

40th
ANNIVERSARY
GREATEST
HITS

 CellMark
RECORDS

CELLMARK
Strong Since '84 (2:43)



Fortissimo

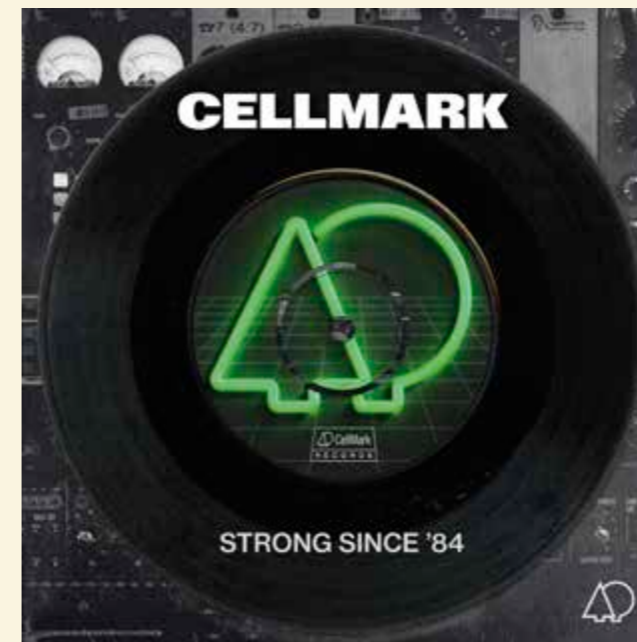
ff **fortissimo** (fɔːˈtɪsmoo) (adverb) (music) A piece of music that is played fortissimo is played very loudly. (abbreviation) *ff*

The theme of this Financial Summary

Music has the power to move, inspire, and energize. When played fortissimo—boldly and with great intensity—it commands attention and leaves a lasting impact. For 40 years, our company has embodied this same spirit: operating with strength, endurance, and unwavering determination to surpass expectations in an ever-changing world.

Like a powerful musical crescendo, we have built momentum year after year, overcoming challenges and seizing opportunities with confidence. This milestone anniversary is not just a celebration of the past but a declaration of our continued drive for excellence. With passion, resilience, and a commitment to playing at full volume, we look ahead to the future—stronger than ever.

Listen to “Strong Since ‘84” - CellMark’s 40th anniversary hit song!



Credits

Anders Kampe: Master Engineer
August Wilhelmsson: Composer & Producer
David Furbacken: Composer & Producer
Ellen Olaison: Vocalist
William Källén: Vocalist, Composer & Producer
Kerstin Sandin: Composer (lyrics)
Fredrica Olsson: Composer (lyrics)
Recorded at Studio Vegah, Gothenburg, Sweden

CellMark in Brief

Key Figures

Operating Revenue
3 724 MUSD

EBIT
59 MUSD

Net Result
21 MUSD

Total Assets
1 091 MUSD

Active Suppliers
+6 000

Locations
+70

Countries
+30

Tons of Shipment
+7 M

Average No. of Workers
≈1 000

Markets where we have Footprint
+120

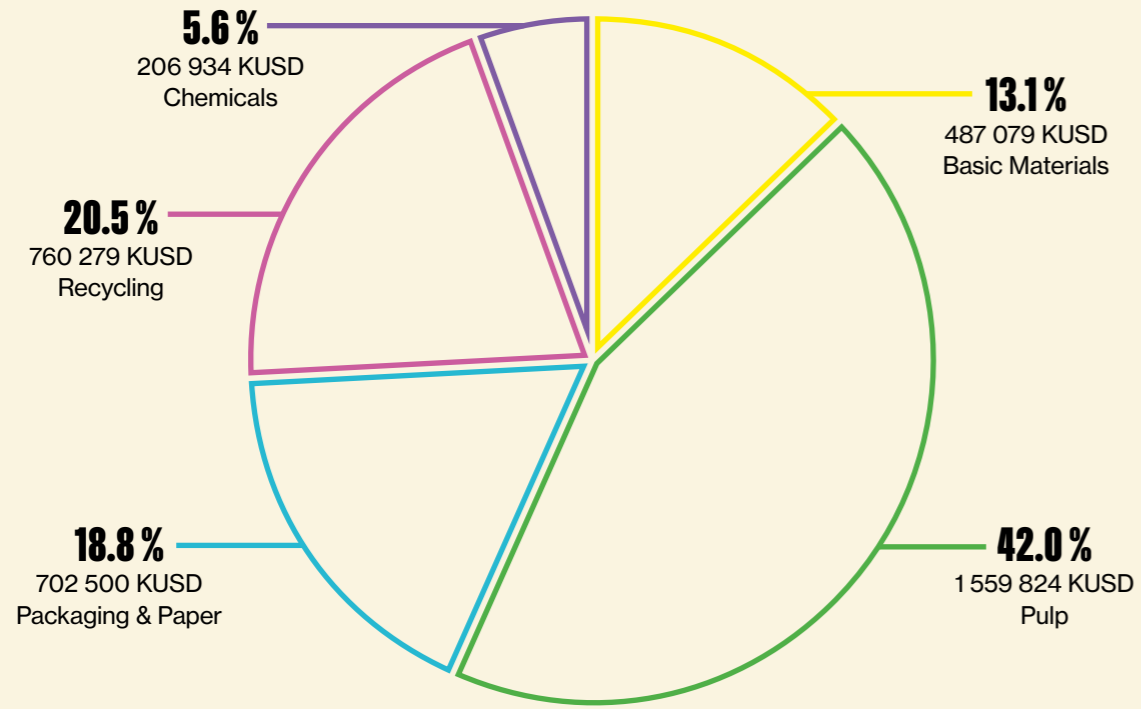
Board of Directors

62.5 %
Non-Executive Directors

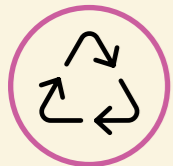


100 %
Attendance

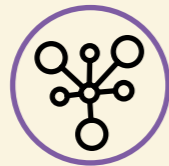
Revenue by Division 2024



Five Divisions



Recycling



Chemicals



Basic Materials



Packaging & Paper



Pulp



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CellMark has Expertise in the following Areas

- Sales and Marketing
- Logistics and Customer Services
- Trade Finance-related Services
- Regulatory and Compliance Support
- Chemical Custom Manufacturing and R&D
- Recycling Facilities Operations

Value Platform

Our Vision

is Surpassing Expectations.

Our Mission

is to deliver products, services, and solutions to the world market.

Our Guiding Principles

are the bedrock of all our actions. Integrity is the foundation of our relationships, with each other, and with our business partners.

We **empower** each other to be creative and decisive. We are a company of global entrepreneurs, where we generate ideas and welcome change.

We **care** about the future welfare, health and well-being of our people, our business partners, and the communities where we are present.

We **build** strong, agile teams of dedicated people with a results-oriented work ethic to align towards common goals. We develop long-lasting relationships while having fun.

We **are supportive**, promote open dialogues, and treat each other with respect. We celebrate our accomplishments and learn from our experiences.

We **develop** tools, training, and guardrails to facilitate **sustainable growth**.



A Word from our President

2024 was my last year as the President & CEO of CellMark. After six fantastic years with the company, it was time for me to retire and pass the baton to an excellent new candidate: Henrik Forsberg Schoultz. Henrik already knows CellMark well; he has been the CEO of Neudi & Co, CellMark's outside corner investor, for many years and has served as a CellMark board member, acting as chairman 2020–2021. Henrik assumes his new role on April 1, 2025.

Looking back on 2024, several major events worldwide had a significant impact on global trade in general, and CellMark's business in particular. Conflicts in Ukraine and Gaza disrupted trade routes and increased shipping costs. High interest rates, despite cooling inflation, continued to affect capital investments and trade activities. Elections in major economies influenced trade policies and economic strategies.

Nevertheless, our Group managed to deliver a strong financial result for 2024. All five divisions remained profitable throughout the year and contributed, in varying degrees, to the overall result. We continued to strategically grow our core business through well-chosen acquisitions. By the end of the year, we acquired Kempenaars, a leading wastepaper and plastics recycler in Southwestern Netherlands. With this completed, CellMark Recycling further strengthened its European presence and capacity to provide suppliers and customers with reliable services and material. The second growth opportunity in the Recycling Division was a joint venture agreement with EcoTech Management of Holbrook, New York, which specializes in the secure data destruction and recycling of computers and other electronics. The agreement, effective January 1, 2025, sets the stage for new business growth in the upcoming year.

Read the
Financial Summary
in PDF



Preparations for the upcoming implementation of the EU Deforestation Regulation (EUDR) were a major focus for the ESG & Compliance team, as well as our affected divisions. As implementation was postponed for one year, these preparations continue with full effort in 2025.

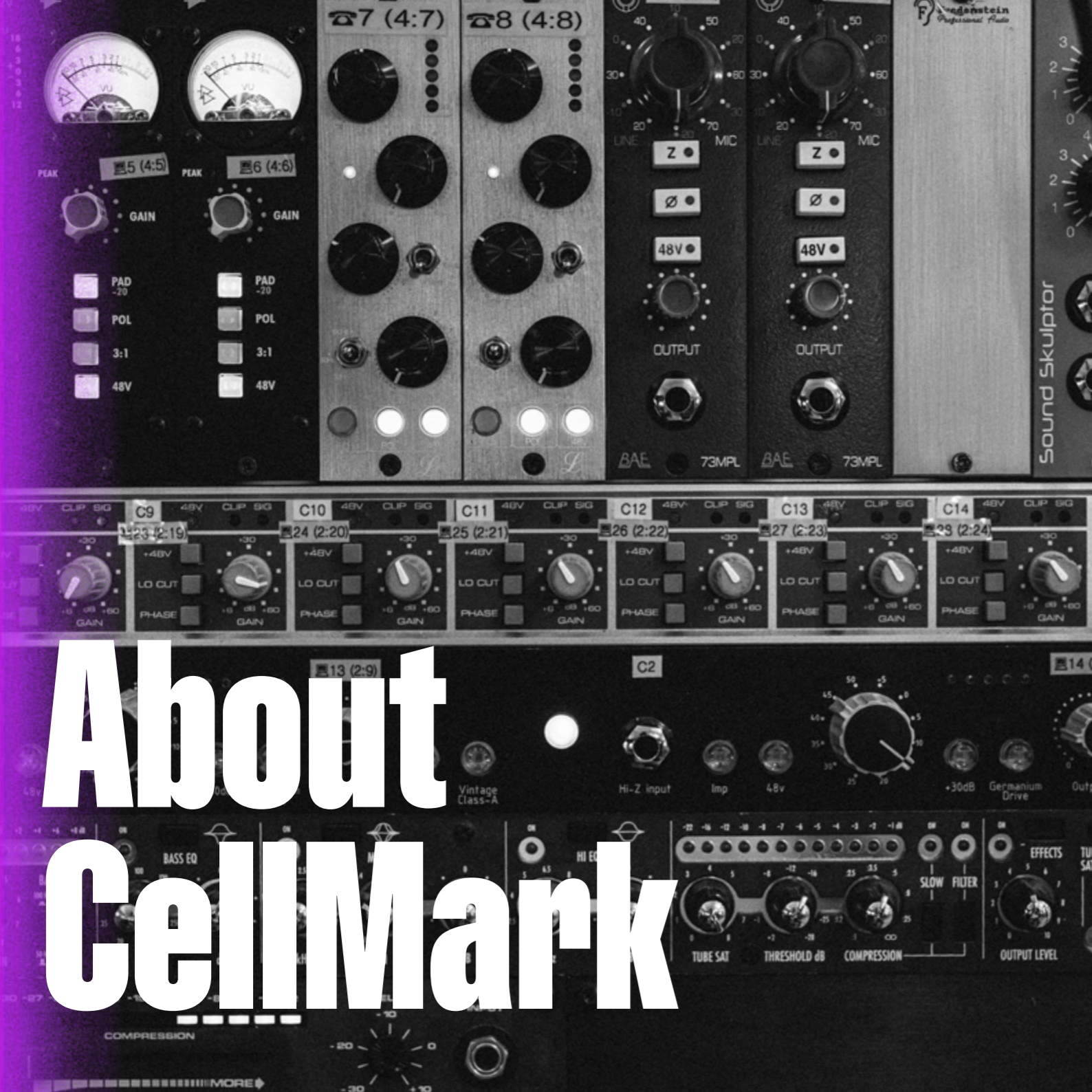
One of our newest projects, our recycled pulp mill, Total Fiber Recovery @ Chesapeake in Virginia, USA, faced several operational challenges during the year. We remain confident that a technical solution is being finalized and we look forward to re-starting the mill in the near future.

