

Annual Report

Kubikenborg Aluminium AB

556032-8121



Annual Report

2024-01-01 - 2024-12-31

The Board of Directors and the Chief Executive Officer present the following Annual Report.

Table of Contents:	Page
Management Report	1-4
Income Statement	5
Balance Sheet	6-7
Cash Flow Statement	8
Notes	9-22
Signatures	23-24

Unless otherwise stated, all amounts are in thousands of SEK. The information in parentheses refers to the previous year.

Management Report

Ownership

Kubikenborg Aluminum AB (KUBAL) is owned by Kubikenborg Aluminum in Sundsvall AB (org. no. 556549-4431). UC Rusal IPJSC (reg. no. 1203900011974), Russia owns, via its subsidiary Libertatem Investments LTD (reg.nummer HE462957), Cyprus, all shares in the parent company Kubikenborg Aluminum in Sundsvall AB.

Information on Activities

The company has its headquarters and conducts its own operations in Sundsvall, Sweden. The company's operations include the production of primary aluminum and some remelting of aluminum ingots (press ingots and rolled ingots).

The company's tolling agreement was transferred during the year from RTI Limited, Jersey Channel Islands, to Rusal Marketing Zug, Switzerland. Both companies are part of the Rusal Group. The key terms of the agreement remain unchanged, meaning that the purchase of various raw materials-such as alumina, which is the primary raw material for aluminum production-is settled monthly against the sales made by KUBAL. The raw materials delivered to KUBAL are processed into aluminum products in Sundsvall, which are then delivered to end customers. The agreement further stipulates that KUBAL's primary revenues are derived from a markup on the company's costs. The company has delivered 18,076 (34,498) tonnes of rolled ingots and 91,304(84,784) tonnes of pressed ingots with its primary production corresponding to 108,611 (115,072) tonnes.

Investments are made on an ongoing basis to maintain and enhance the current standard of the facility. The company's liquidity remains sufficient to support future operations. Please refer to the section on Going Concern below for additional details.

In accordance with section 31a, chapter 7, Rusal prepares the group's sustainability report, which includes the company. The Group's sustainability report is available at www.rusal.ru/en/investors

Multi-Year Comparison

Belopp i Tkr

Financial Development in Summary.

	2024-12-31	2023-12-31	2022-12-31	2021-12-31	2020-12-31
Net turnover mkr	2 359	3 060	3 195	2 289	1 604
Operating margin %	6,5	7,4	14,6	14,4	-2
Balance sheet total mkr	1 151	1 115	3 035	2 573	2 258
Balance sheet total %	21,3	44,5	24,4	21,3	15,9
Return on total assets %	17	19,3	22,4	18,2	12,5
Return on equity %	42,2	31,4	16,5	14,4	8,9
Solvency %	24,4	30,2	34,5	35,1	34,6

Key ratio definitions are shown in Note 2

Important Conditions and Significant Events

Despite the loss of one of the plant's largest slab customers in January 2024, the company responded swiftly and effectively by securing a new European slab customer. In addition, the production gap was further reduced through the successful introduction of a new product format - primary metal in the form of T-bars. These proactive measures helped stabilize operations and maintain production levels.

Overall, 2024 was a positive year for the company, supported by favorable market conditions. High

LME prices and relatively low electricity costs contributed significantly to strong financial performance. In addition, the market showed signs of stabilization, with a positive outlook driven by more stable raw material costs and declining inflation across Europe.

A key focus for the company and management team in 2024 was improving energy and power efficiency. This was supported by the successful completion of two major investment projects: the commissioning of a new transformer and the replacement of an aging switchgear.

The company continues to prioritize the reduction of CO₂ emissions as a central part of its sustainability strategy. In 2024, a key milestone was achieved with the successful completion of the project at the anodemontage facility, where gasol was replaced by electricity. This transition marks a significant step toward reducing the plant's overall carbon footprint and supports the company's long-term environmental objectives. However, the most significant achievement for the plant in 2024 was the signing of a contract for the purchase of a new remelting furnace. This investment is a cornerstone of the company's strategic project aimed at increasing the share of remelt material in production. The initiative not only supports circular economy principles but also contributes to reducing the environmental impact of primary aluminum production.

Expected Future Development and Significant Risk Factors

The provision for production is secured through an ongoing agreement with Rusal Marketing.

The company's future development is primarily focused on improving working capital efficiency, with a strong emphasis on inventory optimization and cost reduction. These efforts are being driven through a combination of contract renegotiations, in-depth productivity analyses, and the pursuit of organizational synergies across departments.

In 2024 and beyond, a key strategic focus remains the implementation of projects aimed at enhancing production efficiency and reducing CO emissions. For an aluminum smelter, this includes initiatives such as optimizing electrolysis cell performance, increasing the use of remelted aluminum (recycled content), and transitioning to more energy-efficient equipment and processes.

The company is also actively exploring digitalization and automation opportunities within the production process, including predictive maintenance systems and advanced process control, to improve energy usage and reduce downtime. These measures are aligned with long-term environmental goals and regulatory requirements, and position the plant for sustainable growth in a competitive global market.

