

SinterCast

— Supermetal CGI —

Annual Report 2023

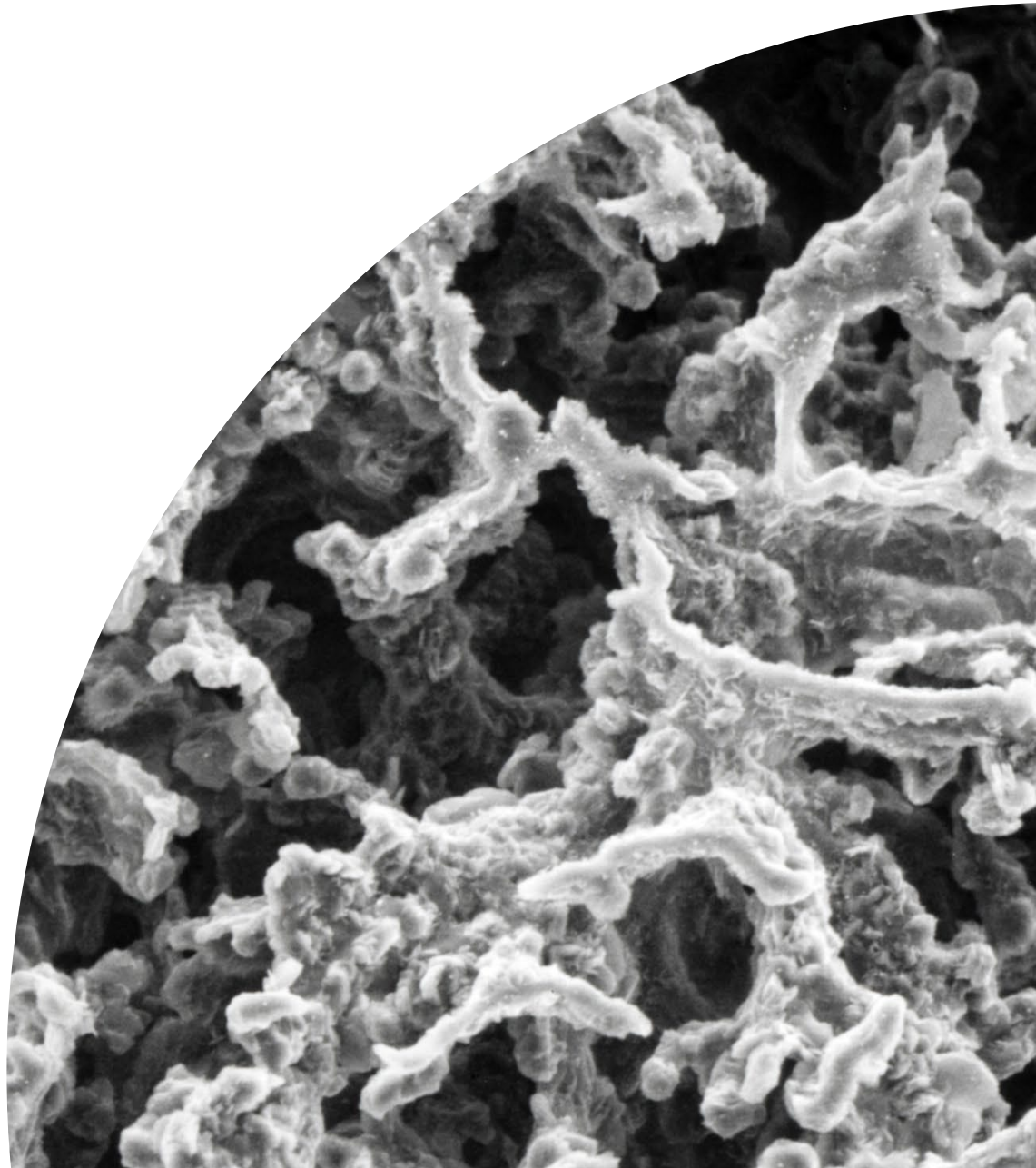


Table of Contents

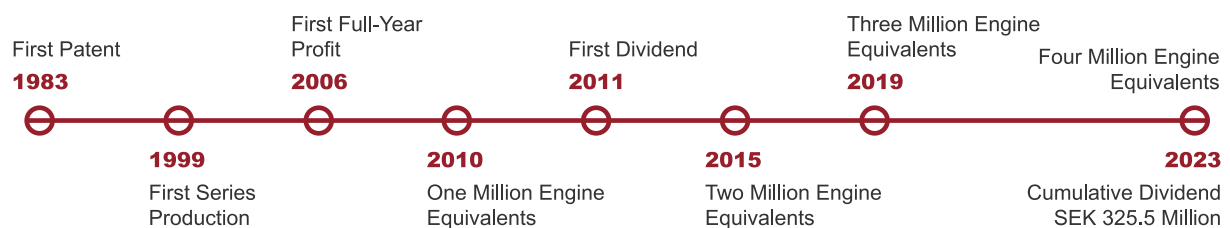
3	What is SinterCast?
4	Highlights 2023
5	Strategy, Mission, Vision and Values
6	SinterCast in Brief
10	CEO Message
13	Business Model
15	Targets
18	Technical Offering
19	Global Installations
20	Will Electrification be Easy?
22	Sustainability Focus Areas
25	Group Management
26	Board of Directors
27	Directors' Report
31	Corporate Governance Report
39	Board of Directors' Report on Internal Control
40	Income Statement & Statement of Result and Other Comprehensive Income – Group
41	Balance Sheet – Group
42	Statement of Changes in Equity – Group
43	Cashflow Statement – Group
44	Income Statement & Statement of Result and Other Comprehensive Income – Parent Company
45	Balance Sheet – Parent Company
46	Statement of Changes in Equity – Parent Company
47	Cashflow Statement – Parent Company
48	Accounting Policies
54	Accounting Notes
77	Signatures
78	Audit Report
82	Historical Summary – Group
83	SinterCast Share
85	Important Dates & SinterCast Offices

*Notes: This document is an unofficial translation of the official Swedish Annual Report.
The Director's Report, pages 27–39, includes the Corporate Governance Report (pages 31–39).*

What is SinterCast?

SinterCast® is the world's leading supplier of process control technology for the reliable high volume production of Compacted Graphite Iron (CGI). The properties of CGI enable improved transport solutions, increasing efficiency and reducing carbon emissions in passenger vehicle, commercial vehicle and industrial power applications. As a specialist supplier of precision measurement and process control solutions to the metals industry, SinterCast also supplies the SinterCast Ladle Tracker® and SinterCast Cast Tracker® technologies, to improve production efficiency and Industry 4.0 traceability in a variety of applications.

With 57 installations in 13 countries, SinterCast is a publicly traded company, quoted on the Small Cap segment of the Nasdaq Stockholm stock exchange (SINT).



What is Compacted Graphite Iron?

Compacted Graphite Iron is a form of cast iron that provides at least 75% higher tensile strength, 45% higher stiffness, and approximately double the fatigue strength of conventional grey cast iron and aluminium. In engine applications, the use of CGI enables the production of smaller, more efficient, more performant, and more durable engines with reduced fuel consumption, lower carbon emissions and less noise.

Top-10 Highlights 2023

1	13% growth in year-on-year revenue (6.3% in year-on-year series production)	6	14 consecutive years of increasing ordinary dividend
2	31.8% operating margin (SEK 1.5 million profit per employee)	7	11 consecutive quarters of year-on-year series production growth
3	95% of revenue from recurring sources (series production, consumables and licence fees)	8	9 million tonnes CO ₂ saved in 2023 (59 million tonnes since 1999)
4	10% CAGR in revenue since 2013 (9% in series production since 2013)	9	5 million SEK share buyback programme initiated
5	Best Paper Award received from American Foundry Society for Ultra-Light Petrol Engine	10	4 million Engine Equivalent milestone surpassed (4.5 million in September)

Top-5 Targets

10%	CAGR through 2030	>100	Million tonnes of cumulative CO ₂ savings by 2028
>70%	Gross margin in 2028	25	Consecutive years of increasing ordinary dividend
>40%	Operating margin by 2028. One of the most profitable companies on NASDAQ		

Our Strategy

SinterCast will focus on providing precision measurements and process control solutions to the cast iron foundry industry. With world-leading technology for the reliable high-volume production of Compacted Graphite Iron (CGI), SinterCast will serve as a partner to its foundry customers and OEM end-users to increase the overall market opportunity for CGI. SinterCast will also build upon its expertise in precision measurement and process control to develop and launch novel technologies, including tracking and traceability solutions. The SinterCast technologies will provide improved energy efficiency, productivity and profitability in the foundry, together with improved fuel efficiency and reduced carbon emissions on the road.

Our Mission

SinterCast will promote CGI within the foundry and end-user communities to increase the overall market opportunity and to define the forefront of CGI development, production and application. This focus and these efforts will provide long-term value for our stakeholders and for society.

Our Vision

As the global leader for CGI process control, our technology will reduce energy consumption and waste in the foundry industry and improve fuel efficiency throughout the lifetime of the vehicle, providing improved transport solutions with significant CO₂ savings.

Our Guiding Principles

- **CGI Leadership:** We are *the* CGI Company. We shall be the global leader in every aspect of CGI know-how, production and application.
- **Technical Expertise:** We have built – and will continue to build – our company on technical expertise. We are committed to earning the respect of our customers through our technical excellence, our service and our innovation.
- **Fair Play:** We conduct business with reputable customers and partners who are involved in lawful business and whose funds are derived from legitimate sources. We are committed to growing our business while respecting the rules.
- **Positive Environment:** We welcome the contribution of every employee and every business partner. At SinterCast, we respect, encourage and support each other. We want everyone to be proud to wear the SinterCast shirt.
- **Focus Five Million:** With a track record of double-digit growth behind us, we steadfastly focus on reaching our near-term goal of five million Engine Equivalents, and continued double-digit growth through 2030.

Our Values

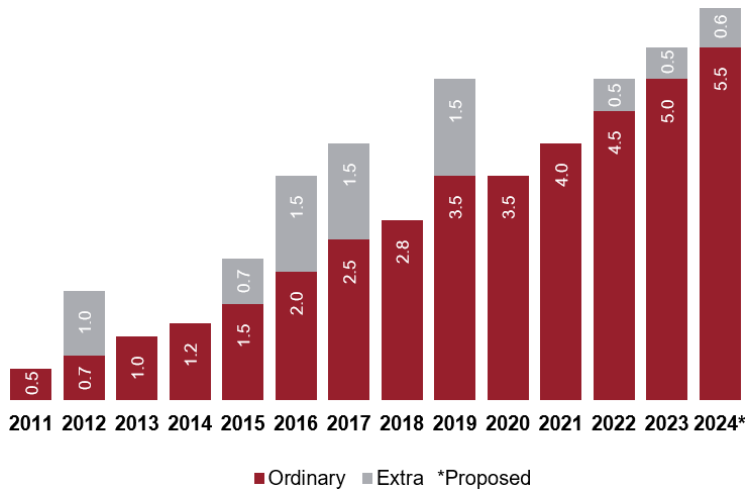
- **Impeccable Customer Service:** SinterCast is a supplier and a partner. We help our customers solve their problems. We are proactive, fast and accurate. Technology, service and relationships are the foundation of our future.
- **Measure-and-Correct:** We continuously measure customer performance and provide feedback to improve quality and efficiency. We continuously measure our own performance to improve our technology, to broaden our leadership position, and to increase our value proposition.
- **Sincerity & Integrity:** Every day, we seek to make a positive contribution to our customers, to each other, and to society. We are helpful, positive, kind and empathetic.
- **Teamwork:** We take advantage of being a small company to communicate openly and broadly. We encourage innovation and ownership, but we work as a team. We want every employee to feel the business.
- **Recognition & Reward:** We encourage, celebrate and reward exceptional contributions to our technology and our business.
- **Never Give Up:** We always take a can-do approach to opportunities and challenges. We start with “yes”. Business isn’t always easy – we are both persistent and patient.

SinterCast in Brief



Increasing Ordinary Dividend

SEK per share



43.1 MSEK

Proposed dividend 2024

325.5 MSEK

Dividend since 2011

46.0 SEK

Dividend per share since 2011



Target: 25 Consecutive years of increasing dividend



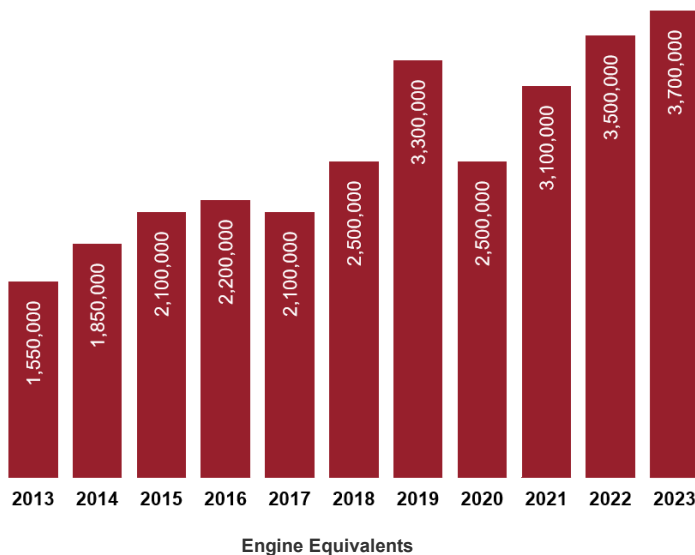
Series Production Growth

6.3%

Year-on-Year Growth

9.1%

CAGR 2013–2023



3.7 million

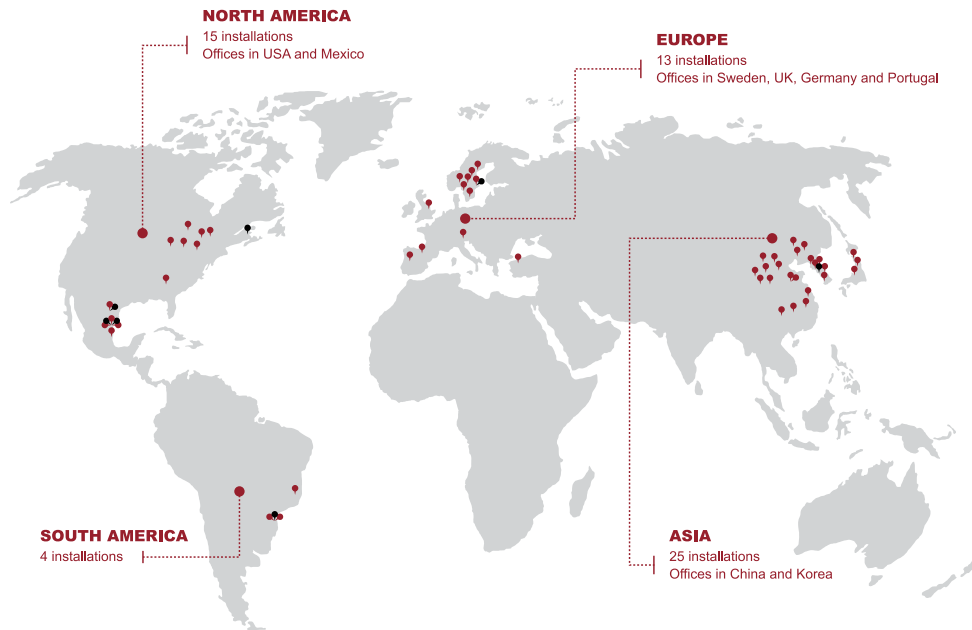
Engine Equivalents 2023
>34 million since 1999



What is an Engine Equivalent?

One Engine Equivalent is 50kg – the weight of a cylinder block in a typical passenger vehicle.

Global Presence



57

Installations in
13 Countries

28

Employees and
12 Nationalities

- CGI Installations
- Tracking Technologies

*As of 28 February 2024

Climate Contribution

~9 million **~59 million**

tonnes of CO₂ reduction in 2023

tonnes of CO₂ reduction since 1999

SinterCast climate contribution in perspective:



13.4 million tonnes

Total CO₂ savings contribution from vehicles, energy storage and solar panels in 2022



13.6 million tonnes

Total CO₂ emissions from Swedish domestic transportation sector in 2022

High Volume Production – today and for the long-term

SinterCast is a Tier II technology and service provider to the global foundry industry. In turn, our foundry customers supply engineered castings to the automotive industry.

Approximately 1.5 million vehicles were produced during 2023 with “SinterCast-Inside”. More than 95% of the 2023 production was for commercial vehicles, pick-up trucks and off-road equipment, where electrification is still in its infancy. Less than 1% of our 2023 production was for passenger cars. The SinterCast product mix provides opportunities for continued growth with high volume series production well beyond 2035.



Commercial vehicles currently account for 51% of the volume. More than 95% of heavy duty commercial vehicles relied on diesel engines in 2023; less than 1% were electric. We see strong growth as the current fleet continues to upgrade to CGI, with high volume production well beyond 2035.



Super Duty pick-ups currently account for 30% of the volume. The SinterCast-CGI engines provide 20~30% better fuel economy, and up to 40% when towing. At present, there are no tangible plans for electrification in the sector. We see long term demand well beyond 2035.



Full-size pick-ups currently account for 10% of the volume. The SinterCast-CGI 2.7 litre V6 petrol engine is the smallest and most fuel efficient option in the Ford F-150. Electric penetration in the sector was approximately 1.5% in 2023. We see long term demand beyond 2030, and beyond 2035 in hybrid applications.



Mid-size pick-ups, SUVs and crossovers currently account for 5% of the volume. Ford invested in new manufacturing facilities for Latin America, Africa and Asia-Pacific during 2023. There is effectively no electric penetration in these regions. We see long term demand well beyond 2035.



Industrial power currently accounts for 4% of the volume. The sector includes large marine engines, locomotives, off-road equipment and back-up electricity generators. We see stable demand, but because the sector is significantly smaller than the core on-road automotive industry, it is unlikely to exceed 5% as on-road market continues to grow.

SinterCast History

- 2023**

 - Series production surpasses four million Engine Equivalents
 - 11 Consecutive quarters of year-on-year growth
 - Share buyback programme initiated
 - 59 million tonnes of cumulative CO₂ saving
- 2022**

 - Start of production for Scania and Traton group
 - Two millionth Sampling Cup shipped
 - Ultra-Light petrol engine concept revealed
- 2021**

 - Covid recovery: 24% increase in series production
 - Record Sampling Cup shipments: 208,700
 - Progress impacted by Covid and semiconductors
- 2020**

 - Record installation revenue: SEK 16.6 million
 - Covid impacts full-year series production
- 2019**

 - Series production surpasses three million Engine Equivalents
 - Launch of System 4000
 - Record installations, Record revenue and Record operating result
- 2018**

 - Start of production of inline diesel engines for passenger vehicles
 - SinterCast Cast Tracker® launched
 - Wards *10 Best Engine* award for SinterCast-CGI diesel in Ford F-150
- 2016–2017**

 - Cumulative dividend reaches SEK 100 million
 - Ford announces SinterCast-CGI diesel in F-150 pick up
 - Wards *10 Best Engine* award for Ford 2.7 litre V6
 - SinterCast Ladle Tracker® launched
- 2015**

 - Series production surpasses two million Engine Equivalents
 - Third consecutive Wards *10 Best Engine* award for Ram EcoDiesel
 - One millionth Sampling Cup shipped
- 2012–2014**

 - First high volume CGI petrol engine begins sales
 - Engine commitments in full-size pick ups for Ram, Ford and Nissan
 - First bespoke CGI agriculture engine launched
- 2011**

 - Record six new installations
- 2010**

 - Land Rover, Navistar and VM Motori launch new SinterCast-CGI engines
 - Series production surpasses one million Engine Equivalents
- 2009**

 - Launch of third generation process control system: System 3000
 - Ford begins series production of first CGI engine in North America
- 2005–2008**

 - Eight new SinterCast-CGI commercial vehicle engines launched
 - Start of series production in Korea: Hyundai 3.0 litre V6
 - First SinterCast installation in China
- 2003**

 - First high-volume production reference: Ford 2.7 litre V6
 - ISO 9001:2000 Certification
- 1999**

 - First series production reference: Audi 3,3 litre V8
- 1997–1998**

 - Development and launch of second generation process control system: System 2000
 - Development of high-volume machining solutions
- 1996**

 - First installation of System 1000: Cifunsa, Mexico
 - ISO 9001 certification
- 1992–1994**

 - Development of first industrial product: System 1000
 - Dual marketing toward foundries and automotive OEMs
 - IPO on Stockholm Stock Exchange: 26 April 1993
- 1984–1991**

 - Fundamental research on the solidification of CGI
 - Initial technical trials and demonstrations
- 1983**

 - SinterCast AB founded
 - First patent filed

CEO Message

With record production, record revenue and record profit in 2023, we set new benchmarks for SinterCast. Our goal for 2024 is to beat them all.