2024 was also a year of celebration, as CellMark entered its 40th anniversary year. This milestone is also the reason for the theme of this year's Financial Summary, "Fortissimo," which in musical notation directs to play or perform powerfully and loudly. This term is a great symbol of our company's strength, as well as a triumphant celebration of our 40 years of surpassing expectations. As a cherry on top, we created a special CellMark soundtrack to embrace our company, employees, and partners. Please listen to it, share it, and sing along with us.

Similar positive items of note include: CellMark received a Gold Rating for our sustainability performance by the independent rating organization EcoVadis. We now rank among the top five percent of companies assessed. Again, this year, we were certified as a Great Place to Work® in several countries. Also, in line with our core values, we granted financial support to several global non-profit organizations through our charity unit CellMark Cares.

I would like to conclude this summary by expressing my gratitude to all our customers, suppliers, and dedicated employees for their fantastic support over the past year and during my six years as CEO. The memories from this journey will stay with me forever. Now, an exciting new chapter lies ahead for CellMark. I am confident that the coming year will bring further positive developments and opportunities for this truly unique company.

Christer Simrén
President & CEO



About CellMark

CellMark is an independent sales solutions company connecting suppliers and customers. We are here to make our partners' business operations easier and more reliable – Global Trade Made Easy. We deliver products, services, and solutions to the world market and facilitate trade and business development across multiple industries using our vast network of local offices and professional expertise. The group is privately held and owned by its employees and an outside corner investor, Neudi & C:o.

Through a network spread over 30-plus countries, we provide a full suite of services: sourcing, sales & marketing, exclusive representation, trade finance-related services, logistics, regulatory compliance, and, in some areas, research & development and custom manufacturing. We also partner with clients to identify new business opportunities that add value to their processes and products, or sometimes serve purely as the external sales or sourcing division for our client.

In 2024, the CellMark Group consisted of almost 1 000 workers on average, with in-depth product and market knowledge and extensive, long-term relationships in the industries we serve. Our annual sales were more than USD 3.7 billion, with volumes of more than 7 million tons.

Background

Founded in 1984 in Gothenburg, Sweden, CellMark has its roots in the international trade and distribution of raw materials related to the global pulp and paper industry. Over the years, we have developed worldclass marketing and supply chain service capabilities and expanded into new product areas. Today, we run five successful international divisions: Pulp, Packaging & Paper, Recycling, Chemicals, and Basic Materials. We have also grown operations for plastics and biomass for energy.

Relationships

CellMark has established its position through long-term relationships and consistent performance. Our global network affords our various professionals with an in-depth understanding of even small changes in the market's culture and mechanics. It also facilitates superior, day-to-day interaction with clients. This structure helps us continuously guide and support customers.

As we are constantly reminded, environments shift quickly and without warning. We need to be agile and flexible, without losing sight of the principles and fundamentals on which CellMark was built. Our goal is to remain as we are – continuously changing.

Fortunately, we do not work alone. Our partners' confidence in our professionalism has been the backbone of our development. We value our relationships highly and continuously strive to earn and maintain the industry's confidence and respect.

We aim to be the industry's obvious choice for global trade services.

Watch the film
about us



CellMark delivers a broad range of products, services, and solutions to the world market. We bring order to volatile markets and mitigate risk. Our long experience enable us to develop services that help our industrial partners improve performance.

Sales & Marketing

With a talented and committed sales team featuring unmatched knowledge, experience, and global presence, CellMark offers producers and end-users all manner of sales and marketing services, timely, accurate market information, trade finance-related services, order tracking, invoicing, and trade documentation. All of which contribute to our worldclass supply chain service operations.

Local Warehousing, Logistics & Customer Service

Our logistics capabilities fulfill the needs of both our suppliers and customers. We integrate these services with our product divisions. As such, we combine our partners' extensive knowledge with the considerable expertise of our logistics professionals. As a large shipper of goods, CellMark has cultivated close relationships with major shipping lines, forwarding companies, terminals, haulers, and insurance companies. These partnerships complement our deep product knowledge, resulting in high-quality transportation at competitive rates.

Our logistics services include:

- container shipments
- bulk shipments
- dangerous goods
- contract negotiations
- marine insurance
- inspection of goods
- vessel chartering
- warehousing
- due diligence
- claims handling

Trade Finance-related Services

Our dedicated finance team creates innovative financial and risk management solutions from offices in Gothenburg, Geneva, Shanghai, Tokyo, Novato (California), Miami (Florida), South Norwalk (Connecticut), and Shelton (Connecticut). Deep financial insight, an extensive global network, and close relationships with banks and insurance institutions give CellMark the ideal platform from which to customize solutions for our customers and suppliers.

Always ready to embrace new ideas and concepts, we have helped importers and exporters around the world to stay competitive. This creative approach is a result of our commitment to deliver trade finance-related solutions that precisely match the needs of both buyer and seller. Indeed, we always strive to design our solutions around the buyer's or seller's trading cycle, thereby minimizing risks.

Our trade finance-related services include:

- short- and medium-term trade finance
- structured trade finance
- pre-export financing
- project finance
- credit insurance facilities
- credit management
- cash management services

Regulatory & Compliance Support

The regulatory environment for the chemical and allied industries in which we operate has changed dramatically over the years, and continues to change. To keep up with these changes, the CellMark Chemicals Division has built a robust team of dedicated Regulatory & Compliance Specialists. These professionals ensure that our organization and the products we provide comply with the full spectrum of regulatory bodies, including REACH, OSHA, FDA, USDA, DEA, EPA, and GHS/CLP.

Additionally, we maintain memberships with organizations that help us to stay on top of changing regulations before they go into effect. One such organization is ACD (Alliance for Chemical Distributors, formerly NACD).

Furthermore, this valuable service helps customers and suppliers navigate the complexities of domestic and foreign markets. At the same time, we identify new business opportunities created by regulatory changes and reduce the possibility of non-compliance.

Custom Manufacturing & R&D

At CellMark, surpassing our customers' expectations is central to our way of thinking. We strive to offer, design, and develop custom-made solutions to everyday manufacturing challenges in specialty chemicals using our global lab capabilities and R&D platforms.

Our sales teams are here to provide guidance and technical support in order to achieve optimal results. Leveraging our inventory of more than 1 000 industrial, pharmaceutical, and personal care products, Custom Manufacturing currently represents more than 25 percent of the CellMark Chemicals' sales and is one of its fastest-growing sectors.

Our custom manufacturing and R&D services include:

- formulations
- custom blending
- granulations
- milling
- triturations
- packaging and re-packing
- research and development
- pilot trials
- laboratory testing
- inorganic reactions

Our sales professionals possess extensive technical knowledge and experience. Coupled together with our customer service team, we provide exceptional problem-solving capabilities.

Our Services

How we can add Value

Serving a multitude of industries, our daily challenges come in all shapes and sizes. That means we must truly be where our customers and suppliers are, as well as being one step ahead. And our people need to be as diverse as our wide variety of business partners.

One key factor for how we do business is our company culture. Centered around informed creativity, our culture is designed to empower each individual to be their own entrepreneur. We do this by shortening decision making processes, reducing lead times, and making our clients quicker on their feet. But being swift only helps us today. In order to succeed tomorrow, we need a much larger perspective. That is why our main investments go toward continuity, longevity, and long-term business relationships based on integrity and respect.

Access to Markets and Materials

Through our local presence on a global scale, we provide producers and customers with instant access to markets and materials worldwide. Our expertise saves our clients the cost and intricacy of setting up their own operations.

Full Suite of Services

Regardless of complexity or simplicity, our diverse team offers a wide base of competencies and an even wider variety of supply chain services. It allows us to guide clients through the ups and downs of market cycles.

Nimble and Responsive

Being employee-owned has granted our company an entrepreneurial DNA. With an organizational structure that empowers our employees to make quick decisions, we can help our clients stay resilient in volatile markets.

Risk Mitigation

Our financial strength and long track record make us a solid, reliable partner. Through risk management, we take the worry out of our clients' global supply chain operations and let them focus on their core business.

Deep Industry Expertise

Decades in the industries we serve have given us a thorough understanding of our partners' challenges. Experience and knowledge that lets us guide them to informed commercial decisions and assist them with compliance.

Continuity and Commitment

We believe in success through partnership, investing in long-term business relationships based on integrity and respect. Teaming up with us gives our clients a partner that continuously strives to earn and maintain the industry's confidence and trust.

A Beat from our HR Manager

I am proud to highlight the significant strides we have made at CellMark in aligning our operations with our Guiding Principles. Our highly competent and engaged employees, spread across more than 30 countries, form the bedrock of our business. Being a sales solutions company is fundamentally about our people—their mindset and competence.



Our global employee turnover stands at a commendable 6.2 percent, and it is noteworthy that over 50 percent of our employees have been with the company for more than five years. This reflects the strong commitment and loyalty of our workforce, which is essential for our sustained success.

In our continuous effort to focus on our people, we are conducting a Leadership Program for 18 of our CSR Managers between 2024 and 2025. This program not only provides them with insights into various leadership techniques but also deepens their understanding of CellMark as a company.

Looking ahead, we are excited to announce several future HR initiatives aimed at further enhancing our employee experience and fostering a culture of continuous improvement. We have implemented a Work Group to



work in a structured way regarding training and development in our e-learning platform, CellMark Academy.

During 2024 we have also started an initiative focused on developing digital employee handbooks on CellNet, our intranet. So far, we have launched digital employee handbooks for the UK, the Netherlands and Sweden. We will see more employee handbooks on CellNet during 2025.

Employee satisfaction remains a key focus for us and during 2025 we will conduct our sixth global employee opinion survey through the independent consulting firm, Great Place to Work®. We are very proud and honored to announce that CellMark has been certified as a Great Place to Work® in eleven countries during 2024. This prestigious recognition reflects our commitment to creating a positive and inclusive work environment for all

our employees. We extend our heartfelt gratitude to our dedicated team members whose hard work and passion have made this achievement possible.

Additionally, in 2024, we proudly celebrated CellMark's 40th anniversary, a milestone made possible by the dedication and engagement of our exceptional team. At CellMark, our people are our greatest asset, and we remain dedicated to fostering an environment where everyone can thrive and contribute to our collective future success.

Gunilla Landelius
Vice President Global HR

A Note from our CFO



As we celebrate CellMark's 40th anniversary, it is fitting to adopt the theme "Fortissimo" for this year's Financial Summary, symbolizing our continuous growth and achievements that resonate across the global markets we serve.

In 2024, the global economy exhibited steady yet modest growth, accompanied by a declining trend in inflation that allowed central banks to initiate interest rate cuts, albeit at a slower pace than anticipated. Escalating geopolitical tensions and security challenges around the world, notably in the Red Sea region, led to significant challenges to global logistics. However, our combination of local insights and global reach has enabled us to provide our customers with a diverse product portfolio and stability during these challenging times.

Despite a difficult climate, I am pleased to report profitable results across all divisions in 2024. Facing weak demand, particularly in the first half of the year, our operating revenue still grew from 3,608 million USD in 2023 to 3,724 million USD in 2024, while the cost of goods sold (COGS) increased from 3,346 million USD to 3,456 million USD in the same period. Tonnage sold decreased slightly from 7.7 million tons in 2023 to 7.3 million tons in 2024. Total operating expenses rose by 3.6 percent, and the results of financial investments

increased by 6 percent due to slightly higher borrowing levels. The balance sheet expanded in 2024, aided by strategic acquisitions and the timing of large trade transactions at the end of the year. Positive operating profits contributed to a robust cash flow, slightly offset by higher inventory levels.

Key activities during 2024 included:

- **IT Risk Management and Cybersecurity:** We reinforced our IT infrastructure with advanced security measures to safeguard our digital assets as we are actively developing our internal Enterprise Resource Planning (ERP) system.
- **ESG Reporting Requirements:** We enhanced our operations to ensure compliance with evolving ESG standards. Notably, we made great progress in aligning with the Corporate Sustainability Reporting Directive (CSRD), and our sustainability efforts earned a Gold Rating from EcoVadis.
- **Acquisitions:** Our strategic acquisitions included Kempenaars, a leading recycler in the Netherlands, and a joint venture agreement with EcoTech Management, in New York, USA, who specializes in data destruction and electronics recycling.