Kubal is part of the Rusal Group of Companies, which is primarily engaged in the production of aluminum in Russia. The agreements under which Kubal carries out its operations and its long-term financing are associated with and dependent on the Rusal Group of Companies.

The conflict in Ukraine that started in February 2022 caused the imposition of economic sanctions against Russian individuals and legal entities by the European Union, the United States, Japan, Canada, Australia and others, as well as counter-sanctions imposed by the Russian government, and resulted in increased economic uncertainty including more volatile stock, commodity and currency markets. The long-term effects of implemented sanctions, as well as the threat of additional future sanctions, are difficult to determine. The future business environment may differ from management's assessment.

On 8 April 2022, Oleg Deripaska was added under serial number 929 to the list of natural and legal persons, entities and bodies listed in Annex I to Council Implementing Regulation (EU) 2022/581 of 8 April 2022 implementing Regulation (EU) no. 269/2014 on restrictive measures regarding measures that undermine or threaten the territorial integrity, sovereignty and independence of Ukraine¹ and Council Decision (CFSP) 2022/582 of 8 April 2022 amending Decision 2014/145/CFSP on restrictive measures regarding measures or threaten Ukraine's territorial integrity, sovereignty and independence.

The shareholding structure of the UC RUSAL IPJSC as at 31 December 2024 and 2023 was as follows:

	31 Dec 2024	31 Dec 2023
EN+GROUP IPJSC ("EN+", formerly En+ Group Plc)	56,88%	56,88%
SUAL PARTNERS ILLC ("SUAL PARTNERS", formerly SUAL Partners Limited)	25,52%	25,52%
Mr. Oleg V. Deripaska	0,01%	0,01%
Publicly held	17,59%	17,59%
Total	100,00%	100,00%

As of December 31, 2024 and 2023, the immediate parent company of the RUSAL Group was EN+ GROUP International Public Joint-Stock Company (EN+ GROUP IPJSC), with its registered office at 8 Oktyabrskaya Street, Office 34, Kaliningrad, 236006, Russian Federation.

Based on information from EN+ GROUP IPJSC, as of the reporting date, no individual has a direct or indirect ownership in EN+ GROUP IPJSC exceeding 44.95%, voting rights exceeding 35%, or in any other way has the ability to exercise control over EN+ GROUP IPJSC or the RUSAL Group.

According to official sources, Oleg Deripaska's ownership stake in RUSAL's parent company, EN+ GROUP IPJSC, is limited to 44.95%, while his voting rights are further limited to a maximum of 35%. EN+ GROUP IPJSC in turn holds 56.88% of the shares in RUSAL. This means that Deripaska's indirect ownership in RUSAL cannot exceed 25.56%. Furthermore, through its majority ownership in RUSAL, EN+ GROUP IPJSC, like RUSAL itself, is obligated to monitor and prevent any involvement by Deripaska in RUSAL in order to ensure RUSAL's independence from him. This structure has been agreed upon with the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) and was implemented to prevent Deripaska from gaining control over RUSAL. This includes, among other things, that Deripaska has no right to appoint board members at RUSAL, and no board members may have any personal, professional, or familial ties to him.

EN+ GROUP IPJSC and RUSAL regularly certify to OFAC that they are complying with the agreement, and RUSAL conducts an annual audit to confirm compliance.

RUSAL and its subsidiaries are not listed among the legal entities subject to EU sanctions and are therefore not currently subject to EU sanctions.

The long-term effects of existing sanctions, as well as the threat of potential future sanctions, are difficult to predict. The expected future development may differ from the management's current assessment.

For further information on the company's activities and performance, see UC Rusal IPJSC's annual report at www.rusal.ru/en/investors.

Going Concern

These financial statements have been prepared on the assumption that the company will continue as a going concern. Consequently, these statements do not include any adjustments related to the classification or realizability of reported asset amounts, the amounts and classification of liabilities, or other adjustments that may arise if the company were unable to continue its operations.

Ongoing

geopolitical instability and unpredictability in future developments-including current and potential sanctions imposed by the United States, the EU, and other countries-may cause potentially significant limitations in the Group's sales channels, access to production raw materials, and the ability to manage the supply chain. Access to future financing, including the key interest rate set by the Central Bank of the Russian Federation, as well as volatility in currency, stock, commodity, and financial markets, and the possible introduction of export duties, may affect the Group's operations, financial position, future outlook, and operating results.

The circumstances described above (see also the section "Expected Future Development and Significant Risk Factors"), together with market volatility in commodities, equities, currencies, and interest rates, create significant uncertainty regarding the RUSAL Group's ability to meet its financial obligations on time and to continue its operations. This also poses a potential risk of impact on Kubikenborg Aluminium in a similar manner.

Management continuously evaluates the current situation and prepares forecasts based on various

scenarios concerning future developments and conditions. The Group's management expects that global commodity prices will increase and improve the outcome of operating activities. The Group is also revising its supply and sales chains, ensuring optimal solvency and debt levels, seeking solutions to logistical challenges, and identifying ways to fulfill its obligations in order to adapt to current economic changes and maintain the continuation of the Group's operations.