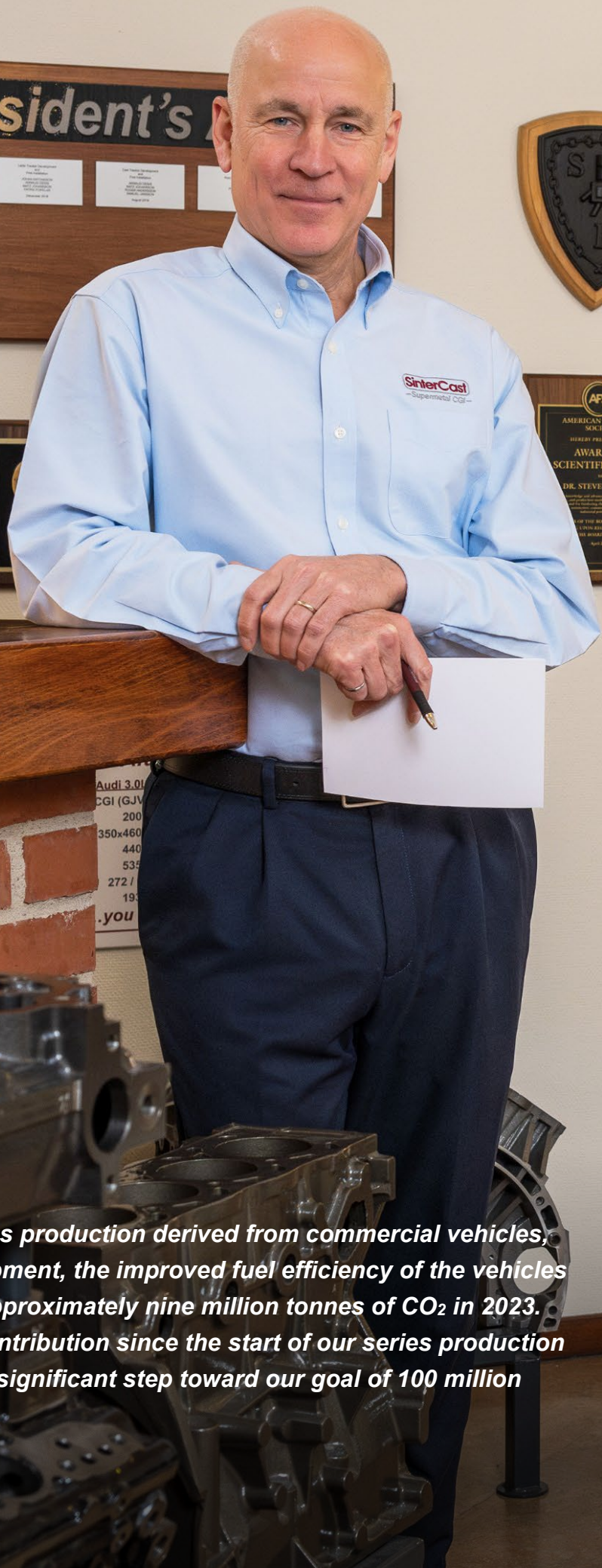
No matter how you measure, 2023 was a good year for SinterCast. If you measure growth, we delivered four consecutive quarters of growth again in 2023, extending our string of year-on-year increases to eleven consecutive quarters. For those who measure money, our full-year revenue increased by 13% to reach 134.4 million, with recurring revenue accounting for 94.5% of the total. Considering our operating margin of 31.8%, that corresponds to a profit of SEK 1.5 million per employee, reinforcing our position as one of the most profitable companies in the Nordic region. Finally, for those who measure Engine Equivalents, we reached the four million milestone in June, and we averaged 4.0 million Engine Equivalents throughout the second half of the year. From the start of our series production in 1999, it took us 16 years to reach the two million milestone. We made the next two million in half the time.

But perhaps the most important measurement is our contribution to society. SinterCast-CGI engines are smaller, lighter and more fuel efficient. During 2023, approximately 1.5 million engines were made with “*SinterCast-Inside*”, increasing our total to more than 13 million vehicles. With more than 95% of our series production derived from commercial vehicles, pick-up trucks and off-road equipment, the improved fuel efficiency of the vehicles that use our technology saved approximately nine million tonnes of CO₂ in 2023. This increases the cumulative contribution since the start of our series production to 59 million tonnes, providing a significant step toward our goal of 100 million tonnes of CO₂ savings by 2028.

Looking forward to 2024, our target remains double-digit growth, as ever. The bulk of our growth will come from the continued ramp of the new Scania 13 litre engine that will be used throughout the Traton Group.

When we received the Traton order in 2019, we said that it would provide one million Engine Equivalents of incremental growth. Scania and Navistar are already in production but we’re not yet halfway through the ramp. In the next phase, the extension of the engine to MAN trucks will drive our growth over the next couple of years. Further afield, we also expect to receive the first contributions from FAW in China during 2024. As the largest commercial vehicle manufacturer in the world, with production on par with the entire European or American markets, our business with FAW provides the opportunity for considerable upside, not just in 2024 but throughout the rest of this decade. Despite the positive outlook, one of our high volume programmes will reach its end-of-life stage during mid-2024, causing a temporary decrease in volume. With most of our programmes lasting for well more than ten years, churn is an uncommon part of business. But it’s happened to us before and we’ll absorb the loss and get back to growth, as we have in the past. With full-year production of 3.7 million Engine Equivalents in 2023, the double-digit bar for 2024 is set at 4.1 million. We’re confident we can beat that.

It’s clear that the media, governments and financial markets have championed electrification. But new development is rarely fast or easy. From our inside position in the industry, we see that the tone is starting to evolve from euphoria to reality. Ford has delayed more than ten billion dollars of spending on electrification and has shifted its focus from large vehicles to small cars. GM has delayed the launch of its electric pick-up and said that it will re-introduce hybrids as a bridge to battery electric vehicles. Earlier this month, Apple abandoned its electric vehicle project. In parallel, the EU changed its initial ruling and has decided to allow engines beyond 2035, while the EPA has relaxed its initial targets for electric vehicle uptake “in recognition of market realities.” Mercedes also prolonged its engine outlook and pushed its electric vehicle targets from 2025 to 2030, echoing the EPA position and stating that it would take a “more flexible approach that puts profitability



“With more than 95% of our series production derived from commercial vehicles, pick-up trucks and off-road equipment, the improved fuel efficiency of the vehicles that use our technology saved approximately nine million tonnes of CO₂ in 2023. This increases the cumulative contribution since the start of our series production to 59 million tonnes, providing a significant step toward our goal of 100 million tonnes of CO₂ savings by 2028.”

Dr Steve Dawson
President & CEO

first and adjusts to the realities of the current market.” And all of these reversals are for cars. It won’t be easier – or faster – in our core market for large vehicles with long driving ranges and demanding duty cycles.

As the largest commercial vehicle manufacturer in the world, with production on par with the entire European or American markets, our business with FAW provides the opportunity for considerable upside, not just in 2024 but throughout the rest of this decade.

For a few years now, I’ve said that the 2020’s will be the decade of development and decision. A lot of development is still needed, not only for batteries, fuel cells and net-zero fuels, but also for infrastructure, cost parity and consumer acceptance. The debate is beginning to evolve from engines to energy, where the burning of renewable net-zero fuels and hydrogen in otherwise normal internal combustion engines provides an attractive solution for all stakeholders. I also believe that the next phase of the debate will shift from decarbonisation to defossilisation. I believe that renewable fuels derived from carbon capture will become an important part of the solution for net-zero mobility, benefitting society and enabling the SinterCast contribution in perpetuity.

Our core market is strong and growing and we’re confident in double-digit growth throughout our five-year planning horizon, and beyond. With the leadtimes in our industry, we’re already supporting our foundry and OEM partners with the development of new engine programmes that are planned for launch in 2028 and 2030. But we’re not resting. Together with Tupy, our largest foundry partner, we’ve developed a new concept for small car engines that provides the same weight as aluminium with 54% lower manufacturing CO₂ emissions. This concept is actively being evaluated by OEMs for

hybrid and range extender applications, running on ethanol and net-zero fuels. We are also actively supporting three hydrogen engine projects for commercial vehicles. The first of these – the MAN H38 heavy duty hydrogen engine pictured on page

14 of this report – will be on sale in the Traton Group from 2025. With the commercial vehicle industry beginning to embrace hydrogen engines as a primary path, this is another exciting development that offers the potential for SinterCast in perpetuity.

Last year marked twenty years of high volume series production for SinterCast. Our technology, our team and our business are proven and mature. Our economic outlook is equally mature. With a gross margin of more than 70%, the business that we have built is highly scalable. Our revenue will continue to deliver double-digit growth while a handful of retirements, with internal successors already identified, will ensure stable operating costs throughout our five-year planning horizon. I’m convinced that we will deliver on our target of more than 40% operating margin by 2028. We will also deliver on our growth targets. This growth is how we will establish our legacy. This growth is how we will contribute to society. This growth is how we will reward our shareholders for their trust and support.



Dr Steve Dawson
President & CEO

Business Model

The SinterCast business model is highly scalable, allowing profitability to grow as the production volume increases. Approximately 95% of the revenue is derived from recurring revenue from the royalty-based Production Fee, the exclusive sale of sampling consumables, and from software license fees. Revenue is also derived from new installations, engineering service, spare parts, and sales of test pieces.

Production Fee

A running fee is levied for each tonne of shipped castings, based on the as-cast (premachined) weight.



Sampling Consumables

The consumables consist of the Sampling Cup and the Thermocouple Pair. One Sampling Cup is consumed with each measurement. The Thermocouple Pair can be re-used for up to 250 measurements.



Engineering Service

New installations, field trials, metallurgical consultancy, and ongoing customer support.



Licence Fee Software

SinterCast charges an Annual Software License Fee and retains ownership of the software.



Installation Revenue

€400,000–600,000 for the full System 4000 or System 4000 *Plus*, and €75,000–125,000 for the Mini-System 4000, depending on the configuration and installation requirements. Lease options are also available.

Building our Business

Newton's First Law: an object at rest will stay at rest unless acted upon by an external force.

CGI was first observed and patented in 1948, but it took more than 50 years for the first series production engine to be launched. Why the remarkably long development cycle? First, CGI is difficult to produce. Second, there was no driving force to promote the benefits of the material. SinterCast was the external force that motivated the industry to overcome these hurdles. The introduction of our technology enabled the reliable high volume production of CGI and we have worked tirelessly to educate and motivate the foundry and automotive industries about the benefits of CGI in engine applications. For more than 30 years, we have built our own business. We continue to drive the market opportunity.

During 2023, together with our largest foundry partner Tupy, our R&D efforts were recognised with the Howard F Taylor Award from the American Foundry Society. The award recognises the paper that has the greatest long-range technical significance to the cast metals industry. The published paper documented the redesign of a 1.2 litre three-cylinder petrol engine from aluminium to CGI. The CGI engine used 54% less metal, generated approximately 50% less CO₂ during manufacturing, and provided the same performance levels. The engine concept can be used in hybrid electric vehicle applications and with biofuels, synthetic fuels and other carbon neutral or net-zero fuels.

SinterCast is also actively engaged in R&D projects for net-zero commercial vehicle engines. During 2023, we supported the supply of SinterCast-CGI cylinder blocks and heads for hydrogen engines for three commercial vehicle OEMs. Dr Steve Dawson, President & CEO, also serves on the Advisory Board for the joint AVL-Tupy-Westport commercial vehicle Hydrogen Zero Emission project. The results of this landmark project were published on 27 February 2024 at the International Engine Congress in Baden-Baden, Germany.



First introduced at the AGM 2023, SinterCast and Tupy are the exclusive suppliers for the CGI cylinder head of the MAN Hydrogen engine used in the Traton group. Sales begin in 2025.

Building our Technology

With approximately 10% of our revenue re-invested in R&D every year, SinterCast prioritises innovation. Our current process control system – System 4000 – is our fourth generation technology and we are working on the sixth generation of our patented Sampling Cup. During 2023, our R&D and Procurement teams focussed on broadening our supply base to secure dual sourcing of all consumables. This expansion aligns the sustainability of our supply base with our future growth and sourcing demands. We will continue to build upon our expertise in precision measurement in the hostile foundry environment to improve the efficiency and profitability of our customers, and in doing so, to secure the long-term sustainability and profitability of our business.

Targets

2023 marked the twenty year anniversary of the start of production of the first high volume engine produced using the SinterCast technology. With more than 13 million fuel-efficient engines successfully produced, SinterCast has established the following financial targets and long-term growth outlook.



1

Continued double-digit CAGR through 2030

Building on a track record of 9% compounded annual growth rate over the last ten years, SinterCast forecasts double-digit CAGR of its series production volume and its revenue through 2030.

2

Increase gross margins beyond current level of 70%

Recurring revenue from series production typically accounts for approximately 95% of the revenue. Gross margins are consistently above 70%. SinterCast maintains the ambition to continuously improve the gross margins.

3

Increase operating margin from 30% to more than 40%

As a software and service provider, with no in-house manufacturing, the SinterCast business is highly scalable. Benefitting from the mature technology, SinterCast foresees reductions in operating costs in parallel with double-digit growth of the series production and the revenue.

4

Extend increasing dividend from current string of 14 years to 25 years

Since the first dividend was approved for the financial year 2010 SinterCast has provided SEK 325.5 million in dividends, representing SEK 46.0 per share and 110% of the operating result.

5

Increase cumulative CO₂ savings to 100 million tonnes by 2028

Vehicles produced with SinterCast engine components are able to operate at higher pressure and temperature, resulting in improved performance, better fuel efficiency and reduced CO₂ emissions. These vehicles contribute to CO₂ reduction every year throughout the life of the vehicle, annually compounding the cumulative CO₂ contribution.

Investor Open House

On 21 September, we had the pleasure to host our shareholders at the SinterCast Technical Centre in Katrineholm. With morning and afternoon sessions, more than 35% of our ownership participated in the event!

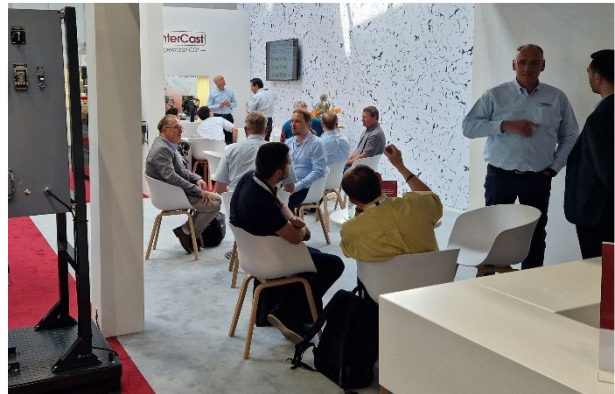


"It was great to meet the SinterCast team, to see the equipment and so many of the series production castings on display at the Technical Centre, and to feel the progress. It was also a great opportunity for the shareholders to connect and to have such an open discussion with management. Everybody went home happy."

Roger Andersson
Shareholder since 1990

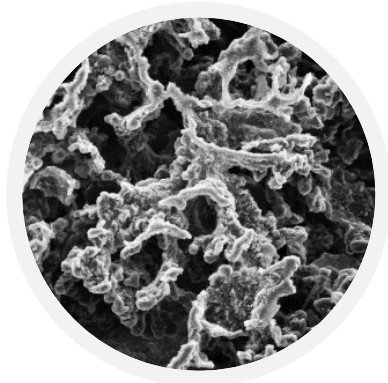
GIFA Foundry Trade Fair

GIFA 2023 provided the opportunity for SinterCast to display its industry leading process control technology and to promote the benefits of CGI. Since the last GIFA in 2019, series production grew by approximately 30% and the improved fuel efficiency of SinterCast vehicles on the roads contributed to the saving of more than 25 million tonnes of CO₂.



Welcome to GIFA 2027!

Technical Offering



Compacted Graphite Iron

- At least 75% stronger and 45% stiffer than conventional grey iron and aluminium alloys.
- Double the fatigue strength of grey iron and five times the fatigue strength of aluminium at elevated temperatures.
- New engines: reduce size and weight while increasing performance.
- Existing engines: improve durability and increase operating loads.
- Ideally suited for components with simultaneous thermal and mechanical loading, such as cylinder blocks and heads.
- Used in passenger vehicle, commercial vehicle, and industrial power engines.



CGI Engine Benefits

- 10–20% lighter than grey iron engines, 10–20% increased power per litre, 75–100% improved durability, and 5–10% reduced operating noise.
- 10–20% shorter than aluminium engines. Reduced length means that all of the components that span the length of the engine are shorter and lighter. The net result is that fully assembled CGI engines can be same weight, or even lighter than, aluminium engines.

These benefits contribute to the ongoing trend toward downsizing in passenger vehicle and commercial vehicle engines. Compared to aluminium, CGI is stronger, more recyclable, less expensive, consumes less energy and generates less CO₂ during production.



The SinterCast Process

- The SinterCast process is based on the measurement and feedforward correction of each ladle.
- The process begins with an accurate analysis of the liquid iron conducted in the patented Sampling Cup.
- Based on the analysis, additional amounts of magnesium and inoculant are automatically added to each ladle to optimise the iron prior to casting.
- The average corrective addition of magnesium is approximately 35 grams per tonne of iron.
- The two-step measure-and-correct control strategy eliminates variation and ensures cost-effective CGI production.

 [CGI Microstructures and Properties*](#)

 [CGI Engine Benefits*](#)

 [The SinterCast Process*](#)

*The videos are located on sintercast.com/investor/presentations/technical-videos.

Global Installations

SinterCast provides process control technology for CGI series production, product development and R&D activities. The SinterCast technology is currently used in 57 installations in 13 countries.

Automated System Installations

ASIMCO International, China
 Caterpillar, USA
 Daedong Metals, Korea
 Dashiang Precision (2), China
 Dongfeng, China
 Döktas, Turkey
 FAW Changchun, China
 Federal Mogul, Sweden
 Hyundai Jeonju, Korea
 Impro Mexico, Mexico
 Ironcast, Mexico
 Scania Classic Foundry, Sweden
 Scania New Foundry, Sweden
 SKF Mekan, Sweden
 Tafalla Iron Foundry, Spain
 Tupy Betim, Brazil
 Tupy Joinville Line E0, Brazil
 Tupy Joinville Line C4, Brazil
 Tupy Ramos, Mexico
 Tupy Saltillo Line 3, Mexico
 Tupy Saltillo Line 4, Mexico
 VDP, Italy
 Volvo, Sweden
 Zhongding Power, China

Mini-System Installations

ASK Chemicals, USA
 Case Western University, USA
 CSIC, China
 Dongfeng, China
 Dongya Technology, China
 Doosan Infracore (2), Korea
 FAW Changchun – Research, China
 FAW Wuxi, China
 Ford Casting Development, USA
 Grainger & Worrall, UK
 Impro China, China
 Jiangling Motors, China
 Jönköping University, Sweden
 Kimura Japan, Japan
 Mid-City Foundry, USA
 Roslagsgjuteriet, Sweden
 Shanxi Diesel, China
 Shanxi Sanlian, China
 Toa Koki, Japan
 Total Solutions & Power, Korea
 Tupy Funfrap, Portugal
 Undisclosed, Japan
 University of Alabama, USA
 YTO Group, China

Tracking Technologies

Hyundai, Korea (Ladle Tracker)
 Ironcast, Mexico (Ladle Tracker)
 Poitras, Canada (Ladle Tracker)
 Scania, Sweden (Cast Tracker)
 Tupy Line 3, Mexico (Cast Tracker)
 Tupy Line 3, Mexico (Ladle Tracker)
 Tupy Line E0, Brazil (Ladle Tracker)



*System 4000
Fully automated series production*



*Mini-System 4000
Niche volume production
Product development and R&D*



SinterCast Tracking Technologies

All information as of 28 February 2024

Will Electrification be Easy?

Media reports often suggest that the automotive industry will be all-electric, tomorrow. Sometimes sooner. But new development is rarely fast or easy. Electrification still needs to overcome challenges related to raw materials, charging infrastructure, range, total cost of ownership, government subsidies and consumer acceptance. The size of these challenges increases as the size of the vehicle increases toward the core SinterCast market for pick-up trucks, commercial vehicles and off-road equipment.

"In order to meet carbon emissions goals set around the world, the auto industry needs about 50 more lithium mines, 60 more nickel mines and 17 more cobalt mines – just to meet the projections for 2030."

International Energy Agency, July 2022

China dominates the processing of critical battery materials and the production of batteries. China processes 90% of the world's graphite, 85% of rare earth metals, 71% of lithium, 65% of cobalt and 35% of nickel. This dominance is double OPEC's control of global oil production.
After Automotive News (October 2022 and December 2023) and Vehicle Remarketing (August 2023)

"Today, almost no publicly accessible charging points or hydrogen refuelling stations that are suitable for trucks are operational."

European Automobile Manufacturers Association (ACEA), March 2023

On the California Zero-emission vehicle legislation from 2024 to 2035:

"The rule would require a year-over-year increase in statewide electrical generation, transmission, and distribution capacity in the next two decades well above what the state previously has been able to achieve even in its highest single year."

California Council on Energy and Economic Balance (CCEEB), October 2022

Ford, Rivian and General Motors each lost more than USD 30,000 per electric vehicle sold during 2023.

Various sources

"A diesel semi can fuel up in 15 minutes and then drive 1,000 miles [1,600 km] before needing to refuel. Making the same trip, an electric truck would have to make six recharging stops of at least 90 minutes each. IMC lost \$310 [per day] by operating the electric semi instead of a diesel truck. To break even rather than take the loss, IMC tacked a surcharge onto each delivery. California consumers will ultimately pay for that."

Wall Street Journal, December 2023 [IMC is the largest drayage hauler in the United States]

The Kenworth Class 8 T680E electric truck can drive 150 miles [240 km] on a single charge, depending on the payload and the route. The same truck powered by the 12.9 litre diesel engine can drive more than 2,000 miles [3,200 km] on a standard 500 litre tank.

After Automotive News, January 2024

"The Ford F-150 weighs approximately 2,000 kg. The electric Ford F-150 Lightning weighs approximately 3,000 kg while the Rivian R1T full-size pick-up weighs approximately 3,150 kg. The higher weight, combined with higher torque and regenerative braking, drastically reduces tire life from more than 50,000 km to less than 25,000 km."

JD Power 2023 OE Tire Customer Satisfaction Survey, from Rubber News, May 2023

"Ford, citing multiple constraints such as supply chain issues will temporarily cut one of three shifts at a factory that builds the F-150 Lightning pick-up. A UAW official indicated that the company was looking to build more gasoline-powered trucks instead: 'It doesn't take a rocket scientist to figure out that our sales for the Lightning have tanked'. Ford subsequently announced that "production will be further reduced to one shift effective 1 April, to achieve the optimal balance of production, sales, growth and profitability."

Automotive News, October 2023 and Ford Press Release, 19 January 2024

“Toyota argues that with lithium as scarce as it is, automakers can reduce carbon emissions more quickly through a multipronged approach to electrification that includes widespread deployment of hybrids, rather than by focusing exclusively on fully electric vehicles. These shortages – not only of battery materials, but of charging infrastructure – will make it abundantly clear that one size does not fit all, and that the best answer is actually a mix of different vehicle types.”

Automotive News, January 2023

“No matter how much BEVs progress, I think that they will have a market share of 30%. The remainder will be hybrids, fuel cells and hydrogen combustion. I have no doubt that engine vehicles will survive.”

Toyota Chairman Akio Toyoda, toyotatimes.jp, “A Single Option is Not Enough”, January 2024

“According to Christian Levin, Scania has already invested so much that the company is able to deliver 25,000–30,000 electric trucks a year. This can be compared to the fact that the company has so far this year delivered no more than just under 200 electric trucks. That things are slow with electrification was noticed earlier this week also at Scania’s competitor AB Volvo. Only 1.5 percent of the vehicles Volvo sold were electric.”

Svenska Dagbladet [translated], October 2023

“Bosch plans to launch its first hydrogen truck this year. The company believes hydrogen is the key for decarbonizing vehicles. If you get into heavy heavy vehicles that need to pull, you won’t be able to do it just with electrification.”