Lastly, I extend my heartfelt gratitude to CellMark's dedicated team and our valued partners for their unwavering support. Together, we embrace the spirit of "Fortissimo" as we continue to pursue new opportunities with confidence and determination.

Thank you for being an essential part of CellMark's story!

Pernilla Jordan
Chief Financial Officer

Divisional Annual Reviews



Pulp

Learn more
about our
Pulp Division



2024 was a year of immense change and opportunity for the Pulp Division. Pulp markets experienced a very soft first half as customers retreated from the high pricing environment of 2023. As a result, China took a pause in purchasing and pulp pricing adjusted with the decreased demand. Pricing rebounded in the second half of 2024, with robust buying, resulting in price increases in the final quarter. Similarly, the energy market in Asia (pertinent for our pellet & chip business), suffered a weak first half. This was due primarily to slow electricity demand, coupled with either delayed start-up of new power plants or several fires which plagued

Japanese power facilities. In keeping with the theme, the caustic soda market suffered with high input costs and anemic demand for chlor-alkali products worldwide. Despite these turbulent conditions, the Pulp Division prevailed throughout and in the case of our Caustic Soda Group, posted a record year.

A major addition to the Pulp Division was our co-investment in the start-up of Total Fiber Recovery @ Chesapeake (TFRC). The greenfield plant located in Virginia is a joint venture with Bulk Handling Systems to produce Unbleached Recycled Pulp (URP) and started

up in April of 2024. CellMark Pulp is responsible for the sales of the URP output worldwide while our colleagues at CellMark Recycling are tasked with sourcing the recycled paper input for this facility.

Unfortunately, the start-up was problematic with operational issues associated with the dry end of the plant causing erratic production levels. The plant is currently undergoing equipment upgrades to address these issues. The investment is enshrined by a fully funded EPC wrap by the contractor/builder. A re-start of the facility should correspond to an improved demand for URP, particularly in Asia as global wastepaper availability continues to decline.

Volumes for the division were robust again but lower than the record year of 2023. The division developed several new supplier and customer channels for the pulp, energy and caustic segments in 2024. Important long-term contracts were renewed with key suppliers and customers to ensure continuity & consistency. Our Energy Group concluded several new long-term supply contracts to power plants in Japan and we

added another dedicated CellMark-partnered bulk vessel to support this business. The biomass sector in Asia continues to be a source of revenue growth for the division and once again, CellMark emerged as the largest trader in Asia for pellet fuels.

New products were also a hallmark of 2024 for the Pulp Division. We partnered with a large Japanese lotion manufacturer whose high-quality product is used as an additive for premium facial tissue. With our key customer and supplier relationships we have been able to launch this product successfully into North America combining with our pulp offerings. This has contributed to important synergy with CellMark's Packaging & Paper Division whose tissue segment is growing exponentially. Our Caustic Soda Group has developed one of the first "green caustic" supply chains by partnering with innovative manufacturers and logistic providers. Our Energy Group continues to launch specialty additives for biomass boilers to improve burner efficiency.

The Pulp Division continues to prepare for the future by adding new team members in our various offices around the world. This includes salespeople, customer service representatives, technical managers and quality control inspectors. All continue to support our customer & supplier relationships and thus ensuring that CellMark Pulp delivers maximum value.

On behalf of my team, I would like to thank those customers and suppliers who continue to show extreme loyalty to CellMark's value proposition. Finally, I would like to thank my team for another fantastic year. I continue to be humbled by their hard work and dedication. We stand ready for a successful 2025.



Doug Smith
Pulp Division President

Packaging & Paper

Learn more
about our
Packaging & Paper Division



The Packaging & Paper Division had a successful year in 2024, marked by continued expansion and further diversification of our product mix. Despite a turbulent global marketplace, we focused on managing costs while delivering strong results.

In the paper markets, we observed continued consolidation within the graphic paper segments. Meanwhile, the packaging supply base grew due to conversions and the introduction of new production capabilities. Additionally, shifts in global trade flows and freight lanes affected paper exports and imports. These changes reinforced the global nature of the paper market, and CellMark was well-positioned to add value to both our suppliers and clients. Our strong supplier relationships ensured

consistent paper supply throughout the year, helping to expand existing business and establish new opportunities within emerging product segments.

In North and Latin America, business grew by focusing on growing segments such as containerboard, corrugated, tissue, and flexible packaging. We saw substantial improvements in consumer packaging papers, cup and plate stock, and tissue papers. The printing and writing paper segments continued to play an important role. We successfully established new supply agreements with uncoated white paper and coated paper producers. These new partnerships helped expand business in Latin America, Europe, Asia, and North America. In Wisconsin, our converting partnership delivered strong results,

contributing to solid growth for in-store cut-size business in North America. We also fostered cross-divisional synergies, particularly with our Pulp division, which strengthened our offerings. Our merchant paper sales operation in Miami, Florida also delivered positive results and is poised for continued success in 2025.

Internationally, Europe, the Middle East, and Africa (EMEA) region navigated a very turbulent year with many challenges. The Red Sea crisis at the beginning of the year triggered massive freight disruptions, peaking during the summer months with record freight levels and extended transit time from Asia to Europe.

The EU Deforestation Regulation (EUDR) brought significant challenges during Q2 and Q3 as key industry partners lacked the necessary information and documents. In response to concerns from member states, third-party countries, traders, and operators about compliance, the EUDR was postponed by 12 months which provided some breathing room and several months to respond. Despite these difficulties, 2024 was very good for the EMEA region in terms of product diversification, new projects, and continued progress in new business development.

The geographic footprint of paper supply continued to evolve. Asia expanded its paper supply, while Europe and North America reduced their production volumes. Our expert logistics team provided the global shipping services necessary to differentiate our business from competitors. We continually explore innovative supply-routing options, share ideas across divisions, and ensure we deliver a world-class, cost-competitive advantage for our suppliers and clients. As one of the largest exporters in the United States, CellMark continues to be greatly respected in the shipping industry.

We operate in a highly competitive paper marketplace and as such, we remain focused on regularly measuring and managing our divisional cost structure. In 2024, CellMark's Packaging & Paper Division added several new people to sales, customer service, and logistics teams. The Division also embarked on many new expansions. We believe our service platform is a key ingredient to our success. In 2025, we will continue to monitor and



evaluate costs, product mix, working capital, and overall performance.

We extend our heartfelt thanks to our business partners for their ongoing loyalty and support, and we are deeply grateful to our dedicated associates whose hard work and commitment continue to drive our progress. The strong relationships we maintain with our customers and suppliers are the foundation of our success.

Looking ahead, we are excited about the prospects for 2025 and the opportunities that lie ahead. As we navigate an era of change, we remain committed to embracing these changes and expanding our businesses together.

We look forward to continued success in 2025!

Joe Hoffman
Packaging & Paper Division President

Recycling

Learn more
about our
Recycling Division



As part of our overall strategy to expand our business in Europe, we acquired Kempenaars, a leading wastepaper and plastics recycler in Southwestern Netherlands. This acquisition, completed at the end of 2024, further strengthens our European presence and capacity to provide suppliers and customers with reliable services and material.

2024 maintained the trend of previous years as papers continue to be replaced by digital formats. For the Recycling Group, less paper in the

Across the globe, 2024 was yet another year of significant challenges, from the terrible ongoing war and violence in the Middle East and Ukraine to mounting terrorist activity and growing geopolitical tensions. As a direct result, we saw traditional trade lanes disrupted and a realignment of supply and consumption demand.

For the second year in a row—after ten years of year-over-year growth—exports of US fibers dropped to levels not seen in over two decades. The United States saw a significant increase in new recycled containerboard capacity, overcoming the challenges of securing orders faced in 2023. This notable growth within the containerboard industry led to a heightened demand for US fiber.

The recycling markets also saw significant price fluctuations throughout the year, particularly in the paper sector. Prices for Old Corrugated Containers (OCC) and Residential Mixed Paper (RMP) began rising in December 2022 because of new recycled content capacity. However, by mid-2024, prices peaked and were followed by a six-month price plunge highlighting the volatility in our markets.

waste stream simply means less opportunity. All newspapers now have a digital format and very few print a paper version anymore. As the population ages, we expect this trend to continue, with a younger generation more comfortable with a computer or handheld device than a physical newspaper or book.

Strategically looking forward, we see computers, laptops, and various handheld devices replacing more and more demand for printing and writing grades of paper. These electronics also have a shelf life. Electronic Recycling (E-waste) is now the fastest growing segment in the recycling world, and our group intends to participate in it. As we closed the year of 2024, we invested in EcoTech Management, an E-waste company in North America, and are now excited about the new opportunities it will bring.

Jimmy Derrico
Recycling Division President

Chemicals

Learn more
about our
Chemicals Division



“Chi va piano va sano e lontano” translated, “slow and steady wins the race”.

We decided to begin this year's Annual Review with an old, Italian adage that has a lot to do with how we have conducted ourselves and operated over the years. In a few words, this is how we have built a successful organization that continues to grow and deliver value to all stakeholders.

Having said the above, navigating the global markets in 2024 was quite challenging. We started the year not exactly knowing how the economies and geo-political factors were going to impact our markets. The major themes entering 2024 were talk of recessions, tempering inflation, declining but still relatively high interest rates, growing demand for energy (partly due to a surge in AI), lowered consumer sentiment, and the elections. Throw in a couple of on-going wars and faltering governments, and you have the basis for some concern.

For many of these reasons, general expectations were quite soft going into 2024. However, as the year began to unfold, fortunately, many of our concerns never quite materialized. In fact, we experienced quite the opposite with steady and increasing demand in some of our rapidly growing sectors in nutritional ingredients and pharmaceutical intermediates. This rapid growth was coupled with robust and improving performances in some of our traditional sectors in health & personal care, pharmaceutical APIs, and several industrial markets, all of which helped to buoy our full-year results. By the end of 2024, we dramatically improved from our original projections by about 35 percent and finished the year with our second strongest performance on record since joining the CellMark Group 13 years ago.

As we reflect on our achievements over the past year, we recognize that our success did not happen by accident. Rather, much of our success can be attributed to



decisions and strategies that were put in place many years ago. That said, we all know that decisions and strategies alone do not cut it. The key ingredient to driving success has everything to do with the people we employ and the culture we have created. When you bring high caliber and talented people together that share common values and have an excellent work ethic, success happens. As the Italian adage implies, we have employed a slow, steady, and methodical approach to building a sustainable business that is presently in exceptionally good shape and poised for continued growth in years to come.

A sincere thanks to all that have contributed towards our mission. I want to specifically mention our highly skilled and resilient employees, our valuable business partners around the world, and the CellMark Group, its management team, and the Board of Directors for their steadfast support.

Hugo Galletta
Chemicals Division President

Basic Materials

Learn more
about our
Basic Materials Division



2024 continued with strong headwinds and challenges, much like 2023. We faced geo-political issues, high interest rates, slow demand, overall supply & demand imbalance, and high bulk freight rates, which created no or very low arbitrage on pricing between regions.

Despite these challenges, both segments, Basic Chemicals and Metals, registered a noble performance. In 2024, our total volume increased by 12 percent and sales turnover increased by 6 percent compared to 2023. These increases were reached despite the average sold price per ton decreasing by 6 percent after a 30 percent decrease in 2023 vs 2022. No doubt, the team made great efforts to maintain profitability while demonstrating dedication and capacity. The division will continue to be on path for growing our business with further diversification, and strengthening our existing business with new initiatives, plans and projects.

For powering up our future, we have planned steering actions for 2025. At Basic Chemicals, we will enhance our business strategic model in Latin America and Türkiye, and further strengthen and develop our position in North America. We will add new products to our portfolio in Europe and expand our sales in the United Kingdom. We will also grow our sales in the Chinese domestic market and introduce a new product line in India. Additionally, we will continue to expand in Africa while adding new products to our African portfolio. At Metals, we will enter the North American market, enhance our sales in Türkiye, and increase our sales in Ferro (Nobel) Alloys.