Activities Requiring a Permit or Notice Under the Environmental Code

The Company performs 3 activities that require a permit in accordance with the Environmental Code. The permits refer to all facilities for the production of aluminium. Such activities affect the environment through emissions to air and water. The production capacity subject to a permit corresponds to 100% of the Company's net sales. An Annual Environmental Report is submitted to the licensing authority.

Changes in Equity

	Share capital	Reserve fond	Oth non-restricted equity	Total equity
Equity at the beginning of the year	25 000	9 000	151 798	185 798
Dividends			-151 775	-151 775
Profits for the year			98 228	98 228
Equity at the end of the year	25 000	9 000	98 251	132 251

The share capital consists of 25,000 shares.

Proposal for Appropriation of Profits

The following profits are available to the Annual General Meeting:

(amount in SEK)

Retained earnings	22 676
Profits for the year	98 228 263
	98 250 939

The Board of Directors proposes that profits be distributed so that

carried forward	98 250 939
	98 250 939

Income Statement

<i>Belopp i Tkr</i>	<i>Not</i>	<i>2024-01-01- 2024-12-31</i>	<i>2023-01-01- 2023-12-31</i>
Net turnover	5	2 358 468	3 059 465
Cost of goods sold	6,7,8	-2 049 655	-2 749 568
Gross profit		<u>308 813</u>	<u>309 897</u>
Administrative costs	6,7,8,9	-109 099	-133 308
Other operating income	10	67 881	308 362
Other operating costs	11	-113 192	-257 238
Operating profit		<u>154 404</u>	<u>227 713</u>
Other interest receivable and similar items	12	38 022	173 674
Interest costs and similar items	13	-74 079	-295 608
Profit after financial items		<u>118 347</u>	<u>105 779</u>
Appropriations	14	3 677	87 772
Income tax for the year	15	-23 796	-41 759
Profits for the year		<u>98 228</u>	<u>151 792</u>

Balance sheet

<i>Belopp i Tkr</i>	<i>Not</i>	<i>2024-12-31</i>	<i>2023-12-31</i>
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Intangible assets in progress		167	167
		167	167
<i>Tangible fixed assets</i>			
Buildings and land	16	10 039	10 381
Machinery and other technical facilities	17	322 529	283 349
Equipment, tools, fixtures and fittings	18	228	302
Construction in progress and advances for tangible fixed assets	19	165 311	122 517
		498 106	416 549
Total fixed assets		498 272	416 716
Current assets			
<i>Inventories</i>			
Raw materials and consumables	21	381 546	456 201
		381 546	456 201
<i>Current receivables</i>			
Accounts receivable		4 149	1 336
Receivables from Group companies	22	50 570	62 141
Aktuell skattefordran		6 149	-
Other current receivables		49 212	52 936
Prepaid costs and accrued income	23	19 226	14 501
		129 305	130 914
Cash at bank and in hand	24	142 148	111 217
Total current assets		652 998	698 332
TOTAL ASSETS		1 151 272	1 115 048

Balance sheet

<i>Belopp i Tkr</i>	<i>Not</i>	<i>2024-12-31</i>	<i>2023-12-31</i>
EQUITY AND LIABILITIES			
Equity	25		
Bonded equity			
Share capital		25 000	25 000
Reserve fund		9 000	9 000
		<u>34 000</u>	<u>34 000</u>
Non-restricted equity			
Profit or loss brought forward	4	23	6
Profits for the year		98 228	151 792
		<u>98 251</u>	<u>151 798</u>
Total equity		<u>132 251</u>	<u>185 798</u>
Untaxed reserves			
Accumulated accelerated depreciation	26	157 833	161 510
Accruals		29 000	29 000
		<u>186 833</u>	<u>190 510</u>
Provisions			
Provisions for pensions and similar obligations	27	27 876	28 115
		<u>27 876</u>	<u>28 115</u>
Non-current liabilities			
Liabilities to Group companies	28	446 928	-
		<u>446 928</u>	<u>-</u>
Current liabilities			
Trade payables		124 585	57 308
Advances from Group companies	22	136 472	525 467
Current tax liabilities		-	20 389
Other liabilities		16 243	17 158
Accruals and deferred income	29	80 083	90 303
Total current liabilities		<u>357 384</u>	<u>710 625</u>
TOTAL EQUITY AND LIABILITIES		<u>1 151 272</u>	<u>1 115 048</u>

Cash Flow Statement

<i>Amount in Tkr</i>	<i>Not</i>	<i>2024-01-01- 2024-12-31</i>	<i>2023-01-01- 2023-12-31</i>
Cash Flow Statement			
Operating profit before financial items		154 404	227 713
Adjustments for items not included in the CF statement	30	74 781	112 573
Interest received	12	38 022	173 674
Interest paid	13	-74 079	-295 608
Tax paid		-50 334	-60 715
		<u>142 794</u>	<u>157 637</u>
Increase/decrease in inventories		74 655	230 948
Increase/decrease in operating receivables		7 757	1 609 571
Increase/decrease in operating liabilities		-341 112	-55 937
Cash flow from current operations		-115 906	1 942 219
Investing activities			
Investments in tangible fixed assets		-156 576	-126 623
Cash flow from investing activities		-156 576	-126 623
Financing activities			
Loans taken		455 188	
Reduction of the outstanding liability			-1 118 496
Dividends		-151 775	-791 425
Cash flow from financing activities		303 413	-1 909 921
Cash flow for the year		30 931	-94 325
Cash and cash equivalents at the beginning of the year		111 217	205 542
Cash and cash equivalents at the end of the year		142 148	111 217

Notes

Not 1 Accounting and Valuation Principles

Amount in TSEK except as otherwise indicated.