Automotive News, January 2024

“Hertz plans to sell a third of its US electric fleet and reinvest in gas-powered cars due to weak demand for the battery-powered options. Hertz expects to record a non-cash charge in its fourth-quarter results of \$245 million related to the incremental net depreciation expense. Hertz said that EVs come with higher repair costs compared to the rest of its cars, which has hurt its bottom line. EVs will be slower than our prior expectations.”

Automotive News, January 2024

“EV sales growth has stalled. This month, General Motors delayed EV pick-up production and Honda cancelled a deal to build affordable EVs with GM. Ford said it is pushing back \$12 billion in EV spending, reducing Mach-E production and delaying one of two planned battery plants.”

Automotive News, October 2023

“A successful transition will require various vehicle and fuel solutions and must consider full life-cycle emissions.”

US National Blueprint for Transportation Decarbonisation, DOE/EE-2675, January 2023 [Graphic below]

Technology solutions for travel modes to reach a net-zero economy in 2050

	BATTERY/ELECTRIC	HYDROGEN	SUSTAINABLE LIQUID FUELS
Light Duty Vehicles (49%)*	3 icons	—	TBD
Medium, Short-Haul Heavy Trucks & Buses (~14%)	2 icons	1 icon	1 icon
Long-Haul Heavy Trucks (~7%)	1 icon	3 icons	2 icons
Off-road (10%)	2 icons	1 icon	1 icon
Rail (2%)	2 icons	1 icon	2 icons
Maritime (3%)	1 icon	2 icons	3 icons
Aviation (11%)	1 icon	1 icon	3 icons
Pipelines (4%)	2 icons	TBD	TBD

1 icon represents limited long-term opportunity
 2 icons represents large long-term opportunity
 3 icons represents greatest long-term opportunity

A joint study by the US Departments for Energy, Transportation, Housing & Urban Development, and the EPA showed that liquid fuels and hydrogen – and therefore, internal combustion engines – will be an important part of the net-zero solution in 2050 for the vehicle sectors that SinterCast supplies.

Sustainability Focus Areas

Reduced Climate Impact

Driving Sustainability on the Road

The use of CGI enables the production of smaller, more efficient, more performant, and more durable engines with reduced fuel consumption, lower carbon emissions and less noise. We estimate that the SinterCast technology saved approximately nine million tonnes of CO₂ in 2023 and approximately 59 million tonnes of CO₂ since our first series production casting was produced in 1999.



Innovation and Technology

Driving Sustainability in the Foundry

SinterCast provides two technologies to improve foundry efficiency and profitability: CGI process control; and, Industry 4.0 traceability. These technologies enable foundries to be right-first-time, saving scrap, reducing raw materials consumption, reducing energy and emissions, and reducing waste.



People

Equal Opportunity for Everybody

With 28 full-time colleagues representing 12 nationalities, SinterCast is a truly inclusive employer. We welcome the contribution of every employee and every business partner, regardless of race, colour, gender, sexual orientation, religion, origin, or age.



Good Health and Wellbeing

We value meaningful time both in and out of work and understand the importance of rest, flexibility, reasonable working hours and an active, healthy lifestyle.

- Annual fitness campaigns since 2014
- Financial support for health club memberships
- Flexible opportunities for remote home-working



Employee Motivation

Innovation is encouraged and exceptional contributions are recognised.

- Annual Incentive Programme based on personal KPIs and corporate results
- President's Award to recognise exceptional effort and achievement
- Three-year Long-Term Incentive Programme to motivate, reward and retain staff





People

Equality, Diversity and Inclusion

With 28 full-time colleagues representing 12 nationalities, SinterCast is a truly inclusive employer. We welcome the contribution of every employee and every business partner, regardless of race, colour, gender, sexual orientation, religion, origin or age. We reject all forms of harassment. We reject abusive practices and we reject discrimination. The core of every successful team is respect. At SinterCast, we respect, encourage and support each other. At SinterCast, we like each other.



Male Employees

75%



Female Employees

25%

Female Managers

20%

2 of 10 first reporting-level managers are female. In contrast, in our largest end-user market of the United States, the American Foundry Society (AFS) estimates that 12% of white-collar employees in the US foundry industry are female. The Swedish Foundry Association estimates that 8.3% of white-collar foundry workers are female.



Employee Health and Wellbeing

At SinterCast, we encourage fitness and healthy lifestyles. Since 2014, all employees participate in an annual fitness campaign that sets a team goal at the beginning of every new year. At the end of the year, our most-improved performer is celebrated with our fitness trophy and, if we achieve the team goal, every employee receives a gift certificate to spend on something related to fitness. Our team has achieved the fitness goal in eight out of the nine years since the campaign was launched!

Employee Motivation

Hosting approximately 80% of our colleagues, and serving as a training site for our international colleagues and customers, our Technical Centre in Sweden provides a showcase for our technology and an environment that is conducive to collaboration and technical development. Innovation is encouraged and exceptional contributions are recognised through the annual KPI incentive programme and through the coveted President's Award. A rolling three-year Long-Term Incentive Programme has also been implemented to motivate, reward and retain staff.



Mr Cesar Pepi, Systems Engineer based in Mexico, was the 2023 recipient of our "Most Improved" award with a strong 82% improvement 'Kilometre Equivalents'. Cesar's photo is taken in the lobby of the Tupy foundry in Saltillo, Mexico.

Corporate Governance

SinterCast embraces Corporate Governance to guide the overall development of the company and to ensure that we fulfil our obligations to shareholders, customers, employees, suppliers and society. With more than 20 years of compliance, our routines are mature, understood and respected.

- International Board with more than 150 years of combined experience in the customer arena
- Fostered atmosphere of open reporting and dialogue between Board, management and employees
- Benchmarking and transparent reporting of Board and management remuneration
- Accurate disclosure to shareholders; press release frequency exceeding peer group
- Code of Conduct signed by all employees and key suppliers
- Whistleblower routines in place for all employees and business partners

The full Corporate Governance Report is available on page 31–39 of this Annual Report and on the SinterCast website.

Group Management



Vitor Anjos
 Operations Director
 MSc, Dr.-Ing.

 Porto, Portugal
 Born: 1982
 Nationality: Portuguese
 Employed since: 2024
 SinterCast shares: 1,100*

Steve Dawson
 President & CEO
 BEng, MAsc, PhD, PEng

 London, United Kingdom
 Born: 1962
 Nationality: Canadian, British
 Employed since: 1991
 SinterCast shares: 42,500*

Daphner Uhmeier
 Finance Director
 BSc

 Rönninge, Sweden
 Born: 1962
 Nationality: Swedish
 Employed since: 2004
 SinterCast shares: 17,100*

*As of 22 March 2024

Operational Management



Tom Schroeder
 Technical Director
 1993
 USA

Roger Andersson
 Chief Engineer Systems
 2015
 Sweden

Patrik Popelar
 R&D Director
 1995
 Canada

Marjurie Vitor
 General Manager Latin America
 2018
 Brazil

Elin Nilsson
 Procurement Manager
 2014
 Sweden

David Gilson
 Sales Director
 2011
 USA

Arnaud Denis
 Chief Engineer Tracking
 2010
 France

Tobias Björklind
 Chief Engineer CGI
 2012
 Sweden

Board of Directors



From left to right: Steve Dawson, Jun Arimoto, Robert Dover, Steve Gill, Anna-Maria Heidmark Green

Steve Dawson

President & CEO, Board Member
BEng, MAsc, PhD, PEng

London, United Kingdom
Born 1962, Nationality: Canadian, British

Other Assignments
No other Board duties.

Professional Background

Former Technical Director and Chief Operating Officer, SinterCast Group Senior Research Engineer, LTV Steel.

Elected 2007
42,500 SinterCast shares

Steve Gill

Board Member
BEng

Chelmsford, UK
Born: 1966, Nationality: British

Other Assignments
No other Board duties

Professional Background

Executive Director, Automotive, First Hydrogen Ltd. Former Consultant Director to AVL, former Director – Powertrain Engineering, Ford of Europe, former Chief Engineer for gasoline engines, Ford Motor Company, and former Chief Engineer of Perkins Engines Ltd.

Elected 2020
1,000 SinterCast shares

Jun Arimoto

Board Member
BEng

Rickmansworth, United Kingdom
Born: 1954, Nationality: Japanese

Other Assignments
No other Board duties.

Professional Background

Former Powertrain Executive of ISUZU MOTORS Ltd, Japan. Former Managing Director and Member of the Board of ISUZU subsidiary companies in Europe and China for 16 years in total. Former General Sales Manager of Perkins Engines Ltd.

Elected 2018
1,517 SinterCast shares

Anna-Maria Heidmark Green

Board Member
LLM

Stockholm, Sweden
Born: 1978, Nationality: Swedish

Other Assignments
Board Member Wählén Advokater AB

Professional Background

Attorney. Partner Wählén Advokater AB. Former partner of Advokatfirman DLA Piper KB and G Grönberg Advokatbyrå AB. Former associate at Mannheimer Swartling Advokatbyrå AB and junior judge/law clerk at Södra Roslags District Court.

Elected 2023
0 SinterCast shares

Robert Dover

Chairman of the Board
FEng, FIMechE, FIED, FRSA, CBE

London, United Kingdom
Born: 1945, Nationality: British

Other Assignments
Chairman, e-PPI Ltd, Autoscan Ltd, Advanced Propulsion Centre UK Ltd and Dymag Ltd.

Professional Background

Professor of Manufacturing, Warwick University, Professor of Engineering, Coventry University, Former Chairman and CEO of Jaguar and Land Rover. Former Chairman and CEO Aston Martin, Former Vice President, Ford Motor Company.

Elected 2004
2,674 SinterCast shares

All Board Members are considered to be independent of SinterCast, its executive management and major shareholders, except for the President & CEO. The President & CEO is considered to be independent of the major shareholders but is not considered to be independent of SinterCast or its executive management.

Information regarding Board meeting presence is presented on page 34.
Information regarding Board remuneration is presented on pages 33 and 56–57.
Note: All information as of 22 March 2024.

Directors' Report

The Board of Directors and the Managing Director of SinterCast AB (publ), corporate identity number 556233-6494, hereby submit the Annual Report and consolidated financial statements for 2023. SinterCast AB, the Parent Company of the SinterCast Group, is a publicly traded limited liability company with its registered office located in Stockholm, Sweden.

Operations

SinterCast® is the world's leading supplier of process control technology for the reliable high volume production of Compacted Graphite Iron (CGI). The properties of CGI enable improved transport solutions, increasing efficiency and reducing carbon emissions in passenger vehicle, commercial vehicle and industrial power applications. As a specialist supplier of precision measurement and process control solutions to the metals industry, SinterCast also supplies the SinterCast Ladle Tracker® and SinterCast Cast Tracker® technologies, to improve production efficiency and Industry 4.0 traceability in a variety of applications. With 57 installations in 13 countries, SinterCast is a publicly traded company.

Organisation

With successful high volume CGI production in customer foundries located in Europe, Asia and the Americas, SinterCast has established a global organisation with employees and offices in China, Germany, Italy, Korea, Mexico, Sweden, the United Kingdom and the United States.

The global organisation includes functions for Key Account Management, Process Engineering, Research & Development, Procurement, Sales & Marketing, and Finance & Administration. All of these functions report directly to the President & CEO of the SinterCast Group and Managing Director of SinterCast AB. Key Account Management is a dedicated function responsible for serving the technical and commercial needs of key customers. The Process Engineering function is managed by a Chief Engineer's Council that is responsible for the day-to-day operational management and the long-term planning related to the continuous improvement of our product offering, customer support, the production and supply of our control systems, and the commissioning of new installations. The Research &

Development function is responsible for the continuous improvement of the core thermal analysis technology, the process control software, new product development and general metallurgical support for our product development and our customer activities. The Procurement function is responsible for the production, supply and quality assurance of our sampling consumables and for the procurement, stockholding and delivery of systems and spare parts. The global Sales & Marketing function is responsible for supporting the commercial needs of existing customers, for the active development of new foundry and OEM business opportunities, and for overall quality management, including the current ISO 9001:2015 certification and supplier development. The centralised Finance & Administration function, based at the Technical Centre in Katrineholm, is responsible for supporting the needs of all Group companies with regard to finance, control, administration, information and communication, human resources and information technology. The Finance & Administration function also supports the Board and the President & CEO in various matters. The Remuneration Policy for Group Management is included in the Corporate Government Report.

Legal Structure

The legal structure of the SinterCast Group includes the Parent Company, SinterCast AB (publ), and its subsidiaries SinterCast Ltd in the United Kingdom, SinterCast Inc in the USA, SinterCast Trade (Beijing) Co., Ltd in China, SinterCast Korea Co., Ltd in Korea and SinterCast SA de CV and SinterCast Servicios SA de CV, both in Mexico.

The majority of the operations are managed by the Parent Company while local operations in the United Kingdom, United States, Korea and China are managed by the local companies. The Parent Company holds the patents and trademarks and controls the activities of the Group. On 31 December 2023, the Parent Company had 23 (26) employees. The average number of employees during the period was 25 (26). The reduction in headcount was the result of two retirements during the first half of the year plus redundancies effected during the second half of the year as a result of the decision to withdraw from the active development of Tracking Technologies.

The information given for the Group in this report corresponds in all material respects to the Parent Company. However, the result for the period may differ between the Group and the Parent Company due to intercompany transactions between the Parent Company and its subsidiaries.

As of 31 December 2023, the Group had 28 (32) employees, 7 (7) of whom are female. The average number of employees during the period was 30 (31). SinterCast is well positioned to support global market activities and to drive the future growth of the company.

Patents, Intellectual Property and Research & Development

The company has implemented a strategy to protect its technology through patents or other intellectual property rights to preserve its leading position within CGI process control and Tracking Technologies. The company applies for patents in selected countries that are relevant to the foundry and/or automotive industries, while retaining some core technology as knowhow.

As of 31 December 2023, SinterCast held three patents that are maintained as 17 individual national phase patents worldwide. These patents address the SinterCast metallurgical technology and the Sampling Cup. Some patents have recently come to end-of-life and SinterCast has allowed other patents to lapse as it was judged that these patents no longer represented the current technology and therefore did not justify continued payment of the annual fees. SinterCast has chosen to retain the recent technical advances as internal know-how.

Research & Development is a key focus area for SinterCast, representing 12% (10%) of the total operating cost. The emphasis of the R&D activity is to continuously improve the accuracy and the reliability of the core CGI technology. SinterCast also continues to support the application of Tracking Technologies, and to participate in the development of novel engine technologies and applications.

Environment

SinterCast operates within the environmental limits established by local and national legislation and does not have any operations that require specific

environmental permission or concessions from the authorities. The accuracy of the SinterCast process enables foundries to reduce scrap rates, thus reducing the emissions and the cost associated with re-manufacturing. As a CGI-enabler, the SinterCast technology contributes to the production of smaller and more fuel-efficient engines, thus reducing CO₂ emissions in passenger vehicle and commercial vehicle applications. In general, the diesel engines produced using SinterCast-CGI provide up to 30% better fuel efficiency and therefore, up to 30% lower CO₂ emissions (or more when towing) than the nearest available petrol engine options. SinterCast estimate that the improved fuel efficiency of the vehicles that use our technology saved approximately 9 million tonnes of CO₂ in 2023.

Risks and Uncertainty Factors

Uncertainty factors for SinterCast include: the timing of OEM decisions for new CGI engines and other components; adherence to start-of-production dates and ramp projections; the longevity of each engine programme; the possibility that the volume of existing programmes may decrease or come to end-of-life earlier than expected; the global economy for new vehicle sales; technology trends and emissions legislation; and, the individual sales success of vehicles equipped with SinterCast-CGI components.

The increasing geopolitical instability, exacerbated by war and conflict in multiple regions, together with material shortages, energy costs and global economic uncertainties, constitute the dominant near-term risk factors for the global foundry and automotive industries. While it is not yet possible to quantify the impact of these factors on the near-term market development, SinterCast remains confident in the long-term growth of CGI. Other factors that may influence the market risk for SinterCast and its end-user industries include the renegotiation of international tariffs and free-trade agreements on vehicle sales, climate change legislation and the associated growth of alternative powertrain technologies, and the overall demand for goods transportation. The development of AI may also increase the possibilities to develop potentially competitive technologies or to reverse engineer the SinterCast technology.

No significant risk of material adjustment to the carrying amounts of assets and liabilities has been identified at the balance sheet date and no costs have been taken to the profit and loss due to Covid-19 or the Russian invasion of Ukraine. For additional risk and uncertainty factor information, please see note 26.

Financial Summary

Revenue

The revenue for the SinterCast Group relates primarily to income from equipment, series production and engineering service.

The 2023 revenue increased by 13% to SEK 134.4 million (SEK 118.7 million). Recurring revenue from series production increased by 12% and amounted to SEK 127.0 million (SEK 113.4 million), accounting for 94.5% of the total revenue. The total revenue benefitted from annualised series production of 3.7 million (3.5 million) Engine Equivalents, shipment of 205,700 (196,200) Sampling Cups and favourable exchange rates. Equipment revenue amounted to SEK 6.0 million (SEK 3.4 million) including the initial commissioning of a SinterCast System 4000 at the new Dongfeng Auto (DFAC) foundry in China. Engineering Service amounted to SEK 1.5 million (SEK 1.9 million). Exchange differences had a positive effect of SEK 5.8 million (5%) on revenue during the period.

Results

The 2023 operating result increased by SEK 12.1 million to SEK 42.7 million (SEK 30.6 million), due to the combined effect of a SEK 11.8 million increase in gross margin, SEK 4.7 million increase in operating costs and improvement of other operating cost and income of SEK 5.0 million. The increase in operating costs is primarily related to exchange effects of foreign salaries into SEK, costs related to the GIFA world foundry trade fair, held every four years and impairment costs in capitalised development and severance payments related to Tracking Technologies. Other operating costs and income improved primarily due to the termination of the agreement with WHB resulting in a one-time impact of approximately SEK 4.9 million in the second quarter of 2022.

Results Summary

(Amounts in SEK million)	2023	2022
Operating Result	42.7	30.6
Income tax	-0.4	2.9
Result for the period after tax	42.1	33.1
Earnings per Share (SEK)	5.94	4.68

The result for the period after tax increased by SEK 9.0 million to SEK 42.1 million (SEK 33.1 million), primarily due to the SEK 12.1 million increase in operating result and lower tax income of SEK 3.1 million following the revaluation of the deferred tax asset in 2022. During the period, no government support was received.

Income Tax and Deferred Tax Asset

Income tax for 2023 amounted to SEK -0.4 million (SEK 2.9 million), due to deferred tax cost in SinterCast AB (SEK 2.1 million) and paid income tax in subsidiaries (SEK 0.1 million), offset by tax income from increased deferred tax assets (SEK 1.8 million). Following the strong recent results, SinterCast AB started to utilise its historical carried forward tax losses and accounted for preliminary income tax amounting to SEK 2.1 million. However, carried forward tax losses related to subsidiaries, with the possibility to be utilised are estimated to SEK 9.1 million, resulting in SEK 1.8 million of additional deferred tax assets. The Group's total carried forward tax losses, possible to be utilised are estimated to SEK 247.1 million (248.0 MSEK), resulting in a deferred tax asset of SEK 50.8 million (SEK 51.1 million). It is estimated that SinterCast will begin to pay Swedish income tax during approximately late-2027 or early-2028, depending on results and currency rates.

Cashflow, Liquidity and Investments

Full-year cashflow from operations increased by SEK 20.1 million, compared to changes in the same period last year, due to increased cashflow before working capital of SEK 13.1 million and a SEK 7.0 million improvement in working capital. The working capital improvement is primarily due to a SEK 8.7 million improvement in cashflow from inventory. Total investments amounted to SEK 5.6 million (SEK 1.7 million), primarily related to production tooling, and investment in a second source for Sampling Cup production to prepare for future growth and to ensure the security of supply. Following the dividend

payment of SEK 39.0 million, total cashflow amounted to SEK -1.9 million (SEK -13.3 million). Liquidity on 31 December 2023 was SEK 12.3 million (SEK 14.2 million).

Annual General Meeting 2024

The Annual General Meeting (AGM) 2024 of SinterCast AB (publ) will be held in Stockholm on Tuesday 21 May 2024. Shareholders wishing to have a matter considered at the AGM are invited to provide written submissions to the Board of Directors at agm.registration@sintercast.com: SinterCast AB (publ), Kungsgatan 2, 641 30 Katrineholm, Sweden, at least seven weeks prior to the AGM for the proposal to be included in the notice of the meeting. Further details on how and when to register will be published in advance of the AGM.

Dividend Distributed in 2023

The Annual General Meeting (AGM) of the shareholders decided on an ordinary dividend of SEK 5.00 per share (SEK 4.50 per share) with an extraordinary dividend of SEK 0.50 (SEK 0.50 per share), representing a distribution of SEK 39.0 million (SEK 35.5 million) to the shareholders of SinterCast AB (publ) for the financial year 2022. The dividend was distributed in two equal payments of SEK 2.75 per share.

Proposed Dividend 2024

The Board of Directors propose an ordinary dividend of SEK 5.50 per share (SEK 5.00 per share) with an extraordinary dividend of SEK 0.60 (SEK 0.50 per share), representing a distribution of SEK 43.1 million (SEK 39.0 million) to the shareholders of SinterCast AB (publ) for the financial year 2023, distributed in two equal payments of SEK 3.05 per share. The Board proposed 23 May 2024 as the record date for the first dividend payment and 7 November 2024 as the record date for the second dividend payment.

As a basis for the Board's dividend proposal, the Board of Directors made an assessment in accordance with Chapter 18, Section 4 of the Swedish Companies Act including the liquidity of the Parent Company and the Group, the need for financial resources, the current financial position, and the long-term ability to meet commitments. At year-end, the Group reported an equity ratio of 86% (86%) and a net cash amount of SEK 12.3 million (SEK 14.2

million). An overdraft credit facility in the amount of SEK 12.5 million exists. Together, the liquidity plus the overdraft credit facility provides effective liquidity of SEK 24.8 million. The Board of Directors also considered the Parent Company's result and financial position, recent changes in market risk and uncertainty, and the Group's position in general. In this respect, the Board of Directors has taken into account known commitments that may have an impact on the financial positions of the Parent Company and its subsidiaries. It is the Board's assessment that the dividend proposal is well-balanced considering the nature, scope and risks of the business activities as well as the capital requirements for the Parent Company and the Group.