As is our tradition each year, our Financial Summary has a theme. This year's theme is "Fortissimo," a musical term meaning "very strong." It perfectly fits our business ethos. Looking back at the history of our division, we can see that what has driven us to our market position today is the strength and resilience of our team. We continuously foster a mindset of strength and determination. Just as in music, where fortissimo denotes a powerful and emphatic performance, we always aim to bring the same energy and vigor to our work.

With the inspiration of this theme and our company culture to accomplish what we say we will, our 104 division



associates, will continue to faithfully serve our business partners and stakeholders around the globe in 50 countries, over 5 continents, with more than 100 products.

We will continue to follow our key growth drivers, which are to:

- Review and improve our existing business.
- Expand our business in new territories.
- Expand and diversify our product portfolio.

On behalf of the entire division team, I thank our colleagues and business partners all around the world for cooperatively and constructively working with us and trusting us with your business.

Viva CellMark and Viva CellMark Basic Materials in eternal fortissimo!

Ersin Alkan

Basic Materials Division President

Strong Since '84

8 G Dm C Eb
 people come and see CellMark's got the talent one can need

5 G Dm C Eb F G
 strong and agile teams re - ady to support your dreams healthy hearts make us care

10 Dm C Eb F G Dm
 we're giving back everywhere surpassing ex - pec - ta - tions is our vision is our vision

15 C Eb F G Dm C
 collaboration in our mission in our mission our solution makes global trade easy and fun

20 Eb F G Dm C Eb F
 people come and see CellMark's got the talent one can need suppliers and

25 G Dm C G
 clients that's for sure we've been going strong since '84 in CellMark's family

29 Dm C Eb F G Dm
 co - workers are fun and free intergrity is the key business

34 C Eb F G Dm C
 partners come and see surpassing ex - pec - ta - tions is our vision is our vision collaboration

39 Eb F G Dm C G
 in our mission in our mission our solution makes global trade easy and fun people come and see

44 Dm C Eb F G
 CellMark's got the talent one can need suppliers and clients that's for sure

48 Dm C
 we've been going strong since '84

Yeah, we know we provide excellent global trade services
 But equally important: we have strong values, deeply rooted in our company culture
 And our employees, oh they are just the best

Business, people, and values – that is our formula for success!

50 G Dm C Eb F
 people come and see CellMark's got the talent one can need suppliers and

54 G Dm C G
 clients that's for sure we've been going strong since '84 CellMark's coming up

58 Dm C Eb F G
 we're coming up now CellMark's coming up we're coming up now CellMark's coming up

62 Dm C
 There is nothing stopping us now



Sustainability Reporting

This section is a summary of CellMark's 2024 Sustainability Report that prevails. Read the report in full, including notes on the methodology used, on cellmark.com/sustainability.

Message from our CEO

CellMark is an independent sales and marketing organization that has a global footprint, connecting suppliers and customers all over the world. Our business generates value for its business partners and other stakeholders, and we recognize that we have an impact on the environment and society, both directly and indirectly throughout the value chain. When doing business, we are committed to promoting sustainability and adhering to international guidelines on the environment, human rights, and business ethics.

In 2024, despite the ongoing and significant geopolitical and economic factors that we faced, CellMark demonstrated tremendous resilience and performed well both financially and through demonstrating marked progress in delivering on our sustainability strategy, thanks to our dedicated employees and strong relationships with our business partners. The challenging geopolitical and economic environment is expected to remain in place for the foreseeable future. Nonetheless, CellMark remains optimistic about our future given our agility and talented employees who can readily adapt to changing circumstances. For these reasons, we are confident that the Group will continue to perform well.

Key highlights of our ESG & Compliance achievements in 2024 include:

- Improving the Group's reporting and further increasing interactions with our customers, suppliers, and banks regarding ESG & Compliance.
- Further advancing ESG & Compliance in our Group strategy.
- Providing enhanced ESG & Compliance awareness and training to improve engagement at all Group levels.
- Strengthening the ESG & Compliance team, to prepare for enhanced ESG reporting and due diligence.

As a final and more personal note, I would like to say that I am proud of the progress CellMark has made under my tenure. ESG & Compliance has been woven into the Group's strategy. In line with our vision of Surpassing Expectations, I am confident in the new CEO's ability to continue and to further intensify the Group's focus on these critical matters in 2025 and beyond.

Christer Simrén

President & CEO (retired end of 2024)

Incoming CEO Henrik Forsberg Schoultz also confirms his commitment to progressing CellMark's Sustainability strategy in the coming years as the regulatory and environmental framework continues to evolve.

Message from our Vice President of ESG & Compliance



2024 was another milestone in CellMark's ESG & Compliance journey as we continued to build the foundations of our ESG & Compliance programs, focusing on:

- Further enhancing the tone from the top on ESG & Compliance matters.
- Conducting ESG & Compliance risk assessments.
- Finalizing the implementation of our Code of Conduct for Business Partners.
- Creating internal awareness and training on our updated ESG & Compliance framework (Code of Conduct, policies, and directives).
- Strengthening our reporting capabilities.

Besides establishing a solid foundation for our ESG & Compliance programs, we also focused on preparing for compliance with expected upcoming legislation, in particular the EU Deforestation Regulation and the Corporate Sustainability Reporting Directive.

Our key priorities for 2025 include:

- Finalize and roll out an enhanced ESG & Compliance due diligence process.
- Implement a robust ESG & Compliance risk assessment process.
- Continue to focus on ESG & Compliance awareness and engagement.
- Ensure the Group's readiness to comply with applicable reporting obligations.
- Improve the Group's ESG & Compliance control frameworks.

With ESG & Compliance fully integrated into CellMark's strategy and the unwavering commitment of our Board of Directors and Management Team, I am confident that we will continue to promote sustainability in its broadest sense and operate in full compliance with laws and regulations.

Cédric Dubar

Vice President of ESG & Compliance

Read our
Sustainability Report
in full



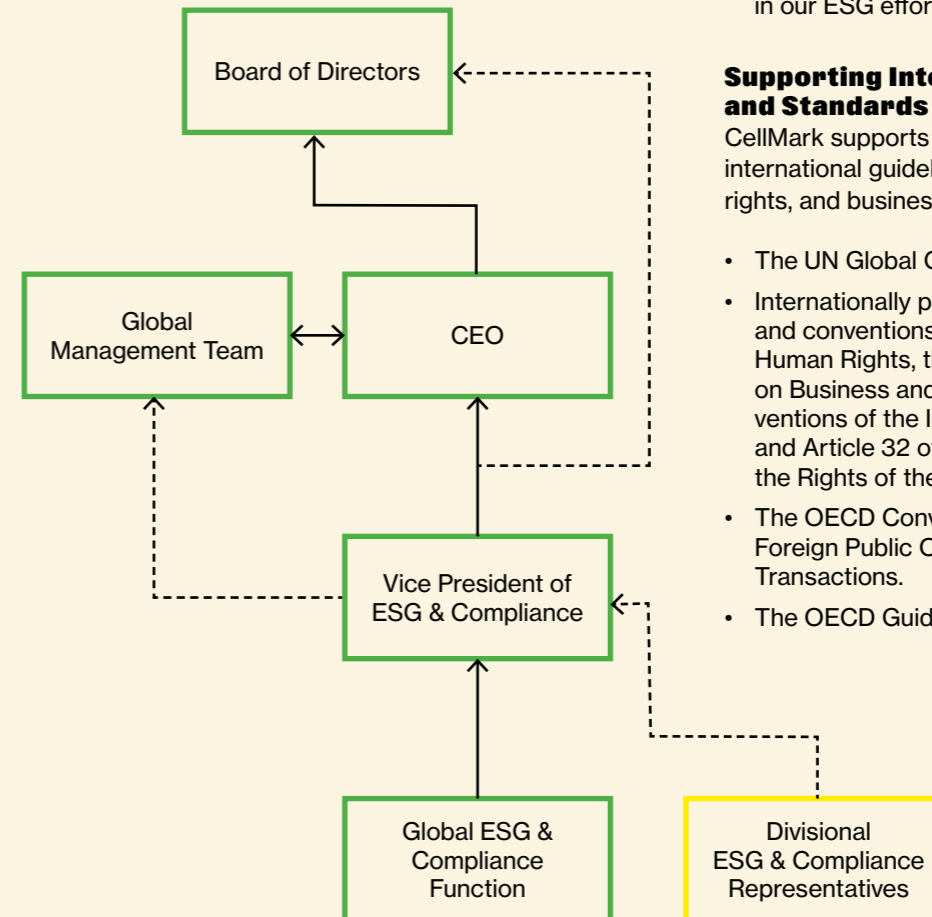
CellMark's Approach to Environment, Social and Governance (ESG)

ESG & Compliance Governance

CellMark's Board of Directors has the ultimate responsibility for defining the Group's ESG & Compliance strategy and the Management Team has the responsibility to implement this strategy through the Divisional Presidents.

The Board of Directors and the Management Team are supported by the ESG & Compliance function, which has the overall responsibility for the development, implementation, and maintenance of the ESG & Compliance strategy and programs.

ESG & Compliance Governance Model



ESG Strategy

CellMark's ESG strategy is based on the following core principles:

- Ensure optimal stakeholder relations through transparency and engagement.
- Foster long-term relationships with customers and business partners.
- Ensure CellMark's performance by attracting and retaining talent and by focusing on employee well-being.
- Strive for excellence in safety and security.
- Sustain a culture of integrity in the Group.
- Involve suppliers and other business partners in our ESG efforts.

Supporting International Guidelines and Standards

CellMark supports and works actively to comply with international guidelines regarding environment, human rights, and business ethics, including:

- The UN Global Compact Initiative.
- Internationally proclaimed human rights standards and conventions (in particular the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the eight core conventions of the International Labour Organization, and Article 32 of the United Nations Convention on the Rights of the Child).
- The OECD Convention on combating bribery of Foreign Public Officials in International Business Transactions.
- The OECD Guidelines for Multinational Enterprises.

Contribution to the United Nations Sustainable Development Goals

CellMark's business can contribute to the achievement of some of the United Nations' Sustainable Development Goals (SDGs).

Affordable and Clean Energy (SDG #7)

CellMark Energy is a leader in the trade and proliferation of biomass-based alternative fuels and waste-to-energy commodities. Further, in our lignosulphonate commodity trading, CellMark supports reduced energy usage in the production of ceramics and clay bricks, coal briquettes, and recycled paper.

Decent Work and Economic Growth (SDG #8)

CellMark's commitment to responsible business stretches further than its own operations. In addition to its direct positive impact on its employees, the Group promotes decent working conditions among its business partners through the implementation of its Code of Conduct for Business Partners.

Sustainable Cities and Communities (SDG #11) and Responsible Consumption and Production (SDG #12)

Recycling is one of CellMark's core business areas. It contributes to the SDGs "Sustainable cities and communities" and "Responsible consumption and production". With its

Recycling Division, CellMark strives to keep waste in the recycling stream and out of the landfill. It also contributes to reducing the world's ecological footprint.

Life on Land (SDG #15)

CellMark maintains a broad range of third-party certifications. These certifications include, for example, those from the Forest Stewardship Council (FSC®) and the Programme for the Endorsement of Forest Chain of Custody Standards (PEFC). These certifications demonstrate the Group's commitment to sustainable, intelligently managed forestry, which makes trees a renewable resource and keeps the world's woodlands healthy and productive.

Engagement with Stakeholders

Establishing regular dialogue with the Group's stakeholders is essential to better understand their perception of and expectations from CellMark in the fields of ESG & Compliance. Stakeholder dialogue also helps CellMark identify areas for improvement, new opportunities, and strategic changes.

Engagement with the Group's stakeholders is performed through collaborative and open dialogue, both formally and informally.

Based on their importance for CellMark's business, the Group's main stakeholders are:

- Customers, product suppliers, and service providers involved in the supply chain
- Banks
- Insurance companies
- Employees
- Shareholders

Contribution to Local Communities

CellMark Cares is the corporate social responsibility program at CellMark. This program was created to enhance, amplify, and strategically provide funding for non-profit organizations and non-governmental organizations (NGOs) serving the communities where CellMark has a presence.

In 2024, efforts towards local communities included:

- Donations to charities identified by CellMark.
- Employee volunteering and community support.

