706
Tooling	0	2 652 275
Total	<u>31 896 426</u>	<u>34 696 475</u>



Aludyne Norway AS

Notes to the accounts for 2020

Note 17 - Related parties

Associated companies in the group:

- Aludyne Inc. - Shareholder - Owns 100 %
- DMI Automotive Spain - Sister company

Managing director and Chairman of the Board has no ownership interests.

Transactions with associated companies:

The Group has few transactions with associated companies. The transactions have been carried out as part of the ordinary operations and at arms -length prices.

The most significant transactions are as follows:

a) Aludyne Norway AS has paid off NOK 51,2m (USD 6m) to Aludyne Inc. during 2020 reducing their loan from USD 14,3m to 8,4m. Interests in 2020 is NOK 7,8m (USD 0,9m).

Note 18 - Financial risk

Market Risk

The automotive products and services industry is highly competitive. The company competes with foreign competitors. Certain of these competitors may have greater financial, technical, manufacturing and marketing resources than the company, and may be in a better competitive position. The following competitive actions can each affect our revenues and earnings:

- drop in worldwide car sales for the customers
- free capacity at the competitors which they will utilize by offering low prices

Operational Risk

The following factors, in addition to others not listed, could reduce margins on contracts, adversely impact completion of contracts, adversely affect the company's position in the market or subject us to contractual penalties:

- our failure to adequately estimate costs for making the products
- our inability to deliver products that meets contracted technical requirements
- our inability to maintain our quality standards during the design and manufacturing process
- our inability to secure material or services offered by third party vendors at reasonable costs and within required timeframes
- unexpected increases in the costs of raw materials
- our inability to manage unexpected delays due to weather, shipyard access, labor shortages or other factors beyond our control
- credit market conditions or financial challenges for consumers of our products

Currency Risk

Aludyne Norway operates with international customers and vendors and incurs transactions in various currencies. Most of the salaries and other operating expenses are exposed to Norwegian kroner. Revenue and cost of goods sold are exposed mainly towards Euro and US dollars.

To minimize the effect of foreign currency fluctuations, EUR is hedged to NOK.

Credit Risk

Aludyne Norway considers the risk from counterparties being unable to fulfil their financial commitments as low based on the nature of the customers. A substantial portion of the revenue come from international



Aludyne Norway AS

Notes to the accounts for 2020

automotive companies. Therefore, Aludyne Norway has significant receivables in various foreign jurisdictions.

If worldwide activity in the automotive industry or changes in economic conditions in foreign jurisdictions deteriorate, the creditworthiness of the customers could also deteriorate and they may be unable to pay these receivables, and additional allowances could be required. Historically, the charge-offs and provisions for the allowance for doubtful accounts have been immaterial. However, because of the risk factors mentioned above, changes in bad debt allowances could become material in future periods.

Liquidity Risk

During the 2020 the cash flow from the operations has improved significantly compared to 2019. Aludyne Norway has during 2020 reduced the intercompany loans and the liquidity situation at year is good. The Aludyne group is in a good financial position.