Events after the Balance Sheet Date

No material transactions have taken place between SinterCast and the Board or the Management during the period. With the exception of the ongoing acquisition of SinterCast shares, there have been no significant events since the balance sheet date of 31 December 2023 that could materially change these financial statements.

Proposed Allocation of Profits in SinterCast AB (publ)

The following earnings in the Parent Company are at the disposal of the Annual General Meeting.

<u>Amounts in SEK</u>	
Share premium reserve	35,336,610.00
Result brought forward	3,340,376.00
Result for the year	36,846,936.00
Total non-restricted equity	75,523,922.00

The Board of Directors proposes to the AGM that earnings be distributed as follows.

<u>Amounts in SEK</u>	
A dividend of SEK 6.10 per share shall be distributed	43,111,945.20
<u>To be retained by the Parent Company*</u>	<u>32,411,976.80</u>
Total	75,523,922.00
* of which Share premium reserve	35,336,610.00

Corporate Governance Report 2023

Corporate Governance in SinterCast

SinterCast focuses primarily on providing process control technology and know-how for the reliable high volume production of Compacted Graphite Iron. SinterCast promotes CGI within the foundry and end-user communities to increase the overall market opportunity for CGI and to define the forefront of CGI development, production and application. This focus and these efforts will secure SinterCast's global leadership in the field of CGI. SinterCast also builds upon its technical expertise in thermal analysis and cast iron process control to develop new technologies beyond the core CGI market. These focused activities will provide the foundation for increasing the long-term value of the company. As a technology led company, SinterCast will grow and prosper by earning the respect of its customers. The objective of Corporate Governance at SinterCast is to ensure continued strong development of the company and that the Group fulfils its obligations to shareholders, customers, employees, suppliers and society. Corporate Governance includes: establishing the overall operational goals and strategy of the company; ensuring that there is an effective system for follow-up and control of the company's operations; ensuring that there is a satisfactory process for monitoring the company's compliance with laws and other regulations relevant to the company's operations; and, defining necessary guidelines to govern the company's ethical conduct and ensuring that the company's external communications are characterised by openness and that such communications are accurate, reliable and relevant. The Group's risks are well-analysed and risk management is integrated in the work of the Board and in operational activities.

External Regulation of Corporate Governance

The Swedish Annual Accounts Act prescribes that listed companies shall, on a yearly basis, present a Corporate Governance Report, to be included in the Annual Report. The Swedish Companies Act defines the legal framework for limited liability companies including rules for the Articles of Association, the share, the Annual General Meeting (AGM), and the management of the company. The Corporate

Governance Report must be in accordance with the Swedish Code of Corporate Governance which is applicable to all Swedish companies whose shares are traded on a regulated market in Sweden.

SinterCast Shareholders

The SinterCast shares have been listed since 26 April 1993 and are quoted on the Small Cap segment at Nasdaq Stockholm stock exchange. SinterCast had approximately 3,700 (3,700) shareholders on 31 December 2023. The ten largest, of which three (three) were nominee shareholders, controlled 47.7% (50.2%) of the registered capital and votes of 7,090,133 (7,090,133) shares in total. On 31 December 2023, Swedish shareholders held and controlled 89.7% (89.8%) of the capital and votes in SinterCast AB. The largest shareholder, Avanza Pension AB (Sweden), held 13.0% (13.0%) of the capital and votes as a nominee shareholder. As of 31 December 2023, the SinterCast Board, management and employees controlled 1.0% (1.0%) of the capital and votes. The paid dividend was the only transaction between the company and the shareholders during the year. SinterCast initiated a share buyback programme and as of 31 December 2023, 11,338 shares have been acquired, amounting to SEK 1.2 million. The number of outstanding shares on 31 December 2023, after the buyback, was 7,078,795.

Nomination Committee

Nomination Committee prior to the AGM 2023

The Nomination Committee, elected by the AGM 2022, consisted of Victoria Skoglund (Chairman), Jan Åke Jonsson (Chairman of the Board of Directors), Andrea Fessler, Aage Figenschou and Carina Andersson.

One of the tasks of the Nomination Committee is to assess if the Board fulfils the demands imposed on it in consideration of the company's position and future focus. As a result of the Board composition review, and after consultations with the shareholders, the Nomination Committee proposed the Board composition to the AGM 2023. The Nomination Committee also proposed the Board remuneration to the AGM and nominated the Auditor for election, for the period until the next AGM.

Overview of Corporate Governance of SinterCast



Board Remuneration Summary

	Remuneration Adopted at AGM (SEK)					
	Board		Audit Committee		Remuneration Committee	
	2023	2022	2023	2022	2023	2022
Robert Dover	430,000	190,000	-	25,000	-	-
Jun Arimoto	200,000	190,000	-	25,000	-	-
Steve Gill	200,000	190,000	-	-	-	20,000
Anna-Maria Heidmark Green	200,000	-	-	-	-	-
Jan Åke Jonsson	-	410,000	-	-	-	35,000
Åsa Källenius	-	190,000	-	50,000	-	-
Steve Dawson	-	-	-	-	-	-
Summary	1,030,000	1,170,000	-	100,000	-	55,000

Remuneration until next AGM, 50% paid current year, 50% next year.

Annual General Meeting (AGM) 2023

The Annual General Meeting (AGM) of SinterCast Aktiebolag was conducted on 16 May 2023. All Members of the Board, the Group Management, the Nomination Committee Chairman and the external Auditor were represented during the meeting. At the AGM, 895,517 (437,927) shares and votes were represented. During the AGM, the new Board was elected with Robert Dover elected as Chairman of the Board. The AGM adopted the Annual Report and the consolidated financial statements as of 31 December 2022, as presented by the Board of Directors and the Managing Director; decided upon allocation of the company's result; and, granted the Directors and the Managing Director discharge from liability. The Auditor presented how the audit work was conducted and presented the annual Audit Report to the AGM. The Nomination Committee presented how it conducted its work during the year and presented its proposals. Thereafter, the AGM decided, for the period until the next AGM, that the company shall have five (six) ordinary Board Members; that the company shall have a registered auditing company as auditor; that the Board shall receive a total remuneration of SEK 1,030,000, with no additional fees for committee work (SEK 1,170,000 and SEK 1,325,000 including committee work), with no remuneration for the Managing Director and that the Nomination Committee shall consist of four (five)

Members. The AGM authorised the Board to decide upon the acquisition and disposal of SinterCast shares, as proposed by the Board of Directors. All of the proposals presented to the AGM were approved by the shareholders.

Board of Directors

At the AGM 2023, Robert Dover, Jun Arimoto, Steve Gill, and Steve Dawson were re-elected as Board Members. The Board Members Jan Åke Jonsson (also Chairman of the Board) and Åsa Källenius declined re-election. Anna-Maria Heidmark Green was elected as new ordinary Board Member and Robert Dover was elected as Chairman of the Board. The AGM decided that the Board remuneration shall be divided between the Chairman SEK 430,000 (SEK 410,000) and three (four) ordinary Board Members SEK 200,000 (SEK 190,000) each, with no remuneration for the Managing Director, and no remuneration for committee duties. With the exception of the Managing Director, no member of the Board holds an operational position in the company. With the exception of the Managing Director, the Board is judged to be independent of the company and its management. A more detailed description of the Board of Directors is presented on page 26.

Board Membership and Attendance Summary

Board and Committee Membership and Presence Calendar Year 2023							
	Independent	Board		Audit		Remuneration	
		Member	Meeting	Member	Meeting	Member	Meeting
Jan Åke Jonsson ^{1,3}	Yes	x	5/8	No	-	x	1/2
Robert Dover ^{1,2,3}	Yes	x,y	8/8	x,y	5/5	y	1/2
Jun Arimoto ³	Yes	x,y	8/8	x,y	5/5	y	1/2
Åsa Källenius ^{2,3}	Yes	x	5/8	x	3/5	No	-
Steve Gill ³	Yes	x,y	8/8	y	2/5	x,y	2/2
Anna-Maria Heidmark Green ³	Yes	y	3/8	y	2/5	y	1/2
Steve Dawson	No	x,y	8/8	No	5/5	No	2/2

Comments

1. Jan Åke Jonsson was Chairman of the Board and the Remuneration Committee prior to the AGM in May, Robert Dover after the AGM

2. Åsa Källenius was Chairman of the Audit Committee prior to the AGM in May, Robert Dover after the AGM

3. Independent in relation of the company, the management and the major shareholders

The Composition of committee membership changed at the AGM in May 2023, Steve Dawson attended relevant sections of the Committee meetings

x=membership prior to the AGM, y=membership after the AGM

Main Board and Audit Committee Meetings including Auditor Presence

February	March/April	May	August	November
Auditor participated in Audit Committee Meeting	Auditor participated in Audit Committee Meeting	Auditor participated in Board Meeting	Market Report and Financial Outlook	Auditor participated in Audit Committee Meeting
Market Report and Financial Outlook	Approve Annual Report	AGM Board Meeting	Approve 2Q Interim Report	Market Report and Financial Outlook
Approve Book Closing Report	Approve 1Q Interim Report	Market Report and Financial Outlook	Approve Strategy and Business Plan	Approve 3Q Interim Report
Evaluate Managing Director	AGM preparations and approval of notice	Annual General Meeting	Approve Work Programme	Approve Budget for the coming year
AGM preparations and decisions		Statutory Board Meeting	Risk and IT Review	Approval Finance Policy

Statutory Board Meeting

In the statutory Board meeting held immediately after the AGM, Robert Dover, Jun Arimoto, Steve Gill and Anna-Maria Heidmark Green were elected to constitute both the Remuneration Committee and the Audit Committee. Robert Dover was elected Chairman of both committees.

Board Meetings

In connection with every quarterly report, the Managing Director presented the market and financial outlook and reported on operations and important current events. The Board of Directors dealt with long-term strategies, structural organisational issues, approval of the budget for the following year, the annual evaluation of the Board of Directors, risk assessment, human resources and

succession planning. Individual Board Members also assisted the Group Management in various strategic and operational matters. The Work Programme defines the Board's work during the year.

The content of the main meetings is summarised in the table above.

Chairman of the Board

The Chairman directed the Board's activities and promoted the overall efficiency of the Board. The Chairman ensured that the Board's activities were conducted in accordance with the Swedish Companies Act and other applicable laws and regulations and ensured that the resolutions of the Board were implemented. The Chairman also conducted the evaluation of the Board's activities and shared the evaluation with the Nomination Committee. The Chairman approved the agenda for each Board meeting in consultation with the Managing Director. The Chairman had regular communication with the Managing Director, relayed opinions from shareholders to the other Board Members and acted as spokesperson on behalf of the Board.

Managing Director

The Managing Director, as responsible for the operational and strategic management of the company, has managed the company in accordance with the Board of Directors' instructions and guidelines. The Managing Director assisted the Chairman with the preparation for each Board Meeting and distributed information, according to the Work Programme, to be decided upon by the Board. In addition, the Managing Director provided the Board with monthly reports including significant events and financial information.

The Managing Director constitutes, as the President & CEO for the SinterCast Group, the Group Management together with the Finance Director. In 2023 a new Operations Director was recruited and joined the company and the Group Management on 1 January 2024. The company also has eight first-reporting-level managers, reporting directly to the CEO. The managers are responsible for key operational functions. The structure improves focus and efficiency while developing the future

management team. More detailed information of the Group Management is presented on page 25.

Remuneration Committee

Before the AGM, the Remuneration Committee, elected by the Board, consisted of Jan Åke Jonsson (Chairman) and Steve Gill.

After the AGM the Board appointed Robert Dover, Chairman, Jun Arimoto, Steve Gill and Anna-Maria Heidmark Green to constitute the Remuneration Committee. The tasks and responsibilities of the Remuneration Committee are defined in the Board's Work Programme. During the year, the Remuneration Committee evaluated variable remuneration programmes, special remuneration given for extraordinary efforts and the remuneration policy approved by the AGM. The Committee also reviewed the remuneration for the Managing Director and the Group Management. Since the AGM 2023, The Remuneration Committee carried out two minuted meetings. The Remuneration Committee's proposals were ratified by the Board.

Remuneration Policy and Remuneration Report for Group Management 2023

The Annual General Meeting 2020 decided upon a remuneration policy (guidelines) to contribute to the company's business strategy, long-term interest and sustainability in respect of the Managing Director, other members of the Group Management, other employees and Board Members. The policy needs to be re-approved at the AGM 2024. The following italic text was approved by the 2020 AGM:

Remuneration etc. in relation to the Managing Director and other members of the Group Management

Remuneration, pension and benefits

The remuneration to members of the Group Management shall consist of a balanced combination of fixed remuneration, variable remuneration, pension and other benefits. The total remuneration shall be in accordance with market practice and shall be based on performance. The fixed remuneration shall be individually determined and shall be based on each individual's responsibility, role, competence and position. Variable remuneration shall be based on predetermined targets on the Group level and the individual level, considering the effect on the long-term result. In extraordinary situations a special compensation may be paid out to attract and retain key competence.

Variable remuneration and special compensation may not exceed an amount corresponding to 75 percent of the fixed annual salary. Pension benefits are in the form of defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the entity does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Variable remuneration and special compensation in extraordinary situations shall not constitute a basis for pension as far as this does not conflict with applicable collective agreement. Pension contributions may not exceed an amount corresponding to 30 percent of the fixed annual salary. Other benefits may include, for example, life insurance, medical insurance and company car. Costs for such benefits may not amount to more than 10 percent of the base salary.

Termination of employment

Upon termination by the company, the notice period for the Managing Director is nine months, and six months for the other members of the Group Management. Upon termination of the Managing Director by the company the Managing Director is entitled to a severance payment corresponding to nine months compensation. Deduction shall not be made for remuneration paid by another employer. No severance payments have been agreed with the other members of the Group Management.

Remuneration etc. in relation to Board Members

Remuneration to Board Members (aside from Board Fee) shall only be paid in case Board Members (either personally or through a company) perform work for the company in addition to their ordinary board work. Such remuneration (consultancy fee) may not exceed, on a yearly basis, the Board Fee. The remuneration shall be based on current market rates and be proportionate to the benefit for the company and to the extent to which such work contributes to the development of SinterCast. Consultancy agreements with Board Members may be terminated by the company at any time by giving two months' notice.

Salary and employment terms for other employees of the company

When preparing the Board's proposed guidelines for remuneration to senior executives, consideration was given to the salary and employment terms of the company's other employees. The Board considered the total remuneration, the components of the remuneration, and the increase and

rate of increase of the remuneration over time as part of the basis upon which the Board assessed whether the guidelines and the resulting limitations were reasonable.

Decision-making process for adopting, reviewing and implementing the guidelines

The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the General Meeting for decision. The Remuneration Committee established by the Board shall continuously review and assess the guidelines and the implementation of the guidelines. To avoid conflicts of interests, no member of the Group Management shall participate in discussions or decisions which may affect their own remuneration or terms of employment. Further, the Board shall decide on the remuneration (consultancy fees) to any individual Board Member in the absence of the concerned Member.

Description of significant changes in the guidelines and how shareholders' views are taken into account.

The proposed guidelines do not entail any significant changes in relation to existing compensation guidelines at SinterCast. SinterCast has not received any direct input from the shareholders.

Deviation from the guidelines

The Board of Directors and, on behalf of the Board of Directors, the Remuneration Committee, shall be entitled to deviate from the above guidelines if, in an individual case, there are specific reasons for this and a deviation is necessary to meet the long-term interests and sustainability of SinterCast or to secure financial viability of SinterCast.

The main conditions for remuneration to the Group Management in the current employment agreements are described in Note 5 in this Annual Report. There were no material transactions between the company and any of the Board Members during the year, with the exception of the ordinary Board fees. The AGM decided to approve the Board of Director's remuneration report for 2023.

Audit Committee

Before the AGM, Åsa Källenius (Chairman), Robert Dover and Jun Arimoto constituted the Audit Committee. During the Statutory Board Meeting after the AGM, all Board Members, except the Managing Director, were elected to the Audit Committee.

During the year, the Audit Committee ensured that the company has adequate internal controls and formal routines to ensure that approved principles for financial reporting and internal controls have been applied, and that the company's financial reports have been produced in accordance with legislation, applicable accounting standards and other requirements for listed companies.

The Audit Committee met the Auditor during the year to discuss the Audit Report and the audit plan. The Audit Committee also met the Auditor in the absence of the Group Management. The Audit Committee evaluated the Auditors' work and provided feedback to the Nomination Committee in preparation for the election of the Auditor during the Annual General Meeting 2024. The Audit Committee also determined and identified risks to be handled in order to ensure good internal control and risk management. The Audit Committee prepared and approved the Corporate Governance Report for 2023.

External Auditor

At the AGM 2023, KPMG was re-appointed as Auditor and Jonas Eriksson was appointed as Auditor in charge by KPMG. The Auditor in charge has had three Auditors assisting in the audit work during the year. The audit follows an audit schedule, based on the Auditor's risk assessment, in agreement with the Audit Committee.

In March 2023, in conjunction with the approval of the Annual Report 2022, the auditor met with the Audit Committee and reported on the audit of the company's annual accounts and consolidated accounts and accounting practices and reported observations directly to the Audit Committee. The Auditor met with the Board of Directors at the Board meeting in May, where the Auditor reported observations directly to the Board of Directors both with and without the presence of the Group Management.

At the AGM 2023, The Auditor informed of the audit of the company's annual accounts and accounting practices and the review of the Board's and the Managing Director's management of the company. The Audit Report contained a statement that the Annual Report has been compiled in accordance with the relevant legislation and recommended that the

Directors and the Managing Director be discharged from liability.

After at the AGM 2023, at the Statutory Board Meeting, the Auditor presented the Audit Plan for 2023 and provided a follow-up of the Audit Plan during the November Audit Committee Meeting. He also presented the result from the review of the financial report for the period January–September 2023 and gave audit feedback from the interim audit procedures that were conducted during the third quarter of 2023.

In conjunction with the approval of this Annual Report 2023 the Auditor met with the Board. The Auditor reported on the audit of the company's annual accounts and consolidated accounts and accounting practices and reported observations directly to the Audit Committee. The Auditor audited the company's annual accounts and accounting practices and reviewed the Board's and the Managing Director's management of the company.

The Auditor also had separate discussions and meetings with the Chairman and the company management during the year.



Auditor
KPMG AB

Jonas Eriksson
Authorised Public Accountant

Company auditor since June 2020
Assignments: Studsvik, Alligo,
Conjeco, Knowit and Beijer Alma.

Nomination Committee

Nomination Committee after the AGM 2023

In accordance with the decision of the Annual General Meeting 2023, the SinterCast Nomination Committee shall consist of four members. The Nomination Committee shall include members selected by each of the four largest shareholders in terms of voting rights that wish to participate in the committee. Additionally, the Chairman of the Board shall participate as an adjunct member, with no voting rights. The members of the Nomination Committee for the SinterCast Annual General

Meeting 2024 are appointed based on the ownership structure as of 31 August 2023.

Ulf Stenbeck is the Chairman of the committee. The other members of the committee are Torbjörn Gustafsson and David Walton, fund manager at Canaccord Genuity Wealth Management and Einar Ahlström. The committee also includes Robert Dover, Chairman of the Board of SinterCast, as an adjunct member, with no voting rights.

The Nomination Committee is judged to be independent of the company and its management.

The Chairman of the Board has described to the Nomination Committee the process applied for the annual evaluation of the Board of Directors and Managing Director and has provided information regarding the results of these evaluations to the Nomination Committee. The Nomination Committee's proposals to the AGM 2024 are to be presented in the notice of the AGM and on the company website. During the AGM 2024 the Nomination Committee will also present how it conducted its work and will explain its proposals. Since the AGM 2023 the Nomination Committee of SinterCast carried out several informal meetings and two minuted meetings. According to rules regarding equal gender representation, the Nomination Committee intends to report to the upcoming AGM how it has fulfilled its work regarding gender representation in the Board. The Nomination Committee can be contacted at the following e-mail address: nomination.committee@sintercast.com.

Information

SinterCast must comply with the EU Market Abuse Regulation nr 596/2014 (MAR), which includes strict requirements of how SinterCast shall manage inside information. The MAR rules address how insider information shall be disclosed; under which

conditions the disclosure may be postponed; and when SinterCast is obliged to keep a list of persons having access to inside information (a so-called Logbook).

During 2023, the company has used a digital Logbook to ensure compliance under the EU market abuse regulation and the insider policy of the company; from the decision to postpone the disclosure of insider information; up to the mandatory message including the closure of the Logbook and the disclosure date, to the Swedish Finansinspektionen. Only authorised personnel have access to the Logbook.

Summary

According to the Swedish Companies Act, the Board is responsible for ensuring that the company's organisation is designed in such a way that the bookkeeping, financial management and the company's financial conditions are controlled in a satisfactory manner. The Swedish Code of Corporate Governance clarifies and prescribes that the Board shall ensure that the company has adequate policies, internal controls and formal routines to ensure that approved principles for financial reporting and internal controls are applied, and that the company's financial reports comply with legislation, applicable accounting standards, policies and other requirements for listed companies.

The Board has decided that SinterCast shall comply with the Swedish Code of Corporate Governance and present a Corporate Governance Report in accordance with the Code including the Board of Directors' Report on internal control of financial reporting. The procedure and routines of SinterCast are compliant with the Corporate Governance code and this Corporate Governance Report does not indicate any significant deviations from the code.

Board of Directors' Report on Internal Control and Risk Management of the Financial Reporting

Internal Control

The Board of Directors has the overall responsibility for internal control related to financial reporting. An important part of the Board's internal control management is to issue policies and instructions for the organisation with the objective to maintain a low risk profile regarding financial and legal matters, including: the Work Programme that clarifies the Board of Directors' responsibilities and regulates the internal distribution of work between the Board, its committees and the management; the Finance Policy, to define the Board of Directors' instructions regarding risk management and financial reporting, to ensure an effective risk profile and correct financial reporting; and the Authorisation Policy, including the organisation chart. In addition to the policies and instructions, the Board has established the Audit Committee. The primary task of the Audit Committee is to ensure that established principles for financial reporting and internal control regarding financial reporting are followed, to ensure the quality of the financial reports and that appropriate relations are maintained with the Auditor. The management and the Audit Committee assess the most critical accounting areas on an annual basis to prepare instructions for the financial reporting and to define how to apply the accounting policies according to IFRS, including accounting judgements and estimates.