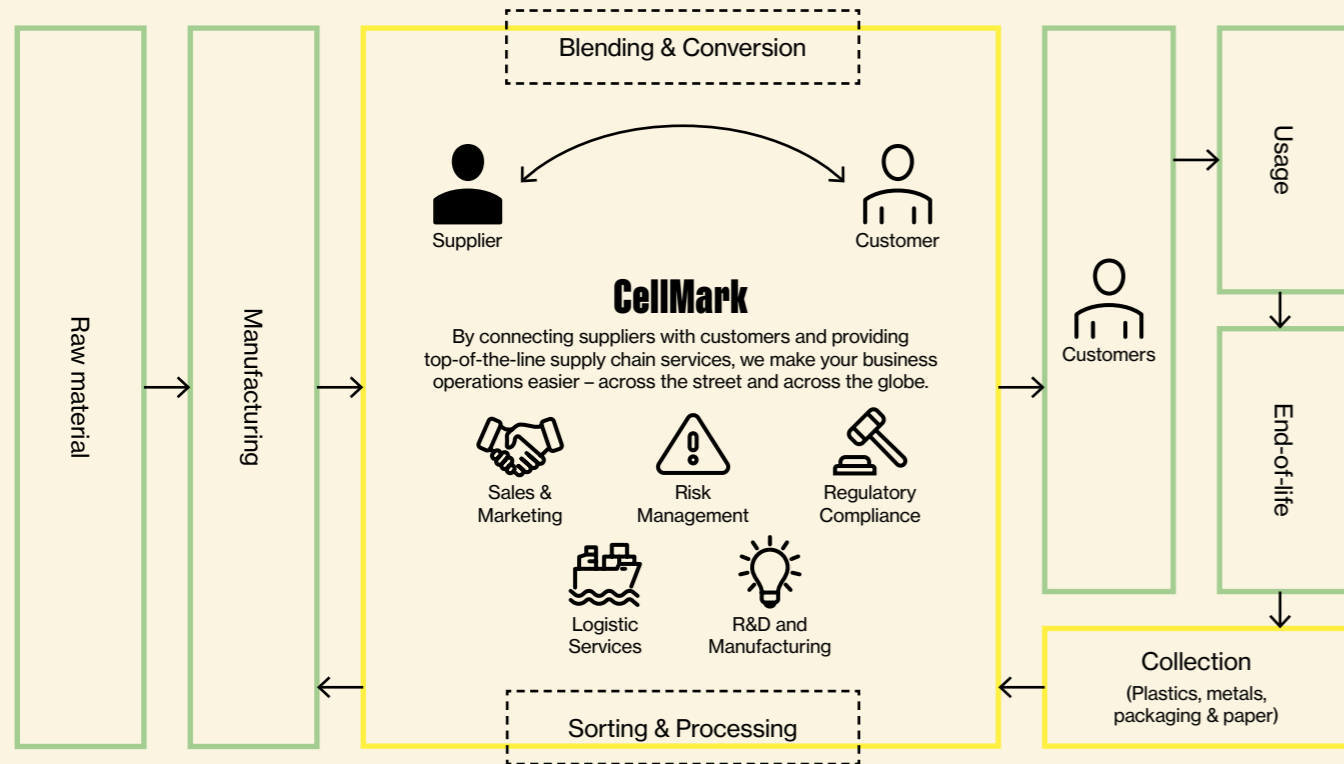
The total amount of donations distributed by the Group in 2024 was over USD 251 000.

Certifications and ESG Assessments

CellMark maintains several third-party certifications, including ISO 9001, FSC® (Forest Stewardship Council®), PEFC (Programme for the Endorsement of Forest Certification), SFI® (Sustainable Forestry Initiative), SBP (Sustainable Biomass Program) and ACD (Alliance for Chemical Distribution).

In addition to the above certifications, CellMark's ESG performance is assessed by a third party (EcoVadis). The Group received a "Gold Medal" status in 2024.

CellMark's Value Chain and Operations



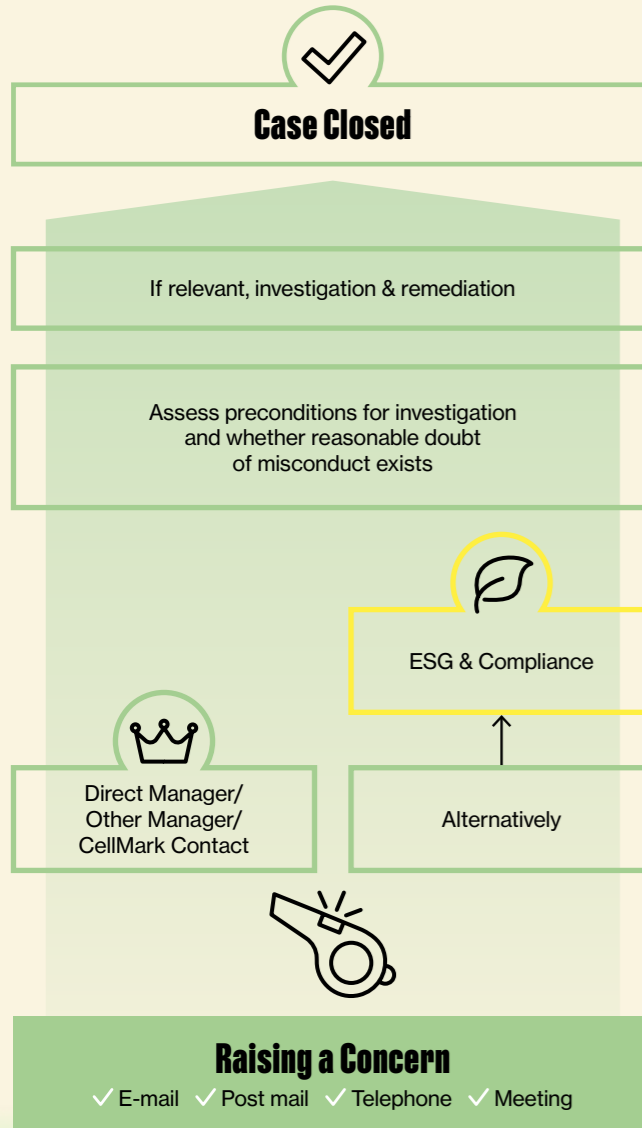
CellMark's EcoVadis Scores

	Overall score			Performance		
	2022	2023	2024	2022	2023	2024
EcoVadis	63/100	65/100	76/100	74th percentile in CellMark's category, "Silver Medal" status	88th percentile in CellMark's category, "Silver Medal" status	97th percentile in CellMark's category, "Gold Medal" status



Whistleblowing Mechanism

CellMark has implemented mechanisms that are available internally and externally for (i) seeking advice and asking questions about ethical and lawful behavior, and organizational integrity, and (ii) reporting concerns about unethical or unlawful behavior and organizational integrity. The Board of Directors has the overall responsibility for these mechanisms.



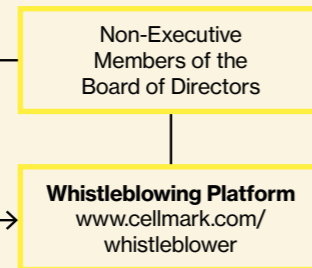
Business Ethics and Compliance

CellMark’s commitment towards business ethics and compliance is asserted through:

- An ethics and compliance governance system.
- The implementation of a risk assessment covering ethics and compliance risks.
- An ethics and compliance framework (Code of Conduct, policies, directives, and guidelines) that sets out the rules applicable to all employees, as well as a specific Code of Conduct that applies to CellMark’s Business Partners.
- Employee awareness and training.
- Monitoring activities.
- The whistleblowing mechanism.

Completion ESG & Compliance Courses in 2024

Name of ESG & Compliance e-learning module	Completion rate
Introduction to Anti-Bribery & Corruption [All employees – online]	96 %
Gifts, Favors & Hospitality – How to avoid the bribery risks [All employees – online]	96 %
Code of Conduct 4 – “The Integrity Game” [All employees – online]	95 %
ESG & Compliance - Reporting requirements and focus on Anti-Bribery and -Corruption [BoD – in person]	100 %



CellMark’s Workforce

As CellMark’s success relies on the unique knowledge and experience of its employees, the Group strives to attract, motivate and retain these highly skilled talents, and to preserve Health & Safety and well-being in the workplace. The main principles that govern the Group’s relationship with its workforce and with the people within its value chain are set out respectively in CellMark’s Code of Conduct and the Code of Conduct for Business Partners.

General Information about CellMark’s workforce

As at December 31, 2024

- 959 individuals (937 permanent and 22 temporary) were employed by CellMark (note: in 2024, the Group employed a total of 963 employees, in average, throughout the year).
- Women represented 45.3 % of the employees (vs. 45.8 % in 2023).
- Women represented 36.8 % of the managers and 47 % of the non-managers (vs. respectively 36 % and 48 % in 2023).
- 22 employees were employed part-time, of which 90.1 % were women and 9.1 % men.
- 22 employees (2.39 % of the total number of employees) were employed temporarily, of which 11 women and 11 men.
- 93 additional individuals without an employment relationship with CellMark (non-employee workers) were working for the Group.

Employees by Category, Gender, and Region (as at December 31, 2024)

	Americas			EMEA			APAC			TOTAL		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Manager	60	23	83	40	23	63	8	17	25	108	63	171
Non-manager	275	175	450	109	119	228	34	76	110	418	370	788
TOTAL	335	198	533	149	142	290	42	93	135	526	433	959

Training

One of the fundamental aspects of talent management within CellMark is training. The e-learning platform, CellMark Academy, plays a key role in supporting employees' professional development.

Employees are encouraged to undertake at least one hour per month of competence development and training.

For new employees, CellMark Academy has a comprehensive onboarding program covering CellMark's history, culture, and business areas, the Value Platform, and mandatory training.

The Group's ESG & Compliance training program includes mandatory e-learning modules for all employees and new hires. The mandatory e-learning modules are supplemented with additional e-learning modules that are available on the Group's Learning platform, CellMark Academy, and with regular training on information and IT security provided by a separate service provider, through a dedicated platform.

Learn more about
CellMark Cares



Distribution of employees by type and gender, as at 31 December 2024

	Male	Female	Total
Number of employees	526	433	959
Number of permanent employees	514	423	937
Number of temporary employees	11	11	22
Number of non-guaranteed hours employees	3	3	6
Number of full-time employees	522	413	935
Number of part-time employees	3	21	24

Distribution of employees by type and region, as at 31 December 2024

	Americas	EMEA	APAC
Number of employees	534	290	135
Number of permanent employees	531	277	129
Number of temporary employees	3	13	6
Number of non-guaranteed hours employees	3	3	0
Number of full-time employees	532	271	132
Number of part-time employees	2	19	3



Occupational Health and Safety

CellMark pays close attention to its employees' welfare not only by complying with laws on workplace health and safety and by establishing procedures preventing accidents and occupational illness, but also by promoting physical and psychological well-being. The Group's employee handbooks include provisions on Health and Safety.

In the facilities or warehouses owned by CellMark, where health and safety risks are higher, the Group strives to maintain a high level of health and safety culture, with proper instructions and training for employees.

Occupational Health & Safety-related Statistics for 2024

Cases of injuries or work-related ill-health	16
Lost time injury events	7
Days lost due to injury or work-related ill-health	76.5
Lost time injury (LTI) Frequency	2.89
Lost time injury (LTI) Severity	0.03
Fatality rate	0

Routines for occupational accidents, injuries, and fatalities are implemented.

Anti-harassment and discrimination

The Code of Conduct, the employee handbooks, and the recruitment guidelines include provisions on anti-discrimination and harassment. Training on anti-discrimination and harassment is provided through global training initiatives (e.g., via the code of conduct e-learning series, and locally).

Employees (permanent and temporary) by age and gender (as at December 31, 2024)

	Men	Women	Total
<30	36	29	65
30-50	243	253	496
>50	247	151	398
TOTAL	526	433	959

Environmental Aspects

The Group's environmental commitment is based on:

- Complying with applicable environmental laws and regulations.
- Increasing its contribution to the manufacturing of recycled products through its recycling activities.
- Helping customers with their environmental commitments.
- Pursuing continuous improvement of the Group's environmental performance.
- Raising awareness internally and maintaining the dialogue with its stakeholders on environmental challenges.