Generally Accepted Accounting Principles

This Annual Report has been prepared in accordance with the Annual Accounts Act and the General Recommendations of the Swedish Accounting Standards Board (BFNAR 2012:1. Annual and Consolidated Financial Statements (K3).

The accounting principles remain unchanged compared with the previous year.

Valuation principles

Assets, provisions and liabilities are valued at acquisition value if nothing else is stated below.

Tangible Fixed Assets

Tangible fixed assets are reported at acquisition value less accumulated depreciation and write-downs. In addition to the purchase price, the acquisition value also includes costs that are directly attributable to the acquisition. For some of the tangible fixed assets, machinery and other technical facilities, the difference in the consumption of significant components is valued as significant. Such assets have therefore been divided into components which are depreciated separately.

Additional costs that meet the asset criterion are included in its carrying amount. All expenditures for ongoing maintenance and repairs are reflected as costs (when incurred).

Depreciation takes place on a straight-line basis over the asset's estimated useful life, as it reflects the expected consumption of its future economic benefits. Annual depreciation is recognised as costs in the income statement.

The following depreciation periods are applied:

Buildings	25 year
Machinery and other technical facilities	4-25 year
Equipment, tools, fixtures and fittings	3-10 year

At each balance sheet date, it is valued whether there is any indication that an asset's value is lower than its carrying amount. If such an indication exists, the recoverable amount is calculated for the entire cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. When calculating the value in use, the present value is calculated from the future cash flows that the asset is expected to give rise to in its current operations and when it is divested or disposed of. The discount rate used is before tax and reflects market valuations of the time value of funds and the risks related to the asset. An earlier write-down may be returned only if the grounds for the calculation of the recoverable amount at the last write-down are changed.

Leasing

All lease agreements are classified as operating lease agreements.

Lease payments under operating lease agreements, including increased first lease payments, but excluding all expenditures for services (such as insurance and maintenance), are reported as costs on a straight-line basis during the lease term.

Foreign Currencies

Monetary assets and liabilities in foreign currencies are valued at the exchange rate on the balance sheet date. Non-monetary items are not recalculated but are reported at the exchange rate at the time of the acquisition.

Inventories

Inventories are reported at the lower of the acquisition value or the net realisable value. The risk of obsolescence is taken into account. The acquisition value is calculated on the basis of weighted average prices. In addition to expenditures for acquisition, the acquisition value also includes expenditures for the supply of goods to their current location and condition.

Regarding all self-produced semi-finished and finished products, the acquisition value consists of direct production costs and all indirect costs that constitute more than an insignificant part of the total expenditures for production. Normal capacity utilisation is considered during the performance of the relevant valuation.

Financial Assets and Liabilities

Financial assets and liabilities are reported in accordance with Chapter 11 (Financial Instruments Valued at Acquisition Value), BFNAR 2012:1.

Accounting and Removal from the Balance Sheet

A financial asset or liability is recognised in the balance sheet when the Company becomes a party to the contractual terms of the instrument. A financial asset is removed from the balance sheet when the contractual right to cash flow from the asset is terminated or exercised. The same applies when the risks and benefits associated with the ownership are essentially assigned to a non-public party, and then the Company has no control over the financial asset. A financial liability is removed from the balance sheet when the agreed obligation is performed or terminated.

Valuation of Financial Assets

Financial assets are valued after initial recognition at acquisition value, including any transaction expenditures that are directly attributable to the acquisition of the asset.

Financial current assets are valued after initial recognition at the lower of the acquisition value and the net sales value on the balance sheet date.

Accounts receivable and other receivables that constitute current assets are valued individually at the amount that is expected to be received.

Financial fixed assets are valued after initial recognition at acquisition value less any write-downs and with the addition of possible write-ups.

Interest-bearing financial assets are valued at accrued acquisition value using the effective interest method.

When valuing at the lowest value principle or impairment, the Company's financial instruments held for risk diversification are considered to be included in the securities portfolio and are therefore valued as an item.

Valuation of Liabilities

Non-current liabilities are reported at accrued acquisition value. Expenditures that are directly attributable to the raising of loans adjust the loan's acquisition value and are accrued according to the effective interest method. All current liabilities are reported at acquisition value.

Remuneration to Employees after Termination of Employment

The Company has both defined contribution and defined benefit plans.

Classification

Benefit plans after termination of employment are classified as either defined contribution plans or

defined benefit plans.