Risk Assessment

The Business is monitored in a structured process and associated risks have been discussed and evaluated during most Board Meetings. Any change in significant risks will result in changes in the instructions for the preparation of financial reports. Processes to track changes in accounting regulations and to ensure that these changes are implemented correctly in the financial reporting are in place, in which the Auditors play an important role. The most critical accounting areas for SinterCast have been defined and include the valuation of deferred tax on tax losses carried forward, revenue recognition of system sales and the principle of capitalisation of research and development costs.

Control Activities and Monitoring

The primary purpose of control activities is to prevent, or to discover at an early stage, errors in the financial reporting so that these can be addressed and rectified. Control activities take place on both the overview and the detail levels within the Group. Routines and activities are designed in order to find and rectify significant risks associated with the financial reporting. Regarding control activities in critical areas of the financial reporting, the management follows the business regularly and conducts normal control activities on daily operation, monthly, quarterly and year-end closings. Quarterly reports and the Annual Report have been sent to the Board and the Audit Committee for review and approval. The management and the Board especially monitored critical accounting areas, including: review of the estimated future taxable profit and deferred tax asset calculation, by reviewing the forecast for secured series production programmes and probability factors (the forecasted contribution from secured production, reduced by the forecasted expenses for the operations provides the base for the final deferred tax asset calculation); the revenue recognition of system sales and related revenue streams, in which contract performance obligations review is included to define the individual revenue streams (equipment, Engineering Service, Annual Software Licence Fee); and, review of research and development projects during the period to assess to what extent expensed costs should be capitalised.

The Board's monitoring of the internal control with respect to financial reporting took place through the Audit Committee follow-up on the financial reporting. In advance of each major Board Meeting, management distributed pre-defined and various ad hoc reports to the Board. The reports and key audit areas were reviewed and discussed during the Board Meetings. Reports from the Auditors have been distributed to the Board.

Information and Communication

All external information must be provided in accordance with the listing agreement for Nasdaq Stockholm and according to EU market abuse regulation MAR. Information concerning the SinterCast Group and the Parent Company may only be provided by the Managing Director and the Board of Directors. The Board of Directors has issued and approved the Interim Reports and the Annual Report of the financial year. The reports have been published on the website after having first been sent to Nasdaq Stockholm stock exchange.

Income Statement – Group

Amounts in SEK million	Note:	2023	2022
Revenue	1, 9	134.4	118.7
Cost of goods sold	3, 17	-35.9	-31.9
Gross result		98.5	86.7
Cost of sales and marketing	3, 5, 9	-34.7	-31.4
Cost of administration	3, 4, 5	-9.9	-10.2
Cost of research & development	2, 3, 5	-12.5	-10.7
Other operating income	10	8.4	8.0
Other operating costs	10	-7.2	-11.8
Operating result		42.7	30.6
Financial income		0.2	0.1
Financial costs		-0.4	-0.4
Financial net	11	-0.1	-0.3
Result before income tax		42.6	30.3
Income tax	12	-0.4	2.9
Result for the year		42.1	33.1
Result attributable to:			
Equity holder of the parent company		42.1	33.1
Non-controlling interests		-	-
Earnings per share, SEK		5.94	4.68
Earnings per share, diluted, SEK		5.94	4.68
Number of shares at the close of the period, thousands	25, 29	7078.8	7090.1
Average number of shares, thousands	29	7088.9	7090.1
Average number of shares, diluted, thousands	29	7088.9	7090.1

Statement of Result and Other Comprehensive Income – Group

Amounts in SEK million	2023	2022
Result for the period	42.1	33.1
Other comprehensive income		
<i>Items may be reclassified to the income statement</i>		
Translation differences, foreign subsidiaries	-0.6	0.2
Other comprehensive income, net of tax	-0.6	0.2
Total comprehensive income for the period	41.5	33.3
Total comprehensive income attributable to:		
Shareholder of the parent company	41.5	33.3
Non-controlling interests	-	-

Balance Sheet – Group

Amounts in SEK million	Note:	2023	2022
ASSETS			
Fixed assets			
Capitalised development		1.1	3.9
Patents & rights		0.6	0.8
Total intangible assets	13	1.7	4.7
Production equipment, office equipment and computers		6.0	2.5
Process control equipment		0.8	0.5
Right of use assets		1.9	2.7
Total tangible assets	14	8.7	5.8
Other long-term receivables	16, 23	0.4	0.7
Total financial assets		0.4	0.7
Deferred tax asset	12, 16	50.9	51.1
Total fixed assets		61.6	62.2
Current assets			
Inventory	17	14.1	16.7
Total inventory		14.1	16.7
Trade debtors	15, 23, 26	36.6	34.1
Other debtors	18, 23	4.7	1.0
Prepaid expenses and accrued income	19	2.2	2.4
Total short-term receivables		43.6	37.4
Total cash and cash equivalents	23, 26	12.3	14.2
Total current assets		70.0	68.3
Total assets		131.6	130.5
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	24, 25	7.1	7.1
Additional paid in capital		44.9	44.9
Translation differences, foreign subsidiaries	26	1.0	1.6
Accumulated result including result for the year		60.6	58.4
Total shareholders' equity		113.6	111.9
Other long term liabilities	20	0.5	1.5
Total long term liabilities		0.5	1.5
Accounts payable	23, 26	4.2	3.1
Other current liabilities	21, 23, 26	2.9	3.3
Accrued expenses and prepaid income	22	10.5	10.7
Total short term liabilities		17.5	17.1
Total liabilities		17.9	18.5
Total shareholders' equity and liabilities		131.6	130.5

Statement of Changes in Equity – Group

Amounts in SEK million	Note:	Share Capital	Additional Paid in Capital	Exchange Differences	Cumulative Results	Total Equity
Opening balance 1 January 2022		7.1	44.9	1.5	60.4	113.8
Other		-	-	-	0.3	0.3
Total comprehensive income						
Result for the year		-	-	-	33.1	33.1
Other comprehensive income		-	-	0.2	-	0.2
Total comprehensive income		-	-	0.2	33.1	33.3
Dividend		-	-	-	-35.5	-35.5
Closing balance 31 December 2022	25	7.1	44.9	1.6	58.4	111.9
Opening balance 1 January 2023		7.1	44.9	1.6	58.4	111.9
Other		-	-	-	0.4	0.4
Total comprehensive income						
Result for the year		-	-	-	42.1	42.1
Other comprehensive income		-	-	-0.6	-	-0.6
Total comprehensive income		-	-	-0.6	42.1	41.5
Repurchase own shares		-	-	-	-1.2	-1.2
Dividend		-	-	-	-39.0	-39.0
Closing balance 31 December 2023	25	7.1	44.9	1.0	60.6	113.6

Cashflow Statement – Group

Amounts in SEK million	Note:	2023	2022
Operating activities			
Operating result		42.7	30.6
Adjustments for items not included in the cash flow			
Depreciation	13, 14	6.4	4.3
Other		0.2	0.2
Unrealised exchange rate differences		-	0.9
Received interest		0.2	0.1
Paid interest		-0.4	-0.4
Paid income tax		-0.4	-0.1
Total cashflow from operating activities before change in working capital		48.7	35.6
Change in working capital			
Inventory	17	2.5	-6.2
Operating receivables	15	-6.1	-5.7
Operating liabilities	18, 19, 21, 22	0.4	1.8
Total change in working capital		-3.2	-10.2
Cashflow from operations		45.5	25.4
Investing activities			
Acquisition of intangible assets	13	-0.5	-0.6
Acquisition of tangible assets	14	-5.1	-1.1
Cashflow from investing activities		-5.6	-1.7
Financing activities			
Payment lease liability		-1.6	-1.6
Dividend		-39.0	-35.5
Repurchase own shares		-1.2	-
Cashflow from financing activities		-41.8	-37.1
Exchange rate differences in cash and cash equivalents		-	-
Cashflow for the period		-1.9	-13.3
Cash - opening balance		14.2	27.5
Cash - closing balance*	23, 26	12.3	14.2

* The cash and cash equivalents comprise short-term deposits and cash at bank and in hand

Income Statement – Parent Company

Amounts in SEK million	Note:	2023	2022
Revenue	1, 9	133.3	118.3
Cost of goods sold	3, 17	-38.4	-34.2
Gross result		94.9	84.1
Cost of sales and marketing	3, 5, 9	-34.6	-31.4
Cost of administration	3, 5, 9	-9.7	-10.2
Cost of research & development	2, 3, 5	-12.5	-10.7
Other operating income	10	11.0	9.3
Other operating costs	10	-9.7	-14.6
Operating result		39.4	26.4
Financial income		0.2	0.1
Financial costs		-0.7	-0.2
Financial net	11	-0.5	-0.1
Result before income tax		38.9	26.3
Income tax	12	-2.1	2.9
Result for the period		36.8	29.2

Statement of Result and Other Comprehensive Income – Parent Company

Amounts in SEK million	2023	2022
Result for the period	36.8	29.2
Total comprehensive income for the period	36.8	29.2

Balance Sheet – Parent Company

Amounts in SEK million	Note:	2023	2022
ASSETS			
Capitalised development		1.1	3.9
Patents & rights		0.6	0.8
Total intangible assets	13	1.7	4.7
Production equipment, office equipment and computers		6.0	2.5
Process control equipment		0.8	0.5
Total tangible assets	14	6.8	3.0
Shares in subsidiaries	24	1.9	1.9
Intercompany receivables long term		-	0.1
Other long-term receivables	16, 23	0.3	0.3
Deferred tax asset	12, 16	49.0	51.1
Total financial assets		51.3	53.4
Total fixed assets		59.7	61.1
Inventory	17	13.9	16.3
Total inventory		13.9	16.3
Trade debtors	26	34.6	34.1
Intercompany receivables		1.8	1.4
Other debtors	18, 23, 26	4.8	1.0
Prepaid expenses and accrued income	19	2.0	1.7
Total short-term receivables		43.2	38.2
Cash at bank and in hand	26	10.6	11.8
Total current assets		67.7	66.4
Total assets		127.4	127.5
SHAREHOLDERS' EQUITY AND LIABILITIES			
Share capital	24, 25	7.1	7.1
Statutory reserve		9.5	9.5
Other reserve		1.1	3.9
Total restricted capital		17.7	20.6
Share premium reserve		35.3	35.3
Result brought forward		3.3	11.5
Result for the year		36.8	29.2
Total retained capital		75.5	76.1
Total Shareholders' equity		93.3	96.6
Long term liabilities	20	-	-
Accounts payable	23, 26	4.0	2.9
Intercompany liabilities		22.8	20.1
Other current liabilities	21, 23, 26	0.9	1.5
Accrued expenses and prepaid income	22	6.4	6.4
Total short term liabilities		34.1	30.9
Total liabilities		34.1	30.9
Total shareholders' equity and liabilities		127.4	127.5
Adjusted equity per share, SEK		13.15	13.63

Statement of Changes in Equity – Parent Company

Amounts in SEK million	Note:	Restricted Equity			Unrestricted Equity			Total Equity
		Share Capital	Statutory Reserve	Reserve Development Costs	Share Premium Reserve	Results Brought Forward	Results for the Year	
Open balance 1 January 2022		7.1	9.5	5.0	35.3	15.3	30.6	102.9
Appropriation of last year's result		-	-	-	-	30.6	-30.6	-
Capitalised development costs		-	-	1.3	-	-1.3	-	-
Depreciation, development costs		-	-	-2.4	-	2.4	-	-
Result of the year*		-	-	-	-	-	29.2	29.2
Dividend		-	-	-	-	-35.5	-	-35.5
Closing balance 31 December 2022	25	7.1	9.5	3.9	35.3	11.5	29.2	96.6
Open balance 1 January 2023		7.1	9.5	3.9	35.3	11.5	29.2	96.6
Appropriation of last year's result		-	-	-	-	29.2	-29.2	-
Capitalised development costs		-	-	0.5	-	-0.5	-	-
Depreciation, development costs		-	-	-3.3	-	3.3	-	-
Result of the year*		-	-	-	-	-	36.8	36.8
Repurchase own shares		-	-	-	-	-1.2	-	-1.2
Dividend		-	-	-	-	-39.0	-	-39.0
Closing balance 31 December 2023	25	7.1	9.5	1.1	35.3	3.3	36.8	93.3

* Result of the year corresponds to total comprehensive income for the year

Cashflow Statement – Parent Company

Amounts in SEK million	Note:	2023	2022
Operating activities			
Operating result		39.4	26.4
Adjustments for items not included in the cash flow			
Depreciation	13, 14	4.8	2.8
Other		-0.1	-0.1
Unrealised exchange rate differences		0.2	0.2
Received interest		0.2	0.1
Paid interest		-0.7	-0.2
Paid income tax		-	-0.1
Total cashflow from operating activities before change in working capital		43.8	29.0
Change in working capital			
Inventory	17	2.5	-6.1
Operating receivables	15	-4.9	-5.4
Operating liabilities	18, 19, 21, 22	3.2	7.8
Total change in working capital		0.8	-3.8
Cashflow from operations		44.6	25.3
Investing activities			
Acquisition of intangible assets	13	-0.5	-0.6
Acquisition of tangible assets	14	-5.1	-1.1
Cashflow from investing activities		-5.6	-1.7
Financing activities			
Repurchase own shares		-1.2	-
Dividend		-39.0	-35.5
Cashflow from financing activities		-40.2	-35.5
Exchange rate differences in cash and cash equivalents		-	-
Cashflow for the period		-1.2	-11.9
Cash - opening balance		11.8	23.8
Cash - closing balance*	26	10.6	11.8

* The cash and cash equivalents comprise short-term deposits and cash at bank and in hand

Accounting Policies

General Information

SinterCast AB (publ) is the Parent Company of the SinterCast Group with its registered office located in Stockholm, Sweden. SinterCast is the world's leading supplier of process control technology for the reliable high volume production of Compacted Graphite Iron (CGI). The consolidated financial accounts for SinterCast AB (publ) for the financial year ending 31 December 2023 were approved on 21 March 2024 by the Board of Directors and the Managing Director, for publication on 22 March 2024 and will be presented at the Annual General Meeting on Tuesday 21 May 2024.

Basis of Preparation

The consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards, the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1 – Supplemental Accounting Rules for Groups. The accounts of the Parent Company also comply with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 – Accounting for Legal Entities. The accounting policies used by the Parent Company comply with the policies used by the Group unless otherwise stated.

Accounting Policy Changes

The narrow-scope amendments to IAS 1 require entities to disclose material accounting policy information, instead of significant accounting policies. The amendments are effective for the financial year ending 31 December 2023. The accounting policies has been to some extent reduced to essentially include material accounting policies. The accounting principles have also been more entity specific, compared to the Annual Report 2022.

Critical Accounting Judgements and Estimates

The preparation of financial statements according to IFRS requires judgement of how to use accounting policies. Further, the management must decide how to apply chosen accounting principles. The principle of valuation of deferred taxes on tax losses carried forward, revenue recognition of system sales and

capitalisation of Research & Development costs are important for SinterCast.

Interpretation of IAS 12 is that recognition of deferred tax assets for the carry forward of unused tax losses may be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

SinterCast uses a model to calculate to which extent the carried forward tax losses can be utilised. The calculation is based on the SinterCast business model in the form of its contracts with foundries for the programs that are in current series production or where foundry customers have received definitive orders for future series production in SinterCast-CGI. The input for the model is based on the forecast volume, as communicated by the foundry and/or OEM, and is adjusted with a probability factor for each series production program. The programs and probability factors are reviewed regularly. To determine the future taxable profit, the forecast contribution from secured production is reduced by the forecast expenses of the operations. The calculations are based on historical ten-year average currency rates.

The above model is only used to determine the amounts of the tax losses that are probable to be utilised within the forecast horizon and does not constitute a profit forecast.

In revenue recognition of system sales, SinterCast needs to judge whether the revenue will be recognised over time or at a point in time. The effect of variable considerations and the time value of money on transaction price need to be determined and quantitative and qualitative disclosures about the entity's agreements with customers, performance obligations in the contracts and significant judgements may be required. Revenue recognition of system sales and related revenue streams (Equipment, Engineering Service, Annual Software Licence Fee) is based upon performance obligations in the contract.

Development costs that have been directly associated with specific and unique development projects and where management is confident that the

resulting products will generate economic benefits exceeding costs beyond one year are recognised as intangible assets when all criteria for recognition have been fulfilled. In applying this principle, management also considers the ability of market success and the future economic benefits.

Group Consolidation

The consolidated accounts include the Parent Company and all companies in which the Parent Company directly or indirectly controls more than 50% of the voting rights or by other means has full control.

The consolidated accounts have been prepared in accordance with the purchase method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Cost by Functions and Segment Reporting

Costs in SinterCast are presented in the profit and loss statement classified by function. This coincides best with how SinterCast looks upon and controls its business.

SinterCast constitutes one segment and the financial statements are presented accordingly. At present, SinterCast provides only two products: process control systems for the reliable production of Compacted Graphite Iron with related services for product development, installations, calibration, and technical support; and, a suite of tracking technologies, including the SinterCast Ladle Tracker® and SinterCast Cast Tracker®, to improve process control, productivity and traceability in a variety of applications. The company judges that the opportunities and risks with its business are related to the overall CGI market development. The format of the financial statements presented in this Annual Report coincides with the internal reporting structure the company's business activities that management uses to plan, control and follow.

Intangible Assets

Capitalised Patent Expenses

Costs that are directly associated with filing a patent controlled by the Group in a new market, and where the patent is expected to generate economic benefits exceeding costs beyond one year, are recognised in the balance sheet. The annual patent fees are expensed. Amortisation of capitalised patent expenses is included in the costs for Research & Development.

Capitalised Development Costs Development

Costs that are directly attributable to the design and testing of identifiable and unique new products controlled by the Group are recognised as intangible assets. Directly attributable costs that are capitalised include direct employee costs.

Costs that have been directly associated with the development of specific and unique customer products controlled by the Group and that are expected to generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Capitalised development costs related to specific customer projects are amortised over the estimated useful life of the projects. Amortisation of capitalised development costs are included in the costs for Research & Development.

Capitalised development costs in the Parent Company are reported as restricted equity in reserve for development costs. Depreciation of capitalised development costs recognised in profit for the year is transferred from restricted equity to non-restricted equity to the extent that depreciation relates to these investments.

Depreciation

The rate of depreciation, after evaluation of the useful lives is 12 years (8%) for patents and acquired rights and 5–7 years (14–20%) for capitalised development.

Impairment of Assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The impairment test is based on future estimated income.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Tangible Assets

The tangible assets are stated at historical cost less depreciation. Expenses for improvement of the assets are included in the carrying amount. Costs for maintenance and repair are expensed. The assets are depreciated systematically over the anticipated useful life using the straight-line method. The rate of depreciation, after evaluation of the useful life for each asset is 3 years (33%) for computers, 3–4 years (24–33%) for laboratory and production equipment, 3–4 years (24–33%) for installed process control equipment, 7 years (14%) for short-term facility upgrades and lease agreements and 10 years (10%) for production tooling and long-term facility upgrades and workshop equipment.

Financial Instruments

A financial asset or liability is recognised when the company is a party to the contractual conditions of the instrument. Acquisitions and sales of financial instruments are accounted for at trade date. An instrument is removed from the balance sheet when cashflow rights from the instrument have expired or been transferred and when the Group has transferred substantially all of the risks and rewards of ownership. Financial liabilities are derecognised when they are extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expired. Financial liabilities are also derecognised when the contractual rights to receive the cashflows have been materially modified. If modified, a new financial liability is recognised, measured at amortised cost. When a financial liability is derecognised, the difference between the recognised value and the proceeds received is accounted for in the profit and loss statement.

Financial Asset at Amortised Cost

The Group's financial assets that are valued at amortised cost consist of long-term receivables, trade debtors, other receivables and cash and cash equivalents.

Financial Asset at Fair Value Through Profit or Loss

The Group's financial assets at fair value through profit or loss consist of funds, short term investments and derivative contracts.

Short-term investments are valued at fair value through the income statement as the Group's policy is to manage the funds based on value development and to continuously realise results by divesting parts of the investments. Equity instruments where the Group has chosen to report these at fair value through the income statement are also included in this category.

Derivative contract, included in other debtors or other creditors are always recognised at fair value through the income statement. Gain or loss is recognised in other cost and income in the income statement in the period in which the gain or loss arises.

Financial Liabilities at Amortised Cost

The Group's financial liabilities are classified as valued at amortised cost using the effective interest method. Financial liabilities at amortised cost consist of accounts payable and other liabilities, excluding accruals. Liabilities are classified as short-term in the balance sheet if the company does not have an unconditional right to postpone the debt's regulation for more than twelve months after the reporting period. Dividends are reported as a liability after the Annual General Meeting approval. Accounts payable and other operating liabilities have short, expected maturities and are valued without discounting at nominal amounts.

Impairment of Financial Assets

At each reporting date, the Group assesses the future expected loan losses that are linked to assets reported at accrued acquisition value based on forward-looking information. The Group applies the simplified approach for credit reservation, that is, the reserve will correspond to the expected loss over the entire life of the accounts receivable.

Foreign Currency Translation

Items included in the financial statements of each of the Group's entities are measured using the local currency (the functional currency). The consolidated financial statements are presented in Swedish Kronor.

Transactions and Balances

Payment in foreign currency—following the transaction, resulting in currency gain or loss, is accounted for in the profit and loss statements. Gains or losses from recalculation of receivables or liabilities related to the operation are presented in the profit and loss statements as other income or costs.

Translation of Group Companies

Translating the foreign subsidiaries' financial statements into Swedish Kronor has been made according to the following principles:

- All assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet.
- Income and expenses for each profit and loss statement are translated at average exchange rates.

The exchange rate differences for the period that consequently arise are recognised as Other Comprehensive Income. Accumulated exchange differences are presented in the balance sheet as Translation differences, foreign subsidiaries.

Revenue Recognition

Recurring revenue from series production includes recurring revenue from production fees, consumables and software licence fees. Equipment includes revenue from sold and leased CGI and Tracking systems and spare parts. Engineering Service includes revenue from engineering service, demonstrations and test pieces. Group sales represent delivery to foreign subsidiaries.

SinterCast also needs to assess whether the revenue will be recognised over time or at a point in time. Transport is normally ex-works according to Incoterms rules. Payment terms is normally 60 days net.