CellMark operates a limited number of facilities and warehouses. For these sites, according to the Corporate Social Responsibility Policy and as much as circumstances allow, the Group undertakes to:

- Minimize consumptions and pollution.
- Minimize usage of materials and water.
- Reduce waste and recycle.

Energy Consumption

Energy consumption includes electricity, natural gas, propane, gasoline, and diesel for vehicles, and oil and diesel for other sources of energy.

In 2024, CellMark's energy consumption was assessed at 61 573 Gigajoules (GJ).

Variation of Energy Consumption between 2023 and 2024, by type of energy, in Gigajoules

	2023	2024	Variation
Electricity	22 021	21 864	-1 %
Natural gas	6 806	6 005	-12 %
Propane	10 732	10 113	-6 %
Other energy sources	792	945	-19 %
Vehicles	25 371	22 646	-11 %
Total Energy Consumption	65 722	61 573	-6 %

Whenever possible, CellMark strives to minimize energy consumption for lights, air-conditioning, computers, photocopiers, and other equipment. Several CellMark premises have taken measures to reduce their consumption of energy for lighting, by using LED tubes, motion sensors, and dimmers. Similarly, several premises are equipped with energy-efficient HVAC systems, such as central air conditioners, or have programmable thermostats that turn off heating and cooling during non-office hours.

Water Consumption

CellMark uses exclusively water supplied by the municipality or other public or private water utilities and wastewater goes into the public sewage system.

In 2024, the total water consumption for the Group is estimated at 10 605 cubic meters.

Biodiversity

As a supply chain company operating in the wood industry, the products traded by CellMark come from areas with high biodiversity value. The Group works with its certified suppliers to source products from managed forests and ensure the sourcing of deforestation-free products.

CellMark maintains a number of third-party certifications that are related to the wood industry (e.g., FSC® and PEFC). Trading certified wood products has beneficial consequences for the preservation of biodiversity as it involves controlling forest resources and takes into account criteria such as the productive and protective functions of forests, biological diversity, and forest health and vitality. The implementation by CellMark of the EUDR process will provide additional assurance, for all products in scope, about forest conservation.

Emissions

CellMark reports its GHG emissions in accordance with the provisions of the Greenhouse gas protocol, on its Scope 1 and Scope 2 emissions.

Variation of Scope 1 and Scope 2 emissions, in tCO₂e

	2023*	2024	Variation
Scope 1	2 981	2 704	-9 %
Scope 2	2 224	2 203	-1 %
Total S1 & S2	5 205	4 907	-6 %

* Figures recalculated to follow the environmental methodology, updated in 2024 to ensure the use of more accurate emission factors.

In 2024, the GHG emissions intensity, calculated as tCO₂e of emissions per million USD revenue, was 1,32 tCO₂e /MUSD.

Waste

CellMark's Recycling Division contributes to the recycling of fiber, plastics, metals, and job lot/stock lot rolls, thereby keeping waste in the recycling stream and out of the landfill.

The recycling facilities (excluding the joint ventures) reported having processed over 232 500 tons of waste materials (including the waste derived from their own operations) in 2024, of which 188 800 tons (81 %) were traded for recycling.

CellMark's Warehouses reported a total of 780 tons of waste from which 70 percent was recycled. Regarding the other sites of the Group (i.e., other than the recycling facilities and warehouses), the sites having reported data indicated 34 tons of waste, of which 98 percent was non-hazardous and 55 percent was recycled. Based on this data and by applying the methodology described in the Sustainability Report, the total waste generated by the Group (excluding CellMark's recycling facilities and warehouses) is estimated at 42 tons.

Highlights

1984 Cellulose Marketing International AB is founded in Gothenburg with 21 employees. Five overseas sales offices are established. In 1997, the company name is changed to CellMark.

1987 CellMark is now 100 percent employee owned. We acquire Pacific Forest Resources Inc (PacFor), adding packaging paper and board and recovered paper to our existing base in market pulp and whitepaper.

1990 We reach the 1-million-ton mark and sell our products in 36 markets. In 1991, we add chemicals to our product portfolio.

1996 The 2-million-ton mark is realized. We become ISO 9001 certified and acquire our first recycling plant.

1999 During the 1990s, CellMark acquires American Paper Sales and Perkins Goodwin in the US and Unifibra in Europe. Singapore Pulp Private Ltd (SPPL) is established in Singapore.

2000 Group sales exceed one billion US dollars. We acquire Gothia Paper AB and Larsson Paper AB.

2001 Over 3 million tons of pulp and paper are sold to over 100 markets. Most subsidiaries are consolidated under the CellMark brand name.

2004 CellMark celebrates its 20th anniversary and reaches a sales volume of more than 4 million tons.

2006 CellMark now has 37 offices around the world. We become FSC® and PEFC certified.

2009 CellMark celebrates its 25th anniversary and maintains the 5-million-ton record reached in 2007. We acquire Fibres International and CellMark Recycling now operates 10 recycling facilities in North America.

2010 CellMark acquires Sicutec AB, a supplier of second-hand machinery and equipment to the pulp and paper industry.

2011 A significant acquisition is completed. With Alcan International Network onboard, CellMark operates two new divisions: CellMark Chemicals and CellMark Metals. Further, the company acquires NorCell in the USA and Axe Papier in France.

2012 Several new business lines are established: Basic Chemicals and Waste-to-Energy. CellMark is established as a leading supplier of Biomass to energy in France.

2014 CellMark celebrates its 30th anniversary. Together with Norske Skog we form NorCell Asia. The addition of Sonaco Trading AB, a Stockholm-based metals trading company and AnMar International Ltd, a nutraceutical ingredient company, broadens our network as well as our product portfolio and service capabilities.

2017 We acquire Semper Exeter in North America, a distributor and converter of paper, paperboard, plastics, and films. A new long-term investor, Ernström & C:o (now Neudi & C:o), becomes a shareholder in CellMark adding new skills and direction to the company.

2018 Volumes reach 7 million tons and CellMark begins reporting on its sustainability practices.

2019 CellMark celebrates its 35th anniversary and publishes its first stand-alone Sustainability Report. The Energy and Caustic group have their best year ever.

2020 We introduce a new division: CellMark Basic Materials, a result of a merger between our two existing divisions, CellMark Metals and CellMark

Basic Chemicals. We complete the acquisition of Rocky Mountain Recycling Services LLC, a major supplier and valued strategic partner to our Recycling Division for the last 20 years.

2021 CellMark achieves its best financial year ever. We become Great Place to Work-Certified™ in Sweden which confirms that we are an employee-validated great workplace.

2022 The best financial result in the company's history. We introduce a new division: CellMark Packaging & Paper, a combination of our two divisions, CellMark Packaging and CellMark Paper.

2023 The third-best financial year in CellMark's history. The Group acquires the Lenvale Group, a paper converting industry leader in the UK, and the Novara Group, a virgin and recycled plastics resin supplier. CellMark also becomes the exclusive sales agent in Italy for all publication paper and recycled containerboard products produced by Norske Skog.

2024 CellMark is awarded a Gold Rating for its sustainability performance by the independent rating organization EcoVadis. The Group acquires Kempenaars, a leading wastepaper and plastics recycler in Southwestern Netherlands.

Sydney Australia
Mona Vale Australia
Ghent Belgium
Sao Paulo Brazil
Mississauga Canada
New Westminster Canada
Ottawa Canada
Surrey Canada
Bogotá Colombia
Paris France
Creutzwald France
Montpellier France
Düsseldorf Germany
Athens Greece
Kowloon Hong Kong
Mumbai India
Gurugram India
Jakarta Indonesia
Dublin Ireland
Milan Italy
Tokyo Japan
Kingston Jamaica
Kuala Lumpur Malaysia
Mexico City México
Tauranga New Zealand
Oslo Norway
Qingdao China
Shanghai China
Lima Peru
Katowice Poland

HERE WE ARE

Krakow Poland
Seoul Republic of Korea
Kikinda Serbia
Cape Town South Africa
Barcelona Spain
Gothenburg (HQ) Sweden
Stockholm Sweden
Geneva Switzerland
Singapore Singapore

See our locations



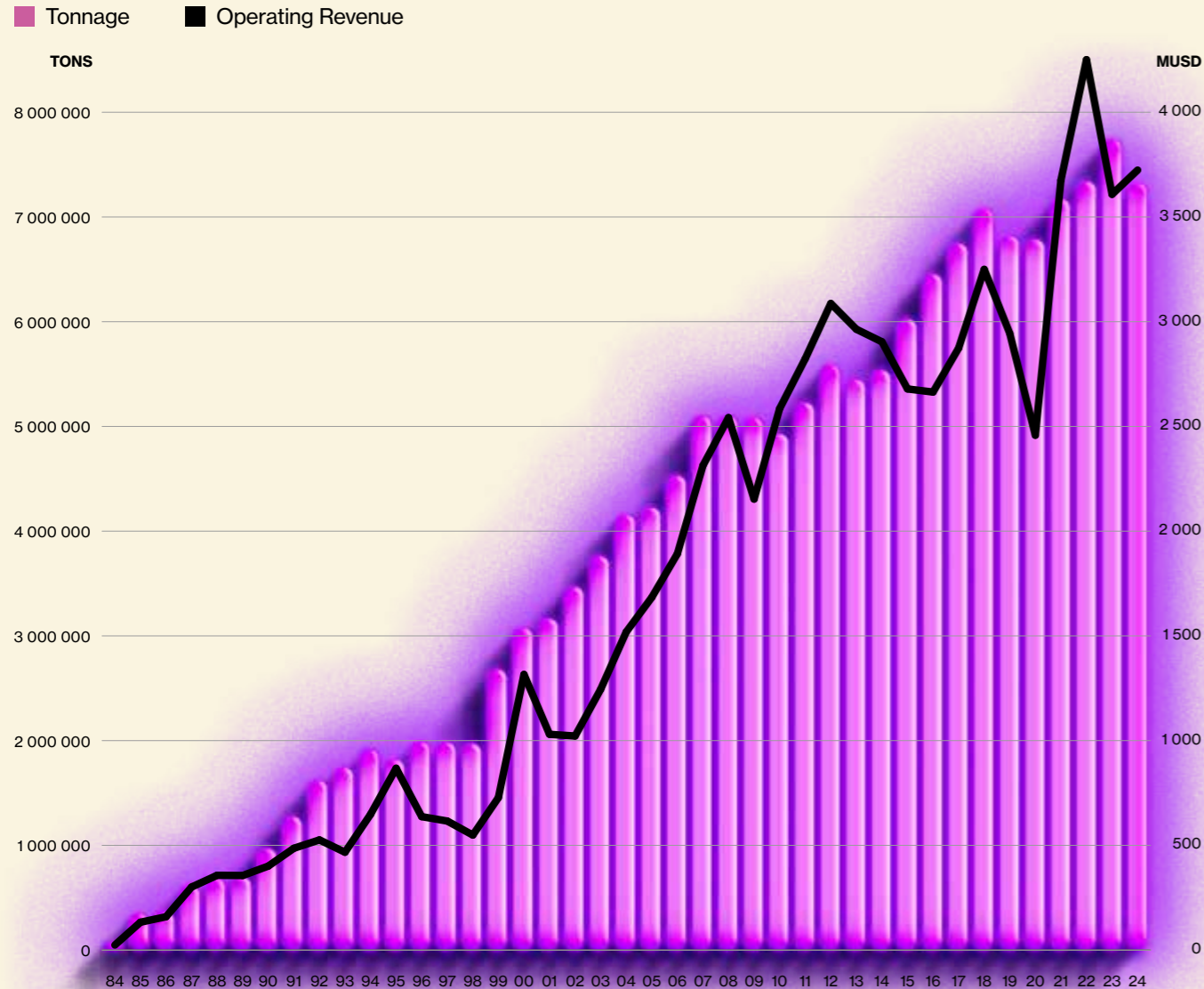
Hilversum The Netherlands
Leiden The Netherlands
Roosendaal The Netherlands
Bangkok Thailand
Antalya Türkiye
Istanbul Türkiye
Dubai United Arab Emirates
Slough United Kingdom

Strood United Kingdom
Miami USA
Doral USA
Cumming USA
Crestview Hills USA
Seal Beach USA
Vancouver USA
Novato USA
South Norwalk USA
Shelton USA
Naugatuck USA
Cohasset USA
Little Falls USA
Mount Laurel USA
Parkland USA
Birmingham USA
Salt Lake City USA
Ladson USA
Chicago USA
Doylestown USA
Lake Oswego USA
Austin USA
Paterson USA
Pawtucket USA
Orangeburg USA
Mahwah USA
Tampa USA
El Dorado Hills USA
Holbrook USA
Ho Chi Minh City Vietnam



Accounting

Historical Tonnage and Sales Development



Directors' Report

The Board of Directors hereby submits a brief summary of the Group's consolidated financial statements and highlights for the financial year 2024. The statutory Annual Report, including the parent company's financials and complete supplemental information, can be obtained from the Company, or the Swedish Company Registration Office ("Bolagsverket").