Under defined contribution plans, the relevant contributions are paid to another company (usually an insurance company) without any obligation to employees when such contributions are paid. The amount of each employee's severance upon termination of employment depends on the contribution that is paid and the return on capital arising from such contribution.

Under defined benefit plans, the Company has the obligation to pay the agreed remuneration to its current and former employees. The Company essentially carries the risk that the remuneration will be higher than expected (actuarial risk) as well as that any return on assets may deviate from expectations (investment risk). Investment risk exists even if the assets are transferred to another company.

Defined Contribution Plans

All payments under defined contribution plans are reported as costs. Non-payments are reported as a liability.

Defined Benefit Plans

The Company has chosen to apply the distribution rules mentioned in BFNAR 2012:1.

Plans for which pension premiums are paid are recognised as defined contribution plans, which means that all contributions are mentioned in the income statement as costs.

Defined benefit pension plans financed using own resources are reported as pension liabilities at the amount received from PRI Pensionsgaranti.

Income Tax

The income tax expense for the year recognised in the income statement consists of current and deferred taxes. A current tax is an income tax for the current financial year that refers to the taxable profit for the year and the part of the previous financial year's income tax that has not yet been reported. A deferred tax is an income tax for taxable profit for future financial years as a result of previous transactions or events.

Deferred tax liabilities are reported for all taxable temporary differences, but not for temporary differences arising from the initial recognition of goodwill. Deferred tax assets are reported for deductible temporary differences and probable tax loss carryforwards in the future. The valuation is based on how the carrying amount of the corresponding asset or liability is expected to be recovered and settled, respectively. The amounts are based on the tax rates and tax rules approved prior to the balance sheet date and not calculated at present value.

Deferred tax assets are valued at a maximum of the amount that is likely to be recovered based on current and future taxable profit. All valuations are reviewed every balance sheet date.

Provisions

Provisions reported in the balance sheet when the Company has a legal or informal obligation as a result of an event that has occurred, and it is probable that an outflow of resources is required to settle the obligation, and a reliable estimate of the amount may be performed.

Provisions are valued after initial recognition at the best estimate of the amount that will be required to settle the obligation on the balance sheet date. All provisions are reviewed every balance sheet date.

Contingent Liabilities

A contingent liability is reported when there is:

- a possible obligation arising from events that have occurred and the occurrence of which may only be confirmed by one or more uncertain future events, which are not entirely within the Company's control, occur or fail to occur, or
- an existing obligation as a result of events that have occurred, but which is not reported as a liability

or provision because it is not probable that an outflow of resources will be required to settle the obligation or the scope of the obligation cannot be calculated with sufficient reliability.

Income

The Company's income is mostly based on a recast agreement with RTI Limited, Channel Islands and Rusal Marketing Zug Switzerland. Both RTI Limited and Rusal marketing are the part of the RUSAL Group of Companies. This agreement stipulates that the Company has a specific mark-up on its costs. Such income is invoiced on a monthly basis.

Cash Flow Statement

The cash flow statement is prepared using an indirect method. The reported cash flow only includes transactions with inflows or outflows.

In addition to cash and cash equivalents, the Company classifies available receivables from banks and other credit institutions as well as short-term liquid investments that are listed on a marketplace and have a maturity of less than 3 months from the date of the acquisition. Changes in blocked funds are reported in investing activities.

Not 2 Key Definitions

Operating margin:

Operating profit/net sales

Balance sheet total:

Total assets.

Return on capital employed:

(Operating profit + financial income)/average capital employed.

Financial income:

Items in net financial income that are attributable to assets (which are included in capital employed).

Capital employed:

Total assets - non-interest-bearing liabilities.

Non-interest-bearing liabilities:

Liabilities that are not interest-bearing. Pension liabilities are considered as interest-bearing.

Return on total assets:

Profit after financial items, excluding interest costs, as a percentage of average total assets.

Return on equity:

Profit after financial items in relation to equity and untaxed reserves (less deferred tax).

Solvency:

Equity and untaxed reserves (less deferred tax) in relation to total assets.

Not 3 Estimates and Assumptions

The preparation of the financial statements and the application of the accounting principles are often based on the management's decision and the estimates and assumptions that are considered reasonable as of the date of such decision. However, regarding other estimates and assumptions, the result can be different and any events, which may require a significant change in the carrying amount of the asset or liability in question, may occur. Listed below are the accounting principles whose application is based on such assumptions and the most important sources of uncertainty in estimates that the Company believes may have the most significant effect on the Company's reported profits and financial position.

Tangible Fixed Assets

Tangible fixed assets are reported at acquisition value less accumulated depreciation and write-downs. The Company does not report any intangible fixed assets with an indefinite useful life. Depreciation is ensured over the estimated useful life (to an estimated residual value). Both useful life and residual value are revalued at least at the end of each accounting period.

The carrying amount of the Company's fixed assets is reviewed whenever events or changed conditions indicate that such carrying amount cannot be recovered. If the cash flow statement indicates that the value of the asset is high enough, the recoverable amount of the asset is to be determined.