Agreements

When SinterCast becomes a party to an agreement, the agreement is analysed to determine how many distinct performance obligations it contains. The consideration received or to be received under the agreement, i.e. the transaction price, is allocated to each distinct performance obligation based on the relative share of each obligation on the estimated stand-alone selling price for the total contractual obligation. The allocated amount is then recognised

as revenue when the obligation is fulfilled, either at a point in time or over time. The following describes how and when each revenue stream is recognised.

Sales of Systems

System sale is allocated into the revenue streams Equipment and Annual Software License Fee.

Consideration for the sale of a system is based on payment for hardware, software and installation, calibration of the system at the customer site and when applicable, additional services. A standard agreement system sale, containing an interconnected hardware supply, software delivery and on-site services for commissioning and hardware calibration, is a joint undertaking (one bundled performance obligation). The reason why these different parts of the agreement are regarded as one bundled performance obligation is that the total promise to the customer is that the customer buys fully installed, calibrated equipment, normally according to the standard installation specification, and is reported as revenue at a point in time when the following criteria are fulfilled: the customer has legal ownership, physical possession, control and benefits of the calibrated installed system; and, SinterCast has the right to payment i.e., the control has been transferred to the customer.

In addition, agreements may also include services to be delivered after the installation, such as process support, product calibration, or additional process support services, training, or additional engineering services. Revenue recognition of such additions are treated as distinct obligations and accounted for over time, separately from the bundled system sale described above. In these circumstances an allocation of the total transaction price is performed. The total transaction price in the agreement is split between the bundled equipment component and the additional services. The total transaction price in the agreement for unique, non-standard, special purpose customer built systems is recognised over time.

Recurring revenue from series production

Recurring revenue from series production includes recurring revenue from production fees, consumables and software licence fees.

The sale of consumables is usually reported in

connection with the delivery of the goods, i.e., the following criteria have been established; the goods are delivered, the customer has legal ownership and physical possession.

The Production Fee per tonne of cast goods, based on the intellectual property rights and know-how of SinterCast, shall be recognised as revenue when the license is distinct and based on the use of the intellectual property right, i.e. the revenues relate specifically to the license and not to other obligations. Production fees are recognised on an accrual basis when the customer has reported shipped castings. Estimates are made to account for late production reporting.

Software License Fee identified as separate performance commitments are of the character “right to use”. A “right to use” license means the right to use the intellectual property of SinterCast in its existing condition at the time the license is granted. The right to use license is reported at a given time, i.e. at the time when the customer gets control of the license. Typically, distinct licenses of the kind are “the right to use” because the services that could affect the value and benefit of the license are reported separately as a separate distinct performance obligation. SinterCast defines the licenses as “right to use” and an annual software license fee is charged according to the customer agreement. The license fee is reported in the income statement at the time when the lease term starts, and the customer has control over the asset.

Engineering Service

Revenue from services refer to service contracts where no assets are created and where the customer consumes the service when it is provided. The obligation is assessed to be met over time. Service revenue is recognised in the accounting period in which the service is performed when SinterCast has the right to invoice the customer.

Inventory

Inventories are stated at the lower of cost and net realisable value. Cost consists of purchase price, and other costs directly related to the purchase, and is determined using the first in, first out method (FIFO).

Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and, the amount can be reasonably estimated.

Employee Benefits

All expenses related to the remuneration of the employees have been accounted for in the period the work has been performed. If notice terminating the employment has been served, expenses until termination of the employment are accounted for during the notice period.

All commitments to the employees are in the form of defined contribution plans. A defined contribution plan is a pension plan under which the Group’s subsidiaries pays fixed contributions into a separate entity.

The pension plan for employees in Sweden follows the ITP- plan insured by Alecta. The Alecta ITP-plan is by definition a multi-employer benefit plan but is constructed such that it is not possible to calculate surplus or deficit on the pension plans that fulfill the requirements in IAS 19 enabling defined benefit accounting, for the respective participating legal entities. The plan is therefore accounted for as a defined contribution plan. Alecta’s pension commitments to SinterCast are insignificant.

The pension age for the majority of SinterCast employees is expected to be 65-67 years; however, this is regulated by the relevant national laws rather than by the individual employment agreements.

Leasing Agreements

SinterCast as Lessee

The Group’s lease agreements consist mainly of offices, warehouses, other premises, company cars and office equipment. The average lease period for buildings is approximately five years, and for machinery and equipment approximately three years.

The right-of-use asset is valued at the start at the acquisition cost, and the costs encompass lease liabilities.

The right-of-use assets are depreciated and interest on lease liabilities recognised in the statement of income over the lease term.

SinterCast has chosen to apply the option to exclude low-value leases (below EUR 5,000) and leases or leasing periods less than 12 months. This means that these agreements are not reported as lease liabilities or right-of-use assets but are included in the operating cash flow.

The parent company uses the exception in RFR 2 to not report lease agreements in accordance with IFRS 16. Lease payments under operational leases are recognised in the profit and loss statement on a straight-line basis over the contractual period of the lease. If equipment is sold after the lease period has expired, the revenue from the sale is accounted as revenue.

SinterCast as Lessor

The Group has classified its lease agreements as operational because the Group maintains the ownership and associated risks and returns. At all

times, SinterCast retains the ownership of the SinterCast software and systems.

Taxes

The accounting policy for deferred tax in relation to unused carry-forward tax losses is described under the heading “Critical Accounting Judgements and Estimates” and presented in the Accounting Notes.

Liquidity/Cash and Cash Equivalents

Cash and cash equivalents are defined as cash, cash holdings at bank and short-term deposits available with less than three months’ notice.

Rounding

The total amount in tables and statements might not always sum up to the same number due to differences in rounding. The aim is to have each line item corresponding to the source and it might therefore be rounding differences in the total.

Amount below SEK 50,000 is presented as “0.0”. Where no amount is applicable, the value is presented as “-”.

Accounting Notes to the Financial Statements

ALL AMOUNTS IN SEK MILLION UNLESS OTHERWISE STATED

1 Revenue Breakdown

Recurring revenue from series production includes recurring revenue from production fees, consumables and software licence fees. Equipment includes revenue from sold and leased CGI and Tracking systems and spare parts. Engineering Service includes revenue from engineering service, demonstrations and test pieces. Group sales represent delivery to foreign subsidiaries of equipment and engineering Service. Group purchases represent mainly services provided by the subsidiaries.

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Recurring revenue from Series Production	127.0	113.4	126.6	113.0
Equipment	6.0	3.4	3.5	3.4
Engineering Service	1.5	1.9	1.5	1.7
Group Sales	-	-	1.8	0.2
Total	134.4	118.7	133.3	118.3
Group sales of total sales for the Parent Company %			1%	0%
Group purchases of costs of goods sold for the Parent Company			26.2	25.1
Group purchases of costs of goods sold for the Parent Company %			60%	65%

Revenue Breakdown per Country	GROUP	
	2023	2022
Brazil	75.1	65.2
Mexico	29.4	29.2
Sweden	16.4	13.8
Korea	5.0	4.7
USA	4.3	3.4
China	3.4	1.5
Japan	0.4	0.6
UK	0.1	0.1
Other	0.3	0.3
Total	134.4	118.7

2 Research & Development

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Costs for personnel and administration	7.4	7.7	7.4	7.7
Material in R&D	0.8	0.8	0.8	0.8
Depreciation and write down	3.5	1.8	3.5	1.8
Other	1.3	1.4	1.3	1.4
Capitalised development	-0.5	-1.0	-0.5	-1.0
Total	12.5	10.7	12.5	10.7

3 Operating Cost per Category

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Personnel expenses	51.2	49.9	30.3	30.0
Material costs of goods sold and R&D	17.5	14.1	17.2	13.7
Depreciation and write down	6.4	4.3	4.8	2.8
Consultants; sales, marketing and administration	5.4	6.5	4.8	6.0
Travel, commission, exhibition and other sales costs	5.3	3.8	3.9	2.6
Office and related costs	3.7	3.9	3.2	3.3
Board, shareholders meeting and Nasdaq	2.6	2.2	2.5	2.2
Termination of customer agreement	-	4.9	-	4.9
Other	0.1	-0.6	1.3	2.3
Group purchase	-	-	26.2	25.1
Total operating costs	92.2	89.1	94.4	92.9

4 Auditors' Fees

Amounts in SEK thousands	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
KPMG (Sweden)				
Audit fees	696	702	696	702
Other statutory audit fees	94	-	94	7
Total	803	730	803	738
Timothy N. Horne Ltd & Darby (United Kingdom)				
Audit fees	61	51	-	-
Total	61	51	-	-
Beijing Zhimoujince CPA Firm (China)				
Audit fees	15	14	-	-
Total	15	14	-	-
Total	879	795	803	738

5 Salaries and Remunerations

Salaries, Remuneration, Pension and Benefits

Salaries and remunerations consist of fixed remunerations, taxable benefits in the form of insurance premiums paid for life, long term disability and medical, company cars and variable remunerations. Taxable benefits amount to less than 10 percent of the base salary. Variable remuneration has been awarded to almost every employee and the variable part constituted a minor part of the total remuneration package. During the financial and prior year, no share based related benefits existed. Pension benefits are in the form of defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Pension contributions amount less than 30 percent of the fixed annual salary. Pension costs include additional voluntary contributions. The General Manager – Latin America, who is a full-time consultant and a member of the Operational Management featured on page 25 of this Annual Report, invoiced her total remuneration during the year at SEK 1.3 million. She manages her pension, taxes, and social security contributions independently. She joined SinterCast in 2018 and became married to the CEO in 2021.

Total Salaries, Remunerations and Board Remunerations Expensed Allocated Per Country and Category

ALL AMOUNTS IN SEK

GROUP	2023			2022		
	Salaries and remuneration	Social security costs	Pension costs	Salaries and remuneration	Social security costs	Pension costs
China	2,066,913	228,820	-	2,213,063	246,694	-
Korea	1,988,641	-	150,093	2,053,963	-	192,842
Sweden	22,008,449	6,539,003	2,843,195	21,458,816	6,496,954	2,782,672
United Kingdom	7,131,627	950,975	1,243,229	6,290,273	907,267	1,117,820
USA	6,101,531	283,658	643,772	5,957,495	260,574	596,961
Total	39,297,161	8,002,456	4,880,289	37,973,610	7,911,489	4,690,295

Per Category

Employees	29,191,245	6,180,139	3,272,180	28,711,287	6,153,677	3,188,850
Group management						
Managing Director ¹	7,035,876	946,145	1,243,229	6,290,273	907,267	1,117,820
Other Directors ²	1,917,126	669,196	364,880	1,711,634	632,596	383,625
Board	1,152,914	206,976	-	1,260,416	217,949	-
Total	39,297,161	8,002,456	4,880,289	37,973,610	7,911,489	4,690,295

Variable remuneration from the incentive programme for the group management is included in the table above

1. Managing Director	2,299,814	1,565,617
2. Other Directors	320,976	373,859

PARENT COMPANY

Sweden						
Employees ³	18,938,409	5,662,831	2,478,315	18,486,766	5,646,409	2,399,047
Group management	1,917,126	669,196	364,880	1,711,634	632,596	383,625
Board	1,152,914	206,976	-	1,260,416	217,949	-
Total	22,008,449	6,539,003	2,843,195	21,458,816	6,496,954	2,782,672

3. Contributions to the Alecta ITP-2 pension plan amounted to SEK 1.6 million (1.5). The expected contribution for next year is approximately SEK 1.6 million.

Remuneration Guidelines for Senior Executives

The Annual General Meeting 2020 adopted Guidelines for remuneration to Senior Executives, i.e. the Managing Director, other members of the Group Management and Board Members. The complete Guidelines are presented in the Corporate Governance section.

Remuneration, Pension and Benefits

The remuneration to members of the Group Management shall consist of a balanced combination of fixed remuneration, variable remuneration, pension and other benefits. The total remuneration shall be in accordance with market practice and shall be based on performance. The fixed remuneration shall be individually determined and shall be based on each individual's responsibility, role, competence and position. Variable remuneration shall be based on predetermined targets on the Group level and the individual level, considering the effect on the long-term result. In extraordinary situations a special compensation may be paid out to attract and retain key competence. Variable remuneration and special compensation may not exceed an amount corresponding to 75 percent of the fixed annual salary.

Pension benefits are in the form of defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the entity does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Variable remuneration and special compensation in extraordinary situations shall not constitute a basis for pension as far as this does not conflict with applicable collective agreement. Pension contributions may not exceed an amount corresponding to 30 percent of the fixed annual salary.

Other benefits may include, for example, life insurance, medical insurance and company car. Costs for such benefits may not amount to more than 10 percent of the base salary.

Group Management

The remuneration to the Managing Director is allocated according to the guidelines for remuneration to senior executives and includes variable remuneration, taxable benefits in the form of insurance premiums paid for life, long term disability and medical, and car allowance. Pension contributions (30% of salary) are based on contributions made without any further commitments. The remuneration to the other one (one) member of the Group Management, the Finance Director, during 2023, include variable remuneration and benefits for company car. The pension plan follows the Swedish ITP-Plan, according to collective agreement.

The Board of Directors

The Annual General Meeting decides upon a total Board remuneration, for the period until the next AGM. The Board remuneration during the financial and prior year has been in accordance with the AGM decision. No Board fees were allocated to the Managing Director. No bonus schemes, incentive programmes, pension commitments, or pension liabilities exist for the Board Members, with the exception of the Managing Director.

Total Board Remuneration Adopted at the AGM until next AGM

ALL AMOUNTS IN SEK

	Remuneration Adopted at AGM (SEK)					
	Board		Audit Committee		Remuneration Committee	
	2023	2022	2023	2022	2023	2022
Robert Dover	430,000	190,000	-	25,000	-	-
Jun Arimoto	200,000	190,000	-	25,000	-	-
Steve Gill	200,000	190,000	-	-	-	20,000
Anna-Maria Heidmark Green	200,000	-	-	-	-	-
Jan Åke Jonsson	-	410,000	-	-	-	35,000
Åsa Källenius	-	190,000	-	50,000	-	-
Steve Dawson	-	-	-	-	-	-
Summary	1,030,000	1,170,000	-	100,000	-	55,000

Remuneration until next AGM, 50% paid current year, 50% next year.

6 Transactions with Related Parties

No substantial transactions took place between SinterCast and the Board or management during 2023 other than disclosed in note 5.

7 Board and Group Management at Year End

GROUP	2023			2022		
	Total	Female	Female%	Total	Female	Female%
Board Members	10	2	20%	11	2	18%
CEO and Group Management*	2	-	0%	2	-	0%
Operational Management**	8	2	25%	8	2	25%
PARENT COMPANY						
Board Members	5	1	20%	6	1	17%
CEO and Group Management*	2	-	0%	2	-	0%
Operational Management**	8	2	25%	8	2	25%

* On 1 January 2024, the new Operations Director joined as a member of Group Management

** Includes one consultant.

8 Average Number of Employees During the Year

GROUP	2023		2022	
	Total	Male	Total	Male
China	1	1	1	1
Korea	1	1	1	1
Sweden	25	18	26	19
United Kingdom	1	1	1	1
USA	2	2	2	2
Total	30	23	31	24
PARENT COMPANY				
Sweden	25	18	26	19
Total	25	18	26	19

Number of Employees at Year End

GROUP	2023		2022	
	Total	Male	Total	Male
China	1	1	2	2
Korea	1	1	1	1
Sweden	23	16	26	19
United Kingdom	1	1	1	1
USA	2	2	2	2
Total	28	21	32	25
PARENT COMPANY				
Sweden	23	16	26	19
Total	23	16	26	19

9 Leasing

SinterCast as Lessor	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Income from operational leasing	0.3	0.1	0.3	0.1
Contracted future undiscounted income from operational leasing	0.5	0.5	0.5	0.5
Receivables within 1 year	0.1	0.1	0.1	0.1
Receivables within 1–2 years	0.1	0.1	0.1	0.1
Receivables within 2–3 years	0.1	0.1	0.1	0.1
Receivables within 3–4 years	0.1	0.1	0.1	0.1
Receivables within 4–5 years	0.1	0.1	0.1	0.1

Leased equipment refers to Agreements with SKF.

SinterCast as Lessee	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Cost from leased premises and equipment	-	-	1.3	1.3
Contracted future commitments	-	-	7.5	6.9
Payable within 1 year	-	-	1.5	1.4
Payable within 2–5 years	-	-	6.0	5.5
Payable beyond 5 years	-	-	-	-

Parent company operational leasing fees are charged to the operating result and refer primarily to leased premises used for production, inventory, development, office space, and cars. The Group's operational leases are recognised as capitalised leases (Right of Use Assets), disclosed in the note Tangible Assets.

Lease Liability	GROUP	
	2023	2022
Opening balance	2.9	3.9
Amortisation	-1.6	-1.7
Additions	0.7	0.7
Interest cost	0.2	0.3
Paid interest	-0.2	-0.3
Closing balance	2.0	2.9

Amounts Recognised in Income Statement	GROUP	
	2023	2022
Expenses related to short term leases	-	-
Expenses related to leases of low value	-	-
Depreciation and impairment of right-of-use assets	1.6	1.5
Interest expense (included in financial expense)	0.2	0.3
Interest income (included in financial income)	-	-

Amounts Recognised in Cashflow Statement	GROUP	
	2023	2022
Amortisation of lease liabilities (included in finance activities)	-1.6	-1.6
Interest expense (included in operating activity cashflow)	-	-
Interest income (included in operating activity cashflow)	-	-
Expenses related to short term leases (included in operating activity cashflow)	-	-
Expenses related to leases of low value (included in operating activity cashflow)	-	-

10 Other Operating Income and Costs

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Other Income				
Exchange gains from operations	3.7	7.1	6.3	8.5
Revaluation gains of forward exchange contracts	4.7	0.8	4.7	0.9
Other income	-	0.1	-	-
Total	8.4	8.0	11.0	9.3
Other Costs				
Exchange loss from operations	-4.9	-6.4	-7.5	-9.2
Revaluation losses of forward exchange contracts	-2.3	0.1	-2.3	-
Other costs from operations	-	-5.4	-	-5.4
Total	-7.2	-11.8	-9.7	-14.6
Total other operating income and costs	1.2	-3.8	1.3	-5.3

11 Financial Income and Expenses

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Interest				
Interest income	0.2	0.1	0.2	0.1
Interest cost	-0.4	-0.4	-0.7	-0.2
Total	-0.1	-0.3	-0.5	-0.1

12 Tax

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Income Tax				
Deferred tax cost	-2.1	-	-2.1	-
Deferred income tax for the year	1.8	3.0	-	3.0
Paid tax, subsidiaries	-0.1	-0.1	-	-0.1
Income tax in the income statement	-0.4	2.9	-2.1	2.9
Deferred Tax Asset				
Deferred tax asset brought forward	51.1	48.1	51.1	48.1
Capitalised carry forward tax losses during the year	1.8	3.0	-	3.0
Utilised carry forward tax losses during the year	-2.1	-	-2.1	-
Accumulated value carried forward	50.8	51.1	49.0	51.1

Deferred tax asset relates to carry forward tax losses in Sweden, UK and US. No tax effects on items included in other comprehensive income.

Carry Forward Tax Losses

Based on the filed tax returns prior the financial year, with addition of the calculated taxable result of the financial year.

Country

(Amounts in SEK million)	Valid until	2023	2022	Tax Rate
Sweden	indefinitely	238.0	266.2	20.6%
United Kingdom	indefinitely	30.7	31.5	19.0%
USA*	20 years from the year of filing	4.3	18.7	21.0%
Total**		273.0	316.4	20.6%

* Of which USD 3.6 (1.8) million is due within 5 years, USD 0.7 (0.1) million within 10 years.

** SEK 247.1 million (SEK 248.0 million) of the Group's total carried-forward tax losses have been used as constitute the basis of the deferred tax asset calculation. SEK 25.9 million (SEK 68.4 million) of the Group's carried forward tax losses have not yet been used.

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Tax Expenses Based on Actual Tax Rate				
Result before tax	42.6	30.3	38.9	26.3
Tax calculated based on Swedish tax rate	-8.8	-6.2	-8.0	-5.4
Tax effect on non tax deductible expenses	-0.1	0.1	-0.1	0.1
Tax effect on non taxable income	-	-0.6	-	-0.6
Tax effect on foreign tax	-0.1	-	-	-
Tax effect on utilised carried forward tax losses	6.8	6.6	6.0	5.8
Tax effect on capitalised tax losses	1.8	3.0	-	3.0
Tax on the result for the period as per the income statements	-0.4	2.9	-2.1	2.9

The income tax rate valid for the Group was 20.6% (20.6%). The income tax rate valid for Sweden was 20.6% (20.6%).

The income tax rate valid for UK was 19% (19%). The income tax rate valid for US was 21% (21%).

13 Intangible Assets*

GROUP	Patent & Rights		Capitalised Development		Total	
	2023	2022	2023	2022	2023	2022
Acquisition value brought forward	2.6	2.6	11.1	10.5	13.7	13.1
Acquisitions during the year						
Research & development	-	-	0.5	1.3	0.5	1.3
Disposals						
Research & development	-	-	-4.7	-0.7	-4.7	-0.7
Accumulated acquisition carried forward	2.6	2.6	6.8	11.1	9.4	13.7
Depreciation brought forward	-1.9	-1.7	-7.2	-5.5	-9.0	-7.2
Depreciation for the year						
Research & development	-0.2	-0.2	-1.2	-1.7	-1.3	-1.9
Disposals						
Research & development	-	-	2.6	-	2.6	-
Accumulated depr. carried forward	-2.0	-1.9	-5.7	-7.2	-7.7	-9.1
Book value carried forward	0.6	0.8	1.1	3.9	1.7	4.7

PARENT COMPANY	Patent & Rights		Capitalised Development		Total	
	2023	2022	2023	2022	2023	2022
Acquisition value brought forward	2.6	2.6	11.1	10.5	13.7	13.1
Acquisitions during the year						
Research & development	-	-	0.5	1.3	0.5	1.3
Disposals						
Research & development	-	-	-4.7	-0.7	-4.7	-0.7
Accumulated acquisition carried forward	2.6	2.6	6.8	11.1	9.4	13.7
Depreciation brought forward	-1.9	-1.7	-7.2	-5.5	-9.0	-7.2
Depreciation for the year						
Research & development	-0.2	-0.2	-1.2	-1.7	-1.3	-1.9
Disposals						
Research & development	-	-	2.6	-	2.6	-
Accumulated depr. carried forward	-2.0	-1.9	-5.7	-7.2	-7.7	-9.1
Book value carried forward	0.6	0.8	1.1	3.9	1.7	4.7

* All intangible assets are related to Sweden.