Operations

Established in 1984 in Sweden, CellMark AB is an employee-owned, independent sales solution company. We offer a wide range of products, services, and solutions globally, predominantly serving the pulp, paper, packaging, and chemicals industries. CellMark, together with its subsidiaries and associated companies, operates across five independent divisions: Pulp, Packaging & Paper, Recycling, Chemicals, and Basic Materials. Our services encompass sourcing, sales and marketing, trade finance-related services, logistics, regulatory and compliance support, business development, and custom chemicals manufacturing and R&D.

CellMark Pulp serves as a global sales and marketing platform for wood pulp, biomass energy, wood chips, and caustic soda.

Packaging & Paper Division is a worldwide distributor of packaging products, including containerboard, kraft paper, boxboard, tissue rolls, and starch products. It also markets various types of papers, ranging from publication and advertising papers to specialty and converting papers.

CellMark Recycling handles the production, finance, distribution, and transportation of recycled fiber, plastics, metals, and job lot/stock lot rolls globally. The Recycling Division owns and operates four recycling facilities in North America, one recycling facility in Europe as of late-December 2024, and is involved in four other recycling facilities in North America through joint ventures.

CellMark Chemicals specializes in the global supply of custom chemical products. This includes sourcing, sales, marketing, and custom manufacturing, catering to markets in Health & Personal Care, Catalyst & Gas Processing, Industrial & Specialty Chemicals, and Nutraceuticals.

CellMark Basic Materials trades and distributes bulk chemicals and metal products widely used in various industries. These include Acids & Bases, Acetyls, Ketones & Alcohols, Lignosulfonates, Esters, Plasticizers & Glycols, Agrochemicals, Solvents, and other organic and inorganic chemicals, along with Ferrous and Non-Ferrous Metals, Ferro (Nobel) Alloys, Light Metals & Ore and Foundry & Shot Blasting products.

Financial Year

In 2024, the global economy exhibited steady but modest growth amidst a resurgence of trade protectionism and a political shift in many countries with a "super year" of global elections. Trade flows were altered due to escalating geopolitical tensions and security challenges around the world, notably in the Red Sea region. Most economies saw a declining inflation trend and in response, major central banks began reducing interest rates after a period of aggressive hikes. Despite these turbulent conditions, CellMark achieved a strong financial performance with an increase in overall annual sales of 3 percent.

Significant Events

In line with our strategy to focus on core business areas and diversify through established divisions, CellMark completed several acquisitions in 2024. The Recycling Division was strengthened by the acquisition in December of Kempenaars, a Dutch wastepaper and plastics recycling group based in Southwestern Netherlands. In January 2025, the Recycling Division also acquired a 50 percent stake in EcoTech Management, a company specialized in the security of data destruction and recycling of computers and other electronics, based in Holbrook, New York, USA.

CellMark has continued the reduction in the number of legal entities, simplifying our organizational structure and reducing complexity. The consolidation was effective as of January 1, 2024, and has resulted in cost savings and operational efficiency. This progress reflects our commitment to continuous improvement and operational excellence, underscoring our dedication to delivering value to our stakeholders.

Daniel Dayan, Chair of CellMark's Board of Directors, has informed the Nomination Committee that after four successful years in office he will not seek re-election at the 2025 Annual General Meeting (AGM). Daniel will stay on and continue to lead the Board of Directors until the AGM and will support the CEO transition in early 2025. The Nomination Committee has started a selection process to elect a new Chairperson at the 2025 AGM.

Christer Simrén retired as CEO of CellMark on December 31, 2024, after six years of dedicated leadership and service. The Board of Directors has appointed Henrik Forsberg Schoultz as the new CEO with effect from April 1, 2025. During the transition period from January 1 to March 31, 2025 Pernilla Jordan, CFO of CellMark, will serve as Interim CEO.

Our joint venture recycled pulp mill, Total Fiber Recovery @ Chesapeake in Virginia, USA, faced several operational challenges during the year. CellMark made the appropriate reservations for its financial exposure at year end. The future of the mill is currently under review together with our partner.

CellMark became the proud new exclusive distributor of the Chinese paper manufacturer Chenming in Europe and the United Kingdom, as of January 1, 2024.

CellMark Investment AB, the parent company of CellMark AB, resolved in the Annual General Meeting (AGM) held in April 2024 to transition from a private to a public company under Swedish company law to accommodate an expanding shareholder base. CellMark has always been and is committed to remaining an employee-owned company and its shareholder base will expand alongside its growth.

The Composition of the Group

The new entity in 2024 was Kempenaars, a Dutch wastepaper and plastics recycling group based in Southwestern Netherlands, consisting of SK Polymers B.V., Kempenaars Polymers B.V., Kempenaars Plastic Recycling B.V., B. Kempenaars Verhuur B.V., Kempenaars Recycling B.V. and Kempenaars Storage B.V. CellMark also entered into a joint venture agreement regarding EcoTech Management LLC, a company specialized in the security of data destruction and recycling of computers and other electronics, based in Holbrook, New York, USA. In addition, CellMark International Business (Qingdao) Co., Ltd. is under formation. We continue to consolidate entities within CellMark when beneficial in order to simplify the Group's structure. In 2024, we merged CellMark Paper Inc and Norcell Inc with CellMark Inc and liquidated CellMark Raw Materials AB and Triboro Fibers Inc.

Group Identification

CellMark AB is a subsidiary of CellMark Investment AB, company registration number 556737-1959.

Foreign Branches

In addition to subsidiaries and offices in 30 countries, CellMark maintains representative offices in Poland, China, Greece, South Korea, and Hong Kong as part of providing a global high-quality service to suppliers and customers, wherever they might be. This results in a global reach with a presence in more than 70 locations.

Risk Management

CellMark has identified risks inherent in our business model and has established processes to mitigate them. Mitigations include the establishment of a Code of Conduct for all employees, supplemented by policies and directives that address financial risks, such as credit risk and currency exposure, ESG risks, IT and cyber-security risks, and risks related to investments and acquisitions. Regular comprehensive training ensures employee awareness and compliance.

We conduct hedge accounting in line with our accounting policies, mitigating currency exposure with forward contracts and covering price and product risks through back-to-back transactions. CellMark also closely monitors and manages counterparty and political risks in the insurance and banking markets.

Sustainability Report

Our approach to the ever more important topic of sustainability and related performance details are available in CellMark's stand-alone Sustainability Report, accessible at www.cellmark.com/sustainability.

Expected Future Development

The global economic landscape continues to be marred by uncertainty, with escalating geopolitical tensions and evolving trade policies posing a challenge. Prolonged tariffs and ongoing conflicts could restrict free trade and disrupt traditional trade routes. Additionally, the increasing financial burden of regulatory compliance and enhanced reporting requirements continues to reshape global business operations. Despite these challenges, CellMark is well-prepared to adapt and thrive, leveraging our financial strength, market expertise, diverse product and service portfolio, and broad geographic presence.

The Board of Directors extends our deepest gratitude to our dedicated employees and valued business partners. Your unwavering commitment and collaboration have been fundamental to our resilience and success in these challenging times. Together, we have navigated the complexities of the market to our mutual benefit and again achieved remarkable results. As we look to the future, we are confident that our joint efforts will continue to drive efficiency, growth and success for our business partners and for CellMark. CellMark is more than just a company; it is a community of talented individuals and supportive partners, and we are profoundly grateful to each of you.

Financial Highlights of the Group (MUSD*)

	2024	2023	2022	2021	2020
Operating Revenue	3 724	3 608	4 251	3 675	2 458
Profit after Financial Items	31.5	45.4	91.7	75.7	20.9
Total Assets	1 091	974	1 194	1 053	818
Equity Ratio (%)	17.8	21.8	19.2	20.1	22.5

*MUSD shall be read as Millions of US Dollars. For definitions see page 69.

Changes in Equity (TSEK)

	Share Capital	Other Added Capital	Other Equity incl. Profit for the Year	Minority Interest	Total
Balance brought forward 2024-01-01	9 015	40 295	2 077 422	1 909	2 128 640
Gain from Actuarial Pension Liability			4 159		4 159
Inflation adjustment CM Kimya			1 323		1 323
Translation Difference for the Year			88 832	286	89 118
Dividend Paid			-315 000		-315 000
Profit for the Year			224 609	1 542	226 151
Amount at Year-End	9 015	40 295	2 081 345	3 737	2 134 392

Accumulated translation difference amounts to TSEK 399 146 (310 315).

Consolidated Income Statement

	2024		2023	
	SEK ('000)	USD ('000)*	SEK ('000)	USD ('000)**
Operating Revenue				
Net Sales	39 253 585	3 716 703	38 265 226	3 605 573
Other Operating Revenue	79 898	7 565	30 812	2 903
Total Operating Revenue	39 333 482	3 724 268	38 296 038	3 608 476
Operating Expenses				
Cost of Goods Sold	-36 496 152	-3 455 617	-35 509 350	-3 345 898
Other External Costs	-739 393	-70 009	-604 902	-56 997
Personnel Costs	-1 348 880	-127 718	-1 376 141	-129 668
Depreciation of Fixed Assets	-82 924	-7 852	-76 438	-7 202
Result from Participations in Associated Companies	-41 225	-3 903	29 431	2 773
Total Operating Expenses	-38 708 574	-3 665 099	-37 537 399	-3 536 993
Operating Profit	624 908	59 169	758 639	71 483
Result from Financial Items				
Financial Income	65 027	6 157	106 500	10 035
Financial Expenses	-356 955	-33 798	-383 089	-36 097
Total Result from Financial Items	-291 928	-27 641	-276 588	-26 062
Result after Financial Items	332 980	31 528	482 051	45 423
Appropriations	-6 000	-568	-4 100	-386
Tax on Profit for the Year	-100 829	-9 547	-157 223	-14 814
Net Result for the Year	226 151	21 413	320 728	30 222
Attributable to				
Shareholder of the Parent Company	224 609	21 267	319 440	30 099
Minority Shareholders	1 542	146	1 288	122

*Based on average exchange rate during the year 1 USD = SEK 10.5614

**Based on average exchange rate during the year 1 USD = SEK 10.6128

Consolidated Balance Sheet

Assets	Dec 31, 2024		Dec 31, 2023	
	SEK ('000)	USD ('000)*	SEK ('000)	USD ('000)**
FIXED ASSETS				
Intangible Fixed Assets				
Goodwill	175 740	15 979	88 720	8 834
Computer Software	17 215	1 565	5 342	532
Other Intangible Fixed Assets	10 702	973	8 573	854
Total Intangible Fixed Assets	203 657	18 517	102 635	10 221
Tangible Fixed Assets				
Land and Buildings	83 741	7 614	78 235	7 791
Equipment	301 168	27 383	212 547	21 167
Total Tangible Fixed Assets	384 909	34 997	290 782	28 957
Financial Assets				
Participations in Associated Companies	122 237	11 114	174 763	17 404
Other Shares and Other Longterm investments	14 608	1 328	9 722	968
Endowment Insurance	14 710	1 338	17 601	1 753
Other Long-Term Receivables	86 635	7 877	49 716	4 951
Long-Term Receivables in Associated Companies	11 438	1 040	0	0
Deferred Tax Asset	113 162	10 289	77 760	7 744
Total Financial Assets	362 790	32 986	329 563	32 820
Total Fixed Assets	951 357	86 500	722 980	71 997
CURRENT ASSETS				
Inventory	2 886 944	262 492	2 387 223	237 733
Current Receivables				
Accounts Receivable - Trade	6 252 538	568 506	4 941 532	492 106
Receivables from Parent Company	493 258	44 849	413 258	41 155
Receivables from Associated Companies	189 322	17 214	176 389	17 565
Income Tax Receivables	7 464	679	12 668	1 262
Other Receivables	856 301	77 858	752 605	74 949
Prepaid Expenses and Accrued Income	200 268	18 209	193 342	19 254
Total Current Receivables	7 999 151	727 316	6 489 795	646 291
Cash and Bank Balances	160 209	14 567	176 844	17 611
Total Current Assets	11 046 303	1 004 375	9 053 861	901 634
TOTAL ASSETS	11 997 660	1 090 875	9 776 840	973 633