The recoverable amount is the higher of fair value less costs to sell and value in use. The value in use is calculated as the present value of the expected net cash flows of the Company.

Restoration Costs

As the Company is instructed by the Group to perform its activities in Sundsvall in the foreseeable future, all settlement cost arising in the future are to be considered of less value in the calculation of the present value. In addition, the Company has an agreement with the owner/Group company ensuring reimbursement to KUBAL for its future costs.

All in all, it means that no amount is reported as the provision for future settlement costs.

Not 4 Proposed Appropriation of Profits

	<i>(amount in SEK)</i>	
	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
Balanced means	22 676	5 628
Profits for the year	98 228 263	151 792 048
	98 250 939	151 797 676
The Board of Directors proposes the distribution of funds		151 775 000
so that the following is carried forward	98 250 939	22 676
	98 250 939	151 797 676

Not 5 Distribution of Net Sales by Geographic Markets

Net sales are distributed by geographic markets as follows:

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
Sweden	6 571	11 678
Europe	2 351 897	3 047 788
Total	2 358 468	3 059 466

Net sales to Group companies are distributed as follows:

Other companies in the RUSAL Group of Companies	2 324 887	3 022 892
Total	2 324 887	3 022 892

Not 6 Depreciation and write-downs

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
<i>Depreciation according to plan (per asset category)</i>		
Buildings and land	-342	-210
Machinery and other technical facilities	-74 602	-111 043
Equipment, tools, fixtures and fittings	-75	-75
	-75 019	-111 328
<i>Depreciation according to plan (per function)</i>		
Cost of goods sold	-74 793	-110 992
Administrative costs	-226	-336
	-75 019	-111 328
Total	-75 019	-111 328

Not 7 Salaries, Other Benefits and Social Costs

Average number of employees

	2024-12-31	2023-12-31
Women	63	63
Men	404	406
Total	467	469

Salaries, allowances, social security contributions and pension costs

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
Salaries and remuneration to the Board of Directors and the CEO	-3 568	-5 156
Salaries and remuneration to other employees	-255 937	-255 923
	-259 505	-261 079
Social security contributions according to law and agreement	-88 201	-88 599
Pension costs for the Board of Directors and the CEO	-355	-470
Pension costs for other employees	-26 874	-24 171
Total	-374 935	-374 319

Board Members and Senior Executives

	2024-12-31	2023-12-31
<i>Number of Board members on the balance sheet date</i>		
Women	1	1
Men	5	5
Total	6	6

CEOs and other senior executives

	2024-12-31	2023-12-31
<i>Number of CEOs and other senior executives</i>		
Women	3	3
Men	8	8
Total	11	11

Not 8 Operating Lease Agreements

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
<i>Future minimum lease payments under non-cancellable operating leases:</i>		
Due for payment within 1 year	-5 247	-9 476
Due for payment later than 1 year but within 5 years	-1 639	-9 338
Total	-6 886	-18 814
Lease payments considered as costs during the period	-13 920	-8 510

In this Report, operating leasing is mainly related to leased machinery.

Not 9 Remuneration to the Auditors

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
<i>Ernst & Young AB</i>		
Audit engagement	-1 200	-800
Total	-1 200	-800

The auditors engagement refers to yearly audit of statutory accounting as well as audit and other examination carried out in accordance with an agreement or contract including the ones on request of management board and managing director.

This includes other tasks upon request to the company's auditor to perform as well as advising or other assistance resulting from observations made during such audit or performance of such tasks.

Not 10 Other Operating Income

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
Exchange gains on receivables/liabilities of an operating nature	58 799	265 312
Other	9 082	43 050
Total	67 881	308 362

Not 11 Other Operating Costs

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
Exchange losses on receivables/liabilities of an operating nature	-100 041	-240 670
Other operating costs	-13 151	-16 568
Total	-113 192	-257 238

Not 12 Other Interest Receivable and Similar Items

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
Interest receivable	333	1 526
Foreign currency exchange loans	37 689	172 148
Total	38 022	173 674

Not 13 Interest Costs and Similar Items

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
Interest costs (Group companies)	-21 232	-105 609
Interest costs (other)	-1 264	9 055
Exchange losses on currency exchanges	-4 552	-4 327
Exchange losses on loan	-47 031	-194 727
Total	-74 079	-295 608

Not 14 Appropriations

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
Changes in appropriation		29 000
Difference between recognised depreciation and depreciation according to plan -Machinery and other technical facilities	3 677	58 772
Total	3 677	87 772

Not 15 Income Tax for the Year

	2024-01-01- 2024-12-31	2023-01-01- 2023-12-31
Current tax	-23 542	-40 794
Tax due to changed taxation	-254	-966
Income tax for the year	-23 796	-41 760
Reported profit before tax	122 024	164 552
Tax calculated according to current tax rate		-33 898
Tax effect of non-deductible costs	-25 137	-284

Tax attributable to the reported profits for previous years	1 751	-232
Tax effect of changes in appropriations	-157	-6 380
Reported tax costs	-23 543	-40 794

Not 16 Buildings and Land

	2024-12-31	2023-12-31
<i>Accumulated acquisition values</i>		
Opening acquisition values	152 076	151 996
Acquisition		4 559
Retirements and disposals for the year		-4 479
<i>Closing accumulated acquisition values</i>	<u>152 076</u>	<u>152 076</u>
<i>Accumulated depreciation</i>		
Opening depreciation	-141 696	-145 964
Retirements and disposals for the year		4 479
Depreciation for the year	-342	-211
<i>Closing accumulated depreciation</i>	<u>-142 038</u>	<u>-141 696</u>
Closing residual value according to plan	10 038	10 380
Book value land in Sweden	5 053	5 053

Not 17 Machinery and Other Technical Facilities

	2024-12-31	2023-12-31
<i>Accumulated acquisition values</i>		
Opening acquisition values	2 701 683	2 691 264
Acquisitions for the year	113 782	54 887
Retirements and disposals for the year		-44 468
<i>Closing accumulated acquisition values</i>	<u>2 815 465</u>	<u>2 701 683</u>
<i>Accumulated depreciation</i>		
Opening depreciation	-2 418 334	-1 991 759
Retirements and disposals for the year		44 469
Reclassification		-360 000
Depreciation for the year	-74 602	-111 044
<i>Closing accumulated depreciation</i>	<u>-2 492 936</u>	<u>-2 418 334</u>
<i>Opening write-downs</i>		-360 000
<i>Reclassification</i>		360 000
<i>Closing accumulated write-downs</i>		-
Closing residual value according to plan	322 529	283 349

The valuation of the Company's fixed assets is performed primarily on the basis of the Company's cash-generating operations for aluminium processing and its value in use. The value in use is based on estimated cash flows after tax that seem to be generated during the remaining useful life of the cash-generating unit based on the assumption of an indefinite useful life. The most important assumptions that have a large effect on cash flows in the event of any changes include growth (volume), margin and discount rate.

Not 18 Equipment, tools, fixtures and fittings

	2024-12-31	2023-12-31
<i>Accumulated acquisition values</i>		
Opening acquisition values	10 697	10 697
Closing accumulated acquisition values	10 697	10 697
<i>Accumulated depreciation</i>		
Opening depreciation	-10 394	-10 319
Depreciation for the year	-75	-75
Closing accumulated depreciation	-10 469	-10 394
Closing residual value according to plan	228	303

Not 19 Construction in Progress and Advances for Tangible Fixed Assets

	2024-12-31	2023-12-31
Pre-opening costs incurred	122 517	55 341
Costs incurred for the year	156 595	126 623
Redistributions performed for the year	-113 801	-59 447
Pre-closing costs incurred	165 311	122 517

Not 20 Participations in Associates and Jointly Controlled Companies

	2024-12-31	2023-12-31
<i>Capital share%</i>	<i>33</i>	<i>33</i>
<i>Voting rights share%</i>	<i>33</i>	<i>33</i>
<i>Book value(SEK)</i>	<i>1</i>	<i>1</i>
GANSCA Deponi AB		
Org nr. 556431-3772		
Registered office:		
Sundsvall, Sweden		

Not 21 Inventories

	2024-12-31	2023-12-31
<i>Valued at acquisition value</i>		
Raw materials and consumables	379 778	451 926
Residues	1 768	3 576
Goods for sale		699
Total	381 546	456 201

During the financial year, the Company calculated the acquisition value on the basis of weighted average prices. The acquisition value was calculated in previous years according to the first-in-first-out principle.

Not 22 Related Party Transactions

Information About the Parent Company

The Company is a wholly owned subsidiary of Kubikborg Aluminium i Sundsvall AB, Org. Nr: 556549-4431, with the registered office in Sundsvall, Sweden.

Kubikborg Aluminium i Sundsvall AB is part of a group where UC Rusal IPJSC (Org. Nr: 1203900011974), Russian Federation, prepares the consolidated financial statements for the largest group of companies.

The consolidated financial statements of the foreign parent company are available on the UC RUSAL website: www.rusal.ru/en/investors

Acquisitions and Sales	<i>2024-12-31</i>	<i>2023-12-31</i>
Sales	2 324 887	3 022 892
Acquisitions	-579 697	-752 712
Interest costs	-22 028	-105 609
Receivables and Liabilities between Group Companies		
Current Group receivables	50 570	62 141
Non-current Group liabilities	-446 928	
Current Group liabilities	-136 472	-525 467
Intercompany transactions (net)	-532 830	-463 326

Not 23 Prepaid Costs and Accrued Income

	<i>2024-12-31</i>	<i>2023-12-31</i>
Prepaid insurance premiums	77	2 028
Other prepaid costs	19 149	12 473
Total	19 226	14 501

Not 24 Cash and Cash Equivalents

	<i>2024-12-31</i>	<i>2023-12-31</i>
Cash at bank and in hand	142 148	111 217
Cash and cash equivalents in the cash flow statement	142 148	111 217

The above-mentioned items are classified as cash and cash equivalents due to:

- Insignificant risk of value fluctuations.
- Easy conversion into cash.
- Term of no more than 3 months from the date of the acquisition.