14 Tangible Fixed Assets

GROUP	Production Equipment, Office Equipment and Computers		Process Control Equipment		Total	
	2023	2022	2023	2022	2023	2022
Acquisition value brought forward	8.0	8.3	2.9	2.2	10.9	10.5
Acquisitions during the year						
Goods sold	4.3	0.2	-	-	4.3	0.2
Research & development	-	0.1	0.7	0.8	0.7	0.9
Administration	0.1	0.1	-	-	0.1	0.1
Disposals						
Goods sold	-0.4	-0.3	-	-	-0.4	-0.3
Research & development	-	-0.1	-0.4	-0.1	-0.4	-0.2
Administration	-	-0.4	-	-	-	-0.4
Accumulated acquisition carried forward	12.0	7.9	3.2	2.9	15.2	10.8
Depreciation brought forward	-5.5	-5.5	-2.4	-2.1	-7.9	-7.6
Depreciation for the year						
Goods sold	-0.5	-0.4	-	-	-0.5	-0.4
Research & development	-	-	-0.4	-0.4	-0.4	-0.4
Administration	-0.4	-0.3	-	-	-0.4	-0.3
Disposals						
Goods sold	0.4	0.3	-	-	0.4	0.3
Research & development	-	0.1	0.4	0.1	0.4	0.2
Administration	-	0.4	-	-	-	0.4
Accumulated depreciation carried forward	-6.0	-5.4	-2.4	-2.4	-8.4	-7.8
Book value carried forward	6.0	2.5	0.8	0.5	6.8	3.0

Right of Use Assets

GROUP	Offices & Warehouses		Cars & Photocopiers		Total	
	2023	2022	2023	2022	2023	2022
Acquisition value brought forward	6.6	5.9	1.1	1.1	7.7	7.0
Acquisitions during the year						
Administration	0.3	0.7	0.3	-	0.7	0.7
Disposals						
Accumulated acquisition carried forward	6.9	6.6	1.5	1.1	8.4	7.7
Depreciation brought forward	-4.2	-2.7	-0.7	-0.7	-4.9	-3.4
Depreciation for the year						
Administration	-1.3	-1.5	-0.3	-	-1.6	-1.5
Disposals						
Accumulated depreciation carried forward	-5.5	-4.2	-1.0	-0.7	-6.5	-4.9
Book value carried forward	1.4	2.4	0.4	0.4	1.9	2.8

PARENT COMPANY	Production Equipment, Office Equipment and Computers		Process Control Equipment		Total	
	2023	2022	2023	2022	2023	2022
Acquisition value brought forward	7.9	8.3	2.5	1.8	10.4	10.1
Acquisitions during the year						
Goods sold	4.3	0.2	-	-	4.3	0.2
Research & development	-	0.1	0.7	0.8	0.7	0.9
Administration	0.1	0.1	-	-	0.1	0.1
Disposals						
Goods sold	-0.4	-0.3	-	-	-0.4	-0.3
Research & development	-	-0.1	-	-0.1	-	-0.2
Administration	-	-0.4	-	-	-	-0.4
Accumulated acquisition carried forward	11.9	7.9	3.2	2.5	15.1	10.4
Depreciation brought forward	-5.4	-5.5	-2.0	-1.7	-7.4	-7.2
Depreciation for the year						
Goods sold	-0.5	-0.4	-	-	-0.5	-0.4
Research & development	-	-	-0.4	-0.4	-0.4	-0.4
Administration	-0.4	-0.3	-	-	-0.4	-0.3
Disposals						
Goods sold	0.4	0.3	-	-	0.4	0.3
Research & development	-	0.1	-	0.1	-	0.2
Administration	-	0.4	-	-	-	0.4
Accumulated depreciation carried forward	-5.9	-5.4	-2.4	-2.0	-8.3	-7.4
Book value carried forward	6.0	2.5	0.8	0.5	6.8	3.0

All fixed assets in the Parent Company and the Group relate to Sweden. Regarding Right of Use assets, leased premises also exist in China and company cars also exist in Korea (1), Germany (1) and US (1).

15 Accounts Receivable – Trade

	GROUP	
	2023	2022
Accounts receivable not due	23.6	31.2
Accounts receivable overdue 0–30 days	9.3	0.5
Accounts receivable overdue 31–90 days	2.1	1.1
Accounts receivable overdue 91–180 days	1.1	1.1
Accounts receivable overdue >180 days	1.8	1.4
Accounts receivable gross	37.9	35.3
Provision for expected credit losses	-1.3	-1.2
Accounts receivables net	36.6	34.1

Accounts receivable net, including provision expected credit losses. The carrying amount of accounts receivable represents the fair value. The provision for expected credit losses refers to accounts receivable overdue >180 days.

	GROUP	
Provision for expected credit losses	2023	2022
Opening balance	1.2	1.5
Additional provisions	0.1	-
Losses	-	-0.3
Closing balance	1.3	1.2

16 Other Long Term Receivables

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Long term customer receivable & deposits*	0.4	0.7	0.3	0.3
Deferred Tax Asset	50.9	51.1	49.0	51.1
Accrued Interest from subsidiary	-	-	-	0.1
Total	51.3	51.8	49.3	51.5

* Primarily, office rental deposits SEK 0.1 million (SEK 0.3 million) and supplier deposit SEK 0.2 million (SEK 0.3 million) for the parent company.

17 Inventory

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Raw material and finished products	13.6	15.9	13.3	15.6
Work in progress	0.6	0.8	0.6	0.8
Total	14.1	16.7	13.9	16.3

	2023	2022	2023	2022
Inventory expensed as cost of goods sold	17.5	14.1	17.2	13.7

18 Other Debtors

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
VAT and tax receivables	0.3	0.3	0.4	0.4
Other current receivables*	4.4	0.6	4.4	0.6
Total	4.7	1.0	4.8	1.0

* Unrealised gains on existing forward exchange contracts

19 Prepaid Expenses and Accrued Income

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Prepaid rents	0.1	0.1	0.1	0.1
Prepaid insurance	1.0	0.7	1.0	0.7
Accrued sales income	0.1	0.1	0.1	0.1
Others	1.0	1.5	0.7	0.8
Total	2.2	2.4	2.0	1.7

20 Long Term Liabilities

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
IFRS 16, long term lease liability	0.5	1.5	-	-
Other	-	-	-	-
Total	0.5	1.5	-	-

21 Other Current Liabilities

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Withholding tax and national insurance contributions for employees	1.3	1.7	0.9	1.3
Short term lease liability	1.5	1.5	-	-
Other current liability	-	0.2	-	0.2
Total	2.9	3.3	0.9	1.5

22 Accrued Expenses, Prepaid Income and Provisions

	GROUP		PARENT COMPANY	
	2023	2022	2023	2022
Accrued personnel expenses	9.1	8.6	5.5	5.4
Deferred income	0.7	1.1	0.5	0.3
Others	0.6	1.0	0.4	0.8
Total	10.5	10.7	6.4	6.4

23 The Link Between IFRS 9 Categories and SinterCast Balance Sheet Items in the Balance Sheet

	Financial Items at Fair Value Through Profit and Loss		Financial Assets at Amortised Cost		Financial Liabilities at Amortised Cost		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Other long term receiv.	-	-	0.4	0.7	-	-	0.4	0.7
Trade debtors	-	-	36.6	34.1	-	-	36.6	34.1
Other debtors	4.4	-	-	0.6	-	-	4.4	0.6
Cash and cash eqvns	-	-	12.3	14.2	-	-	12.3	14.2
Accounts payable	-	-	-	-	-4.2	-3.1	-4.2	-3.1
Other current liabilities	-	-0.2	-	-	-2.9	-3.1	-2.9	-3.3
Total	4.4	-0.2	49.3	49.6	-7.0	-6.2	46.7	43.2

The carrying amount of financial assets valued at amortised cost and financial liabilities valued at amortised cost represents the fair value.

24 Shares in Subsidiaries for the Parent Company, SinterCast AB (publ)

ALL AMOUNTS IN SEK	2023	2022
Acquisition value brought forward	66,268,332	66,268,332
Accumulated acquisition value carried forward	66,268,332	66,268,332
Impairment brought forward	-64,352,302	-64,352,300
Write-off of shares in subsidiaries	-	-2
Accumulated impairment carried forward	-64,352,302	-64,352,302
Book value carried forward	1,916,030	1,916,030

List of subsidiaries to SinterCast AB (publ)		Corporate Identification Number	Votes and Equity, %	Book Value 2023	Book Value 2022
SinterCast Trade (Beijing) Co., Ltd	Beijing, China	110000450218467	100%	1,848,046	1,848,046
SinterCast Korea Co., Ltd	JeonJu-City, Korea	418-81-40366	100%	67,980	67,980
SinterCast Ltd	London, UK	2021239	100%	1	1
SinterCast Inc	Chicago, USA	187363	100%	1	1
SinterCast SA de CV	Saltillo, Mexico	SIN960415AY5	100%	1	1
SinterCast Servicios SA de CV	Saltillo, Mexico	SSE960408EX1	100%	1	1
Total				1,916,030	1,916,030

25 Share Capital Development in SinterCast AB (publ)

	Number of Shares			Par Value (SEK)	Share Capital (SEK)
	A*	B**	Total		
Share capital as of 1 January 1993	101,200	2,660	103,860	0.50	51,930
March 1993: Share issue I	161,200	2,660	163,860	0.50	81,930
April 1993: Split 10:1	1,612,000	26,600	1,638,600	0.05	81,930
April–May 1993: Share issue II	2,084,600	26,600	2,111,200	0.05	105,560
April–May 1993: Share issue III	2,311,350	26,600	2,337,950	0.05	116,898
December 1993: Bonus issue	2,311,350	26,600	2,337,950	1.00	2,337,950
January 1994: Directed share issue	2,811,350	26,600	2,837,950	1.00	2,837,950
October 1994: Directed share issue	2,811,350	626,600	3,437,950	1.00	3,437,950
October 1995: Directed share issue	3,435,350	626,600	4,061,950	1.00	4,061,950
December 1995: Subscription via warrants	3,435,350	628,600	4,063,950	1.00	4,063,950
June 1996: Subscription via warrants	3,435,350	655,600	4,090,950	1.00	4,090,950
February 2002: Directed share issue	4,235,350	655,600	4,890,950	1.00	4,890,950

	Number of Shares				
June 2002: (B shares converted to A)*			4,890,950	1.00	4,890,950
September 2002: Subscription via warrants			4,900,062	1.00	4,900,062
November 2003: Subscription via warrants			5,364,200	1.00	5,364,200
December 2003: Subscription via warrants			5,389,200	1.00	5,389,200
December 2004: Subscription via warrants			5,552,900	1.00	5,552,900
September 2009: Directed share issue			6,478,383	1.00	6,478,383
October 2010: Subscription via warrants			6,930,653	1.00	6,930,653
December 2010: Subscription via warrants			6,975,653	1.00	6,975,653
December 2013: Subscription via warrants			7,090,133	1.00	7,090,133
November-December 2023: Repurchase own shares			7,078,795	1.00	7,078,795
Closing Balance outstanding shares			7,078,795	1.00	7,078,795

* One vote per share

**One tenth vote per share

26 Risk Management, Risks and Uncertainty Factors

All business and share-ownership involves some measure of risk. The risk factors reported herein are not ranked in order of priority or significance, and do not claim to be comprehensive. Shareholders should make their own assessment of each risk factor and its significance for the future development of the company. The risk exposure for SinterCast can be broadly divided into strategic risks, operational risks and financial risks.

The Board of Directors monitors the business development and the associated risks during the Board Meetings. The Board of Directors has established policies to provide a framework for how the various risks that SinterCast can encounter shall be managed and to define the risk exposure with which the business may be operated. The objective of the Board's policies is to maintain a low risk profile regarding financial and legal matters. External monitoring is conducted by auditors and advisors. Internal monitoring takes place in accordance with the operating principles approved by the Board of Directors. Appropriate insurance has been taken against risks associated with assets and interruption of operations and to minimise indemnity risks. Operating procedures have also been implemented to reduce the risk of IT interruptions and recovery procedures have been established. SinterCast is currently not involved in any legal disputes.

Strategic Risks

Market Risks

Uncertainty factors for SinterCast include: the timing of OEM decisions for new CGI engines and other components; adherence to start-of-production dates and ramp projections; the longevity of each engine programme; the possibility that the volume of existing programmes may decrease or come to end-of-life earlier than expected; the global economy for new vehicle sales; technology trends and emissions legislation; and, the individual sales success of vehicles equipped with SinterCast-CGI components.

The increasing geopolitical instability, exacerbated by war and conflict in multiple regions, together with material shortages, energy costs and global economic uncertainties, constitute the dominant near-term risk factors for the global foundry and automotive industries. While it is not yet possible to quantify the impact of these factors on the near-term market development, SinterCast remains confident in the long-term growth of CGI and in the ability to reach the five million Engine Equivalent milestone, with growth beyond. Other factors that may influence the market risk for SinterCast and its end-user industries include the renegotiation of international tariffs and free-trade agreements on vehicle sales, climate change legislation and the associated growth of alternative powertrain technologies, and the overall demand for goods transportation. The development of AI may also increase the possibilities to develop potentially competitive technologies or to reverse engineer the SinterCast technology.

Product Applications

Series production is diversified between diesel and petrol engines for passenger vehicles including cars, SUVs and pick-ups; commercial vehicle cylinder blocks and heads; and other applications such as industrial power components. During 2023, the SinterCast production mix was approximately 51% (47%) commercial vehicle, 45% (50%) pick-up and SUV, and 4% (3%) industrial power. SinterCast endeavours to offset the risk in its current customer activities by developing new products and new CGI series production applications. Over the past two years, together with Tupy, SinterCast has participated in the development of novel solutions for high efficiency commercial vehicle hydrogen engines and for small passenger vehicle engines that can be used in hybrid applications.

Alternative Technologies and Emissions Legislation

The business development of SinterCast is strongly linked to the internal combustion engine, particularly the diesel engine. Recent events in the global passenger vehicle market have increased the scrutiny on internal combustion engines and some

governments are revisiting emissions legislation. New legislation can present a hindrance to the market demand for passenger cars with internal combustion engines. Currently, approximately 10% of the SinterCast series production is for petrol-engined pick-ups and SUVs; 30% is for Super Duty pick-ups; 51% is for commercial vehicles and 5% is for off-road equipment. Accordingly, more than 95% of the SinterCast volume is within the sectors that benefit most from internal combustion engines. For long-haul commercial vehicles, which represent the largest growth opportunity for CGI, diesel engines currently constitute more than 95% of the market and are expected to remain the dominant powertrain technology well beyond 2035, providing long-term market opportunities.

In the meantime, the internal combustion engine, will continue to make efficiency improvements to defend its position as a cost-efficient and convenient powertrain option. These gains will include downsizing, increased thermal and mechanical loading, and increased specific performance. These developments can benefit from stronger materials such as CGI.

Code of Conduct

The Board of Directors has established a Code of Conduct to guide the way that the company is represented. The guidelines provided in the Code of Conduct are established to reinforce the recognition, respect and leadership position that SinterCast enjoys in industry and in society. SinterCast is committed to high and consistent standards of integrity and ethics. The Board and the management are committed to leading by example and to ensuring that the Code of Conduct is honoured by all employees, Board members and key suppliers.

Operational Risks

Major Customers

In recent years, SinterCast has actively worked to expand its customer base in order to reduce its dependence on individual foundry customers. As of 31 December 2023, SinterCast had 57 installations

in 13 countries. In 2023, the three largest customers represented SEK 75.1 million (SEK 64.9 million), SEK 19.4 million (SEK 20.6 million) and SEK 13.9 million (SEK 12.9 million) of the company's sales while the five largest customers accounted for approximately SEK 120.0 million (SEK 107.8 million) of sales.

	GROUP	
Revenue major Customers	2023	2022
Top 3	81%	83%
Top 5	89%	91%
Total	100%	100%

	2023	2022
Revenue major Customers	2023	2022
Top 3	108.3	98.4
Top 5	120.0	107.8
Total	134.4	118.7

As a result, the loss of a single foundry customer, capacity constraints at any such customer, or stoppages in the production of any high-volume engine programme could – at least in the short term – have a significant negative impact on the company's revenue and result. Dedicated teams have been established to ensure that the needs of major customers are promptly addressed.

Key Personnel

For the foreseeable future, SinterCast will be dependent on the expertise and creativity of a core group of key personnel. These people have the knowledge, experience and contacts that develop and support the underlying technology and that maintain the customer support and sales activities. The departure of one or more of these individuals could have a negative effect on the company's business. Overlap periods for retiring employees are a key part of the company's human resource planning. The Board of Directors has implemented annual and long-term incentive programmes to manage the turnover risk and to motivate, retain and reward employees. The recent recruitment of technical, managerial and administrative staff has also helped to distribute the core know-how and broaden the competence within the company.

SinterCast strives to provide a challenging and rewarding work environment.

Patents and Intellectual Property Rights

The company has implemented a strategy to protect its technology through patents or other intellectual property rights to preserve its leading position within liquid metal process control. The company applies for patents in selected countries that are relevant to the foundry and/or automotive industries, while retaining the majority of the core technology as knowhow. However, there is no guarantee that the company will continue to be granted patents in the relevant geographic markets or will be able to defend the patents that have been granted. There is also a risk that new technologies may be developed which circumvent the company's patents. During the recent years, some of the older patents have expired. This is not considered to be a risk because these patents no longer reflected the company's current technology. As the SinterCast technology has evolved, the company has allowed selected patents to lapse, as it was judged that continued payment of the national phase annuities for these patents would not provide a return on the investment.

Risk for Claims

The risk for claims refers to the costs that SinterCast could incur to replace or rectify non-conforming or defective products or systems and the possible costs for customer-levied penalties. SinterCast endeavours to resolve any claim quickly and efficiently to ensure customer satisfaction and loyalty, even if such resolutions result in short term costs. The Group's cost for claims amounted to less than one percent of turnover. SinterCast strives to minimise its risks for claims by means of comprehensive testing during the development phase, through quality control, planned customer visits and proactive customer support.

Social Engineering Fraud Risk

Social engineering fraud refers to a variety of techniques used by fraudsters to deceive and manipulate victims into voluntarily performing actions which result in them giving out confidential

information or transferring funds. To minimise the risk of fraud, the bank details for all new suppliers – and changes of bank details for existing suppliers – are checked and documented according to internal instructions. An IT-base anti-fraud training programme has been implemented for all employees.

Financial Risks and Financial Instruments

The Board of Directors has established the SinterCast finance policy to provide a framework for how different types of financial risks shall be managed and to define the risk exposure with which the business may be operated. The objective of this policy is to maintain a low risk profile. In general, risks and principles are applicable for both the Parent Company and the Group. Please see "Accounting Policies" for more detailed information regarding the SinterCast classification of financial instruments.

Liquidity Risk

Liquidity risk is the risk that the Group's short term cash and cash equivalents requirements may not be met. Planning of the Group's future requirements for liquid funds is facilitated by continuously updating the Group's requirements for liquidity over a 12-month period. The Board must be promptly notified of any sudden or expected decline in the Group liquidity. The risk is limited by holding sufficient cash and cash equivalents and if necessary, securing granted but unused credit facilities that can be utilised without conditions, for at least a 12-month period. An unused overdraft credit facility in the amount of SEK 12.5 million has been established. The liquidity risk is considered as low. The liquidity amount requirement to operate the business has improved since the yearly dividend payment has been changed to two dividend payments.

Liquidity	Group		Parent Company	
	2023	2022	2023	2022
Amounts in SEK million				
Cash at bank	12.3	14.2	10.6	11.8
Total	12.3	14.2	10.6	11.8

Maturity Structure

Amounts in SEK million	2023		2022	
Group (Parent Company)	Total	<30 days	Total	<30 days
Total cash & equivalents	12.3(10.6)	12.3(10.6)	14.2(11.8)	13.9(11.5)
Receivables	36.6(34.6)	9.3(9.3)	34.1(34.0)	0.5(0.5)
Income from leases	0.3(0.3)	0.0(0.0)	0.1(0.1)	0.0(0.0)
Total	49.2(45.5)	21.6(19.9)	48.4(45.9)	14.4(12.0)
Total payable, ex salaries	4.9(4.8)	4.9(4.8)	4.1(3.9)	4.1(3.9)
Expenses from leases	1.8(1.3)	0.2(0.1)	1.9(1.3)	0.2(0.1)
Total	6.7(6.1)	5.1(4.9)	6.0(5.2)	4.3(4.0)

Refinancing Risk

Refinancing risk is the risk that the Group will be unable to raise new loans or to refinance existing loans, when falling due. Planning of the Group's future finance requirements is facilitated by continuously updating the Group's finance forecasts over a five year period and reviewing existing loans, if any. The company also maintains frequent and positive relations with its banks. Only the Board can approve new loans.

Credit Risk, Customers and Deposits

Credit risk is the risk that any counterparty may not be able to fulfil its commitments and, as a consequence, the Group suffers a loss. Prior to entering a business relationship with a new customer, professional credit information about the customer is obtained and reviewed. Before offering credit, financing guarantee products that provide cover against payment risks are evaluated and the credit terms and terms of payments are determined accordingly. This is also valid regarding deposits. Credit risk, other than customer agreements, in excess of SEK 7 million must be approved by the Board. Credit risk is handled by the Group's finance function. Credits are systematically monitored and followed up. The majority of the Group's customers are large, well-known companies and organisations. The credit risk is distributed among the majority of the customers. Historical bad debt losses have been insignificant. SinterCast operates without credit insurance as the risk from the major customers is low, the terms are not appropriate for the

international customer base, and the overall judgement that the cost of the premiums will not provide a return on the investment. Provision for bad debts has been made amounting to SEK 1.3 million (SEK 1.2 million).

Credit Risk	Group		Parent Company	
Amounts in SEK million	2023	2022	2023	2022
Receivables, not due	23.6	31.2	23.6	31.2
Due <30 days	9.3	0.5	9.3	0.5
Due 31-90 days	2.1	1.1	0.1	1.0
Due 91-180 days	1.1	1.1	1.1	1.1
Due > 180 days	1.8	1.4	1.8	1.4
Provision bad debts	-1.3	-1.2	-1.3	-1.2
Total trade receivables	36.6	34.1	34.6	34.0

Bond investments shall be made in bond funds such that all funds shall be Standard & Poors BBB or above, with a maximum of 50% of the funds allocated to the BBB class. The Group shall not invest in securities or funds which are exposed to long term interest rate risks.