*Based on closing day rate of exchange 1 USD = SEK 10.9982

**Based on closing day rate of exchange 1 USD = SEK 10.0416

Consolidated Balance Sheet

Equity and Liabilities	Dec 31, 2024		Dec 31, 2023	
	SEK ('000)	USD (000)*	SEK ('000)	USD (000)**
Equity				
Share Capital	9 015	820	9 015	898
Other Added Capital	40 295	3 664	40 295	4 013
Other Equity	1 856 736	168 822	1 757 982	175 070
Profit for the Year	224 609	20 422	319 440	31 812
Equity Attributable to Shareholder of the Parent Company	2 130 655	193 728	2 126 732	211 793
Minority Interest	3 737	340	1 909	190
Total Equity	2 134 392	194 068	2 128 640	211 983
Provisions				
Deferred Tax Liability	73 629	6 695	55 109	5 488
Provisions for Pension or similar	63 422	5 767	56 735	5 650
Total Provisions	137 051	12 462	111 844	11 137
Long-Term Liabilities				
Liabilities to Credit Institutions	2 595	236	5 771	575
Other Long-Term Liabilities	73 251	6 660	28 181	2 806
Total Long-Term Liabilities	75 846	6 896	33 952	3 380
Current Liabilities				
Liabilities to Credit Institutions	3 219 589	292 738	2 719 398	270 813
Accounts Payable - Trade	4 441 564	403 845	2 856 659	284 482
Liabilities to Associated Companies	13 751	1 250	29 194	2 907
Income Tax Liabilities	28 369	2 579	109 190	10 874
Other Current Liabilities	843 335	76 679	766 593	76 341
Accrued Expenses and Prepaid Income	1 103 764	100 358	1 021 369	101 713
Total Current Liabilities	9 650 371	877 448	7 502 404	747 131
TOTAL EQUITY AND LIABILITIES	11 997 660	1 090 875	9 776 840	973 633

*Based on closing day rate of exchange 1 USD = SEK 10.9982

**Based on closing day rate of exchange 1 USD = SEK 10.0416

Consolidated Cash Flow Statement

Amounts in TSEK	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Operating Activities		
Operating Profit	624 908	758 639
Adjustment for Items Excluded from Cash Flow Statement, etc.		
Depreciation	82 924	76 438
Other Adjustments	62 226	-28 665
Currency Exchange Differences	49 215	-21 051
Capital Gain/Loss Fixed Assets	208	85
	819 480	785 445
Interest Received	65 027	106 500
Interest Paid	-356 955	-383 089
Income Taxes Paid	-193 327	-162 334
Cash Flow from Operating Activities before Changes in Working Capital	334 226	346 524
Cash Flow from Changes in Working Capital		
Change in Inventories	-480 655	755 972
Change in Accounts Receivables	-1 249 671	2 016 380
Change in Other Receivables	-191 730	-64 516
Change in Accounts Payable	1 486 797	-444 453
Change in Current Liabilities	93 483	-319 354
Cash Flow from Operating Activities	-7 549	2 290 552
Investing Activities		
Purchase of Shares in Associated Companies	0	-5
Purchase of Shares in Group Companies	-37 472	0
Purchase of Intangible Fixed Assets	-17 038	-65 701
Purchase of Tangible Fixed Assets	-93 384	-48 722
Sale of Tangible Fixed Assets	3 859	4 166
Sale of Intangible Fixed Assets	0	531
Dividend Received	30 756	0
Change in Long Term Receivables	-50 351	-1 113
Cash Flow from Investing Activities	-163 629	-110 842
Financing Activities		
Change in Other Long Term Receivables	-467	6 095
Change in Loan from Credit Institutions	468 228	-1 607 992
Amortisation of Pension Liabilities	5 033	-40 775
Dividend paid out	-315 000	-550 000
Cash Flow from Financing Activities	157 794	-2 192 672
Net Change in Cash and Cash Equivalents	-13 384	-12 962
Cash and Cash Equivalents Beginning of the Year	176 844	198 017
Exchange Rate Difference in Cash and Cash Equivalents	-3 252	-8 211
Cash and Cash Equivalents End of the Year	160 208	176 844

Accounting and Valuation Principles

The annual report has been prepared according to the Swedish Annual Accounts Act and BFNAR 2012:1 Annual Accounts and Consolidated Accounts (K3). The accounting principles are unchanged compared to the prior year.

Consolidated Financial Statements

The consolidated income statement and balance sheet include all companies in which the parent company directly or indirectly holds more than 50 percent of the shares or voting rights.

All acquisitions of companies have been recorded according to the purchase method. Untaxed reserves reported in the individual group companies are divided in the consolidated balance sheet as a capital part and a tax part. The capital part has been accounted for under equity. The tax part is accounted for as an allocation under deferred taxes.

Companies acquired during the year have been consolidated from acquisition date.

Participations in associated companies have been reported according to the equity method. Companies where CellMark holds between 20 percent and 50 percent of the voting rights are treated as associated companies. The equity method means that the acquisition cost for the shares, adding the change in the associated

company's equity after the date of acquisition, is accounted for under the heading "Participations in Associated Companies" in the consolidated balance sheet.

The current method has been used in translating the income statements and balance sheets in foreign subsidiaries into Swedish kronor. All assets and liabilities in the foreign subsidiaries' balance sheets have been translated at year-end rate and all items in the income statements have been translated using the average rate of the year. Translation differences arising have been entered directly as equity.

Receivables and Liabilities in Foreign Currency

Receivables and liabilities in foreign currency have been translated at the rate of exchange at year-end. The difference between the acquisition value and the value at year-end has been accounted for as income/expense. Receivables and liabilities have been valued at the closing rate.

Income Recognition

Income is recorded at the fair value of the amount the company has received or expects to receive. Deductions are made for any discounts that are provided.

In the sales of goods, income is generally recognized when the significant benefits and risks associated with the ownership of the goods have been transferred from the company to the buyer.

Interest income is recorded as income in accordance with the effective rate method.

Recognition of Leases

Leases that means that the economic risks and benefits in its substantial has been transferred from the lessor to a Group Company classifies as finance lease. Assets that are leased via finance leases are accounted for as tangible fixed assets while future leasing fees are recorded as liabilities.

When a lease is first recognized, the asset and the liability are recognized as the present value of the future minimum leasing fees and any residual value. When calculating the present value of the minimum leasing fees, the implicit interest rate of the agreement is used. Operating leases are recognized as a cost linearly over the period of the lease.

Remuneration to Employees Postemployment

The parent company and the group have both defined contribution and defined benefit pension plans. Pension plans classified as defined contribution plans are those where fixed fees are paid and there is no obligation to make any payments other than said fixed fees. Defined benefit plans are accounted for in accordance with paragraphs 57-131 of the International Accounting Standard IAS 19 Employee Benefits. Fees for defined contribution plans are recognized as a cost for the period in which the employees render the services from which the obligation stems. The Group records defines benefit obligations in compliance with the exemption rule of BFNAR 2012:1 28.22.

The parent company and the group have defined benefit plan obligations that are exclusively dependent on the value of the endowment insurance policies held by the company and the group. Endowment insurance policies are recorded as financial assets. In compliance with the exemption rule of BFNAR 2012:1, pension obligations are recognized as a provision of equal value to the book value of the concerned endowment insurance policy.

Income Tax

Current tax is income tax the financial year and relates to the taxable profit for the year and the share of income tax for previous financial years that has not yet been recognized.

Deferred tax is income tax on taxable profit relating to future financials years as a result of past transactions or events.

Deferred tax is calculated on the basis of temporary differences. A temporary difference arises when the book value of an asset or a liability differs from its value for tax purposes. Temporary differences are not taken into account in the case of differences attributable to investments in subsidiaries, affiliated companies, associated companies, or joint ventures if the company can dictate the time of the reversal of the temporary difference and it is not evident that the temporary difference will be reversed within the foreseeable future. Difference attributable to the initial recognition of goodwill do not comprise temporary differences.

Deferred tax receivables relating to deficit deductions or other future deductibles for tax purposes are recognized to the extent that it is probable that the deductions can be set off against future taxable surpluses.

Fixed Assets

Fixed assets are accounted for at the acquisition cost with deduction for depreciation according to plan. The acquisition value includes expenditure that is directly attributable to the acquisition of the asset.

When a component in a fixed assets is replaced, any remaining part of the old component will be disposed and the new component is activated.

Additional expenditures related to assets that are not divided into components are added to the acquisition value to the extent that the asset's performance increases in proportion to the asset's value.

Expenditures for repairs and maintenance are expensed.

Depreciation according to plan is computed as follows:

Computer equipment	20 %
Other equipment	20 %
Buildings	2–4 %
Goodwill	10–20 %
Other intangible assets	10–20 %

In cases where depreciation of goodwill is longer than 5 years, assessment has been made that the overvalue from acquisitions contains business relations and contracts that creates opportunities extending 6–10 years.

Financial Instruments

All financial instruments are measured and recognized based on acquisition cost in accordance with the rules of chapter 11, in BFNAR 2012:1. Financial instruments recognized in the balance sheet include accounts receivable and other receivables, accounts payable, loans and derivatives. The instruments are recognized in the balance sheet when the company becomes a part in the instrument's contractual terms.

Accounts receivable and other receivables

Receivables are recognized as current assets, except for receivables with due dates more than 12 months after balance sheet date which are classified as fixed assets. Receivables are recorded at the amount expected to be paid after deductions for individually assessed doubtful receivables.

Loan liability and accounts payable

Loan liability and accounts payables are recognized initially at acquisition value after deductions for transaction costs. If the reported amount differs from the amount expected to be repaid on the due date the difference is treated as interest expense over the term of the loan using the instrument's effective interest rate. Hereby on maturity date the reported amount will be consistent with the expected amount to be repaid.

Documented hedges of financial assets and liabilities in foreign currency (hedge)

CellMark utilizes foreign exchange forward contracts to manage the currency risk arising from the purchase and

sales in foreign currency. For these transactions normally hedge accounting are applied. When the transaction is concluded, the relationship is documented between the hedging instruments and hedged items, as well as the Group's risk management objectives and risk management strategy for hedging.

Currency forward contracts protect against fluctuations in exchange rates as the contract determining the rate at which the asset or liability in foreign currency will be realized. When hedging of these transactions take place, hedging instrument is revalued due to changed currency exchange rates and currency future contracts are reported in the balance sheet. The entire effect of changes in exchange rates adjust the value of the asset or liability hedging related.

Inventory

Inventories have been valued at the lower of cost or market, i.e., the lower of the acquisition value and the estimated net sales value. Net sales value refers to the goods estimated selling price less selling costs.

Provisions

Provisions are recognized when there is a legal or informal obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. The time or the amount of the outflow may remain uncertain.

Cash Flow Statement

The cash flow statement has been prepared in accordance with the indirect method. The reported cash flow only includes transactions that have resulted in payments made or received. Besides cash, the company classifies the following as liquid funds: available balances at the bank and other credit institutions as well as short-term liquid investments listed on a major exchange that have a shorter maturity than three months from the date of acquisition. Restricted funds are not classified as cash. Changes in restricted funds are reported in investing activities.

Estimates and Assessments

When preparing financial statements and applying accounting principles, management is often required to make assessments, estimates and assumptions that are deemed as being reasonable at the time. Estimates and assessments are based on prior experience and a number of other factors, which, given the circumstances, are deemed as being reasonable. The results of this are used to assess the carrying amounts of assets and liabilities, when the exact amounts are not possible to obtain from other sources.

The actual outcome could differ from these estimates and assessments. The estimates and assumptions that have a significant risk of material adjustments to the values of assets and liabilities within the next year are outlined the values of assets and liabilities within the next year are outlined:

- Inventory obsolescence is made based on individual assessment.
- Bad Debt for accounts receivable is made based on individual assessment.
- Provisions for disputes are