Not 25 Share Capital

The share capital consists of 25,000 shares with a quota value of SEK 1,000.

Not 26 Untaxed Reserves

	<i>2024-12-31</i>	<i>2023-12-31</i>
Accumulated difference between recognised depreciation and depreciation according to plan	157 833	161 510
Provisions for accruals	29 000	29 000
Total	186 833	190 510

Not 27 Provisions for Pensions and Similar Liabilities

	<i>2024-12-31</i>	<i>2023-12-31</i>
Provisions under the Pension Obligations Vesting Act FPG/PRI-pensioner	27 876	28 115
Total	27 876	28 115

Not 28 Loans

Maturity

The loan from the Group company matures on 2031-05-05.

Not 29 Accruals and Deferred Income

	2024-12-31	2023-12-31
Accrued salaries	10 896	11 215
Accrued holiday allowances	28 812	27 839
Accrued holiday allowances social charges	11 857	11 465
Other accrued costs	28 518	39 783
Total	80 083	90 302

Not 30 Other Information in the Cash Flow Statement

	2024-12-31	2023-12-31
Depreciation	75 019	111 328
Provisions/receivables for pensions	-238	1 245
Total	74 781	112 573

Not 31 Eventual obligations

	2024-12-31	2023-12-31
Personal Guarantees for associates	7 900	7 900
Other contingent assets	558	562
Total obligations	8 458	8 462

Guarantees for Associates

According to the consortium agreement, the shareholders of GANSCA Deponi AB have personal guarantees for the Company's loan liabilities, which are currently less than the amount of any guarantee.

The Company believes that the financial effects of the contingent assets recognised on the balance sheet date will not take place for a foreseeable period of time.

Mutual Pension Liabilities to Försäkringsbolaget PRI.

The partners of PRI Pensionsgaranti should have own mutual liability limited to 2% of the Company's pension liability. The liability may only be claimed if PRI Pensionsgaranti's equity and untaxed reserves are used up.

Not 32 Collateral Pledged

	2024-12-31	2023-12-31
Own Provisions and Liabilities		
Property mortgages	15 000	15 000
Corporate mortgages	36 000	36 000
Total collateral pledged	51 000	51 000

Besides the abovementioned corporate mortgages for 36 000 tsek there are written mortgages registered for another 77 600 tsek. The mortgages are not provided as a pledge for any obligation but hold in own keeping.

Not 33 Financial Arrangements not Reported in the Balance Sheet

Provision for Future Settlement Costs

As the Company is instructed by the Group to perform its activities in Sundsvall in the foreseeable future, all settlement cost arising in the future are to be considered of less value in the calculation of the present value. In addition, the Company has an agreement with the owner/Group company ensuring reimbursement to KUBAL for its future costs.

All in all, it means that no amount is reported as the provision for future settlement costs.

Not 34 Significant Events after the End of the Financial Year

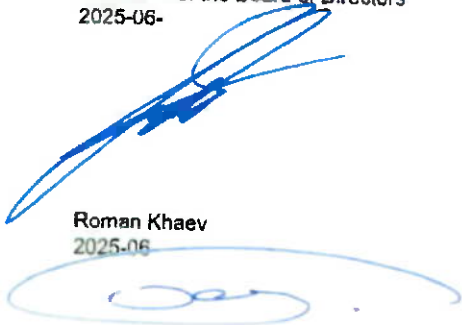
In parallel with operational and sustainability initiatives, the company is also managing changes within its banking relationships. Nordea Bank has communicated its intention to close the company's account; however, this is not expected to impact financial operations, as the company already maintains an established relationship with another European bank. This existing partnership ensures stability and continuity in all banking activities.

Signatures

Signatures

Sundsvall

Sergei Shcherbina
Chairman of the Board of Directors
2025-06-



Mats Andersson
Chief Executive Officer
2025-06-



Roman Khaev
2025-06-



Ksenia Falck
2025-06-



Alina Shylak
2025-06-



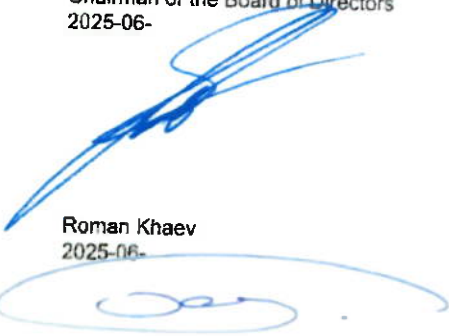
Our Audit Report has been submitted on 2025-
Ernst & Young AB

Rikard Grundin
Approved Auditor

Signatures

Sundsvall

Sergei Shcherbina
Chairman of the Board of Directors
2025-06-



Mats Andersson
Chief Executive Officer
2025-06-



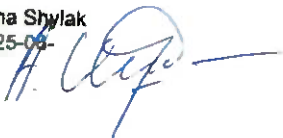
Roman Khaev
2025-06-



Ksenia Falck
2025-06-



Alina Shylak
2025-06-



Our Audit Report has been submitted on 2025-
Ernst & Young AB

Rikard Grundin
Approved Auditor