Interest Rate Risk

Interest rate risk is the risk that variations in interest rates will have a negative impact on the Group results. The aim is to minimise the interest rate risk by investing the Group's liquid funds in a well-balanced portfolio. Interest rate risk exists in short term investments, bank deposits, lease liabilities and outstanding loans due to variability of interest rates. An interest rate change of one percentage point up or down corresponds to an interest risk of approximately SEK 0.3 million for SinterCast's short term investments and bank deposits.

Currency Risk

Currency risk is the risk that the value of future flows, loans, and equity may change as a result of foreign exchange rate fluctuations. This risk can be further subdivided as follows:

Transaction exposure is the risk that the value in Swedish krona of actual and estimated net inflows in foreign currencies varies with the exchange rate. The net inflow of exposed currencies shall be budgeted

for the next 12 months and presented to the Group's banks and other financial advisors for guidance on future hedging. The annual hedging policy is decided in conjunction with the budget at the autumn Board meeting and the current hedge position is thereafter reviewed by the Board every Board meeting and in the internal Monthly Reports.

Major Currencies Exchanged

Currency (Amounts in million)	2023	2022	Diff
Sold			
USD	11.2	10.9	0.3
EUR	0.1	0.5	-0.4
Bought			
GBP	0.6	0.9	-0.3
SEK	110.6	105.1	5.5

The Group's net inflow of foreign currency primarily consists of USD and EUR while its expenses are primarily in SEK. Increased revenue in foreign currency will increase the transaction exposure and increased expenses outside Sweden paid in USD or EUR will increase the natural hedge of the USD and EUR inflow and thereby reduce the transaction exposure.

The net surplus of foreign currency primarily consists of USD and EUR which are primarily exchanged to SEK and GBP. During 2023, foreign currencies exchanged to SEK amounted to approximately USD 11.2 million (USD 10.9 million) and EUR 0.1 million (EUR 0.5 million). Foreign currencies exchanged to GBP amounted to approximately SEK 0.6 million (SEK 0.9 million).

During 2023, the average USD/SEK exchange rate increased by 5%, from 10.1 to 10.6. The EUR/SEK exchange rate increased by 8% from 10.6 to 11.5.

Average Exchange Rate Changes Major Currencies

versus SEK	2023	2022	%
USD	10.6	10.1	5%
EUR	11.5	10.6	8%
GBP	13.2	12.5	6%

The exchange rate movement in these currencies in 2023 effected the net currency flow by approximately SEK 5.9 million (SEK 17.0 million).

Exchange Rate Movements in Net Currency Flow

Amounts in SEK million	2023	2022	Diff
USD	5.8	19.7	-14.0
EUR	0.1	0.3	-0.2
Total	5.9	20.0	-14.1

An exchange rate increase of 10 percent in the main net currency flows versus SEK, has an effect of approximately (USD) SEK 11.9 million and (EUR) SEK 0.1 million on the future net currency flows.

Risk in Net Currency flow

(+10%) (Amounts in SEK million)	2023	2022	Diff
USD	11.9	11.0	0.9
EUR	0.1	0.6	-0.5
Total	12.0	11.6	0.4

All presented figures above are before consideration of hedges made in accordance with the Finance Policy. The combined currency movement, phasing on conversions made and other currency effects, excluding hedges, accounted for in the Income Statement during 2023, amounted to approximately SEK -1.3 million (SEK 0.6 million.)

In accordance with the Group's Finance Policy, part of the expected and budgeted flow of USD and EUR was hedged for the following 12-month period. Outstanding currency forward exchange contracts on the balance sheet date were:

Forward Exchange Contracts

Amounts in million	2023		2022	
	Total	<6 month	Total	<6 month
USD	7.7	4.5	5.4	3.0
EUR	-	-	-	-

Translation exposure is the risk of holding net assets in a foreign subsidiary (i.e. subsidiaries with a base currency other than SEK). Currently, the net assets

in foreign subsidiaries are not hedged. This is reviewed on a yearly basis, in conjunction with the Finance Policy review and approval. Any changes to the hedge decision must be approved by the Board.

The value of the Group's net assets, meaning the difference between capital employed and net debt, amounted to SEK 18.6 million, (SEK 15.5 million) and was distributed among the following currencies:

Net Assets in Foreign Subsidiaries		
Amounts in SEK million	2023	2022
USD	8.0	7.5
GBP	6.4	4.8
KRW	1.9	1.6
RMB	2.3	1.6

If the currency moves 10% towards SEK, the following translation effect will arise, and will affect the result before tax correspondingly.

Translation Risk in Net Assets in Subsidiaries		
Amounts in SEK million	2023	2022
USD	0.8	0.8
GBP	0.6	0.5
KRW	0.2	0.2
RMB	0.2	0.2

27 Events After the Balance Sheet Date

From 1 January 2024 to 20 March 2024, SinterCast acquired 10,518 shares (SEK 1.1 million). These shares are in addition to the 11,338 shares (SEK 1.2 million) acquired during 2023. There have been no other significant events since the balance sheet date of 31 December 2023 that could materially change these financial statements.

The balance sheets and the income statements shall be presented for approval at the Annual General Meeting of shareholders on Tuesday 21 May 2024.

Loan exposure is the risk of holding loans denominated in a foreign currency, which are not used to hedge the transaction or equity position. The matching principle is applied to funds borrowed externally. Accordingly, if possible, money is raised, or hedged, in the currency in which it is intended to invest the funds. Internal loans are denominated in the currency of the lender. External foreign currency loans must be approved by the Board.

Capital Risk

Capital Risk is the risk that the Group's capital structure is not efficient or that there are risks that may cease the Group's operation.

The Group's objective in respect of the capital structure, equity versus loans, is to optimise the capital structure in order to secure that SinterCast is able to continue to conduct its operations so that it can generate a return for shareholders and value for other stakeholders and in order to maintain an optimal capital structure so that the cost of capital can be reduced. To manage the capital structure, the Group must seek approval from the shareholders to issue new shares, buyback shares or distribute dividends. The capital structure is regularly monitored and the Board is updated on the current capital structure and provided with proposals to be decided upon. The Group equity on the balance sheet day amounted to SEK 113.6 million (SEK 111.9 million). The equity of SinterCast AB amounted to SEK 93.3 million (SEK 96.6 million). The foreign subsidiaries have been financed by internal loans and equity.

28 Proposed Allocation of Profits in SinterCast AB (publ)

The following earnings in the Parent Company are at the disposal of the Annual General Meeting.

Amounts in SEK	
Share premium reserve	35,336,610.00
Result brought forward	3,340,376.00
Result for the year	36,846,936.00
Total non-restricted equity of the Parent Company	75,523,922.00

The Board of Directors proposes to the AGM that earnings be distributed as follows.

Amounts in SEK	
A dividend of SEK 6.10 per share shall be distributed	43,111,945.20
To be retained by the Parent Company*	32,411,976.80
Total	75,523,922.00

* of which Share premium reserve 35,336,610.00

29 Definitions

Definitions and reconciliation

The European Securities and Markets Authority (ESMA) has issued guidelines regarding alternate key ratios for listed companies. Alternative ratios relate to financial key figures and share data used by management to control and evaluate the Group's business, other than those defined in the applicable financial reporting framework (IFRS). These ratios are also considered to be of interest to external investors and analysts who monitor the company. The key ratios are calculated according to the following definitions using the figures presented in the financial statements. According to management judgement, reconciliation of the key ratios has not been presented because the calculations are based on non-adjusted figures.

Operating margin %

Operating results as percentage of revenue

Solidity %

Adjusted shareholders' equity expressed as percentage of total assets end of period

Equity per share

Shareholders' equity divided by the average number of shares

Capital employed

Total assets less non-interest-bearing liabilities

Return on shareholders' equity %

Result for the period as a percentage of average shareholders' equity

Return on capital employed %

Result for the period as a percentage of average capital employed

Return on total assets %

Result for the period as a percentage of total average assets

Average number of shares

Weighted average of the number of shares outstanding for the period

Average number of shares adjusted for dilution

Weighted average of the number of shares for the period adjusted for dilution

Earnings per share

Result for the period divided by the average number of shares

Earnings per share, diluted

Result for the period divided by the average number of shares adjusted for dilution

Dividend per share

Dividend divided by the number of shares

Cashflow from operations per share

Cashflow from operations divided by the number of shares

Share price at the end of the period

Latest paid price for the SinterCast share at NASDAQ Stockholm stock exchange

Value presented as "0.0"

Amount below SEK 50,000

Value presented as "-"

No amount applicable

Signatures

The Board of Directors and the Managing Director declare that the consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU and give a fair view of the Group's financial position and results of operations. The financial statements of the Parent Company have been prepared in accordance with generally accepted accounting principles in Sweden and give a true and fair view of the Parent Company's financial

position and results of the operations. The Directors' Report of the Group and the Parent Company provides a fair review of the development of the Group's and the Parent Company's operations, financial position and results of the operations, and describes material risks and uncertainties facing the Parent Company and the companies included in the Group.

Stockholm 21 March 2024

Robert Dover
Chairman of the Board

Jun Arimoto
Member of the Board

Steve Gill
Member of the Board

Anna-Maria Heidmark Green
Member of the Board

Steve Dawson
Member of the Board &
Managing Director

Our audit report was submitted on 21 March 2024
KPMG AB

Jonas Eriksson
Authorised Public Accountant

Auditor's Report

To the general meeting of the shareholders of SinterCast AB (publ), corp. id 556233-6494

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of SinterCast AB (publ) for the year 2023, except for the corporate governance statement on pages 31–39. The annual accounts and consolidated accounts of the company are included on pages 27–77 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 31–39. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Deferred tax asset – valuation of tax losses carried forward

See disclosure 12 and accounting principles on pages 48–53 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The consolidated and the parent company's balance sheet include 'Deferred taxes'. As per year end, this amounts to SEK 50,9 million, which corresponds to 39% of balance sheet totals and is attributable to taxable deficit deductions in Sweden, United Kingdom and USA of SEK 247,1 million of which could be used against future taxable surpluses according to the company management's assessment. Details of the total tax losses are disclosed in note 12 in the financial statements.

The estimation of future taxable surpluses requires both judgment and interpretations of the tax legislation as estimates of future market conditions. The accounted value of deferred taxes may vary significantly if other assumptions is used when expecting future profits and the possibilities to use the deficit deductions.

The company management assesses that the utilization of tax losses carried forward are limited to future earnings from secured CGI programs. The future taxable income which can be offset against tax losses carry forward is calculated, based on a mathematical model.

With reference to that the accounted value of the deferred taxes are based on judgments of applicable law and future profits, there is a risk that the value could be over- or underestimated and every correction of the value directly affects the period's result, whereof the valuation of the deficit deductions is deemed to be a key audit matter.

Response in the audit

Our audit has included the following:

- We have obtained the mathematical model and assessed if it is mathematical correct and if it is consistently applied. Also, applied exchange rates have been reviewed.
- We have reconciled the losses carried forward against company declarations.
- We have assessed the reasonableness of the calculation by comparing estimated future production rates, revenue and cost levels against historical information and we have
- Compared revenue data that is applied in the model against underlying agreements on sample basis.
- We have challenged management assessments as to whether the data relating to future taxable income is reasonable and if there are any known changes regarding income from production fees and consumables.
- We have also made inquiries to management and board regarding the fairness and sustainability of future production levels and revenues.

We have also assessed the underlying facts and circumstances which is presented in the annual report and reviewed if the information is extensive enough to understand the company management's assessment.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 3–26 and 82–85. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, 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 the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the

assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated 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 opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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 annual accounts and consolidated accounts.

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 annual accounts and consolidated 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 opinions. 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 the company's internal control relevant to our 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 the Board of Directors and the Managing Director.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and 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 annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. 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 a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated 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 accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified. We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards. From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of SinterCast AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our 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 opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the

group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the

proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for SinterCast AB (publ) for year 2023.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 *Examination of the Esef report*. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of SinterCast AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

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

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528),

and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden 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 the Esef report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and

consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 31–39 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of SinterCast AB (publ) by the general meeting of the shareholders on the 16 May 2013. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2020.

Stockholm 21 March 2024

KPMG AB

Jonas Eriksson

Authorized Public Accountant

Historical Summary – Group

Amounts in SEK million	2023	2022	2021	2020	2019
Profit and Loss accounts					
Revenue	134.4	118.7	107.4	95.4	116.5
Operating result	42.7	30.6	29.5	21.7	40.1
Financial net	-0.1	-0.3	-0.4	0.6	-0.2
Tax	-0.4	2.9	3.9	-0.1	8.3
Result for the year	42.1	33.1	32.9	22.2	48.2
Cashflow analysis					
Cashflow from operations before change in working capital	48.7	35.6	32.0	25.4	43.0
Change in working capital	-3.2	-10.2	0.9	-3.3	-5.2
Cashflow from operations	45.5	25.4	32.9	22.1	37.8
Cashflow from investments	-5.6	-1.7	-2.7	-2.8	-1.2
Cashflow from financial operations	-41.8	-37.1	-29.1	-25.9	-36.5
Change in cash position	-1.9	-13.3	1.2	-6.6	0.1
Balance sheet					
Assets					
Fixed assets	61.6	62.2	64.9	62.8	55.8
Other current assets	57.7	54.1	39.1	38.6	38.9
Cash and bank deposits	12.3	14.2	27.5	26.3	32.9
Total assets	131.6	130.5	131.5	127.7	127.6
Total shareholders' equity	113.6	111.9	113.8	108.8	111.7
Long-term liabilities	0.5	1.5	2.4	3.2	1.9
Current liabilities	17.5	17.1	15.3	15.7	14.0
Total shareholders' equity and liabilities	131.6	130.5	131.5	127.7	127.6
Key ratios					
Operating margin, %	31.8	25.8	27.4	22.7	34.4
Solidity, %	86.3	85.8	86.6	85.2	89.7
Capital employed	111.9	111.9	113.8	112.0	113.6
Return on shareholders' equity, %	37.3	29.4	29.6	20.2	45.7
Return on capital employed, %	37.3	29.4	29.6	19.7	45.7
Return on total assets, %	32.1	25.3	25.4	17.4	40.5
Earnings per share, SEK	5.94	4.68	4.65	3.10	6.80
Dividend per share, SEK	5.50	5.00	4.00	3.50	5.00
Cashflow from operations/share, SEK	6.42	3.59	4.64	3.90	5.30
Employees					
Number of employees at the end of the period	28	32	30	28	23
Average number of employees	30	31	29	26	22

Definition of key ratios can be found in Note 29.

SinterCast Share

The SinterCast share has been listed and quoted on the Small Cap segment of the Nasdaq Stockholm stock exchange, since 26 April 1993. ABG Sundal Collier is the appointed liquidity provider for the SinterCast share in order to improve the volume and thereby the liquidity, and to decrease the difference between quoted prices. ABG Sundal Collier undertakes to continuously, for its own account, and during the opening hours of the Nasdaq Stockholm stock exchange, quote prices for the SinterCast share in accordance with the at all times prevailing minimum requirements for liquidity providers set out by Nasdaq Stockholm.

The SinterCast registered share capital on 31 December 2023 was SEK 7,090,133 (SEK 7,090,133 on 31 December 2022) at par value of SEK 1 per share. SinterCast had approximately 3,700 (3,700) shareholders on 31 December 2023. As of 31 December 2023, the SinterCast Board, management and employees controlled 1.0% (1.0%) of total shares. SinterCast initiated a share buyback programme and as of 31 December 2023, 11,338 shares have been acquired, amounting to SEK 1.2 million. The number of outstanding shares on 31 December 2023 was 7,078,795.

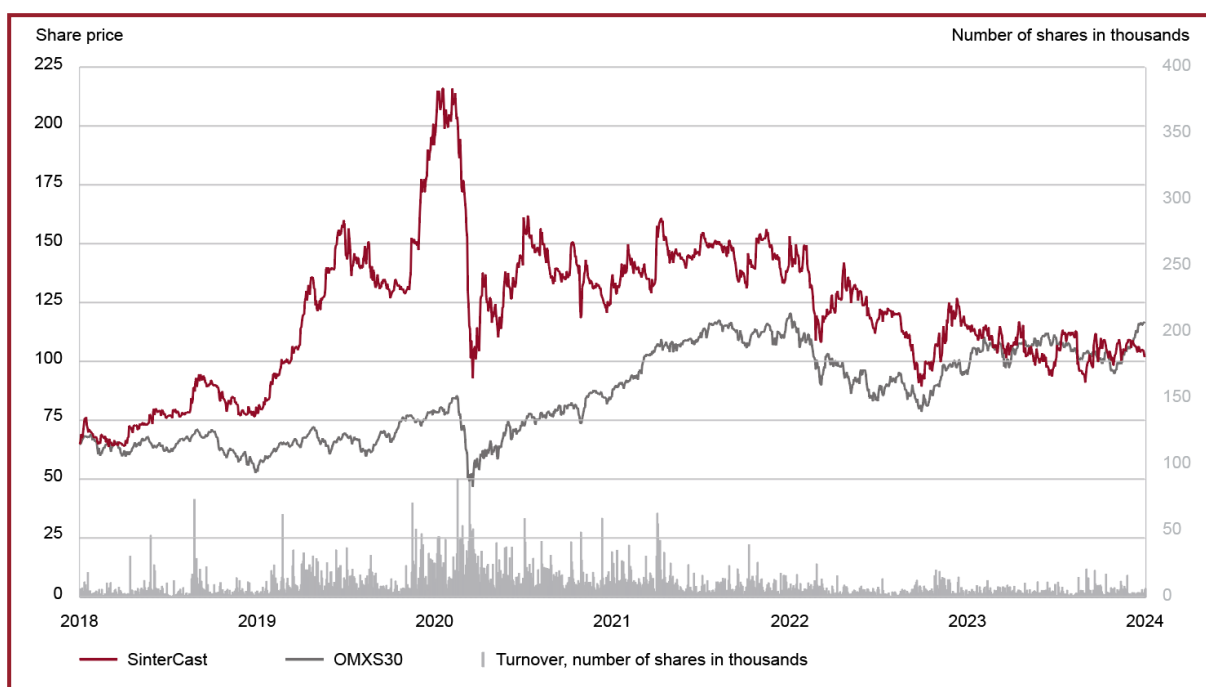
SinterCast Major Shareholder 31 December 2023

Major Shareholders	Shares	%
Avanza Pension	921,482	13.0%
Ulf Stenbeck incl. affiliates	666,200	9.4%
Nordnet Pensionsförsäkring	402,971	5.7%
Torbjörn Gustafsson	336,940	4.8%
Canaccord Genuity Wealth Management	258,802	3.7%
Jan Olof Brandels	176,424	2.5%
Sofie Ramel	157,343	2.2%
Einar Ahlström	155,038	2.2%
Bergsjöholm Förvaltning AB	155,000	2.2%
Måns Flodberg	150,000	2.1%
Hans Christer Lund	137,000	1.9%
VLTCM Ltd	126,771	1.8%
eQ Asset Management Oy	116,753	1.6%
Jörgen Gyllensten	60,780	0.9%
Franz Jörgen Holm	60,000	0.8%
Handelsbanken Liv Försäkring AB	55,820	0.8%
Martin Karlberg	50,000	0.7%
Fredrik Dahlgren	43,910	0.6%
Andersson Johansson Art Invest AB	42,920	0.6%
Steve Dawson	42,500	0.6%
Handelsbanken Fonder	41,766	0.6%
Ulf Aspenberg	38,734	0.5%
Sven Persson	35,000	0.5%
Swedbank Försäkring	34,852	0.5%
Håkan Carlsson	32,000	0.5%
Total top 25	4,299,006	60.6%

Country	Number of shares	Number of known owners
Sweden	6,361,651	3,578
United Kingdom	316,037	22
Cayman Islands	126,771	1
Finland	124,306	16
Austria	26,000	3
France	21,300	1
Spain	11,720	5
Norway	11,028	14
United States	10,083	9
Denmark	9,989	15
Others	71,248	36
Total	7,090,133	~3,700

Size class	Number of shares	Number of known owners
1 - 1,000	661,695	3,207
1,001 - 2,000	269,481	184
2,001 - 5,000	551,938	164
5,001 - 10,000	426,687	58
10,001 - 20,000	516,450	38
20,001 - 50,000	726,558	24
50,001 - 100,000	176,600	3
100,001 - 500,000	2,173,042	11
500,001 -	1,587,682	2
Total	7,090,133	~3,700

SinterCast Share January 2018–December 2023



Share Data

Amounts in SEK	2023	2022	2021	2020	2019
Number of shares at the end of the period	7,078,795	7,090,133	7,090,133	7,090,133	7,090,133
Average number of shares during the period	7,088,922	7,090,133	7,090,133	7,090,133	7,090,133
Average number of shares during the period adjusted for outstanding warrants ¹	7,088,922	7,090,133	7,090,133	7,090,133	7,090,133
Earnings per share	5.94	4.68	4.65	3.10	6.80
Earnings per share diluted	5.94	4.68	4.65	3.10	6.80
Equity per share	16.03	15.79	16.05	15.30	15.80
Equity per share adjusted for outstanding warrants	16.03	15.79	16.05	15.30	15.80
Dividends per share	5.50	5.00	4.00	3.50	5.00
Share price at the end of the period	102.00	114.00	140.80	124.20	195.00
Highest share price during the period	117.00	153.60	163.00	222.00	195.50
Lowest share price during the period	91.20	87.80	123.00	91.60	78.00
Number of shareholders	3,681	3,680	3,714	3,999	4,019
Non-Swedish shareholdings, % of share capital	10.3	10.2	11.5	18.0	17.0
Swedish shareholdings, % of share capital	89.7	89.8	88.5	82.0	83.0
Market value, SEK million	723.2	808.3	998.3	880.6	1382.6

Notes:

1 Calculated as per the recommendations of IAS 33

Definition of key ratios can be found in Note 29

Important Dates

Annual General Meeting

The Annual General Meeting 2024 will be held on Tuesday 21 May 2024.

Information

The financial report January–March 2024 will be published on 24 April 2024.

The financial report April–June 2024 will be published on 21 August 2024.

The financial report July–September 2024 will be published on 6 November 2024.

The financial report October–December 2024 and Full Year Results 2024 will be published on 19 February 2025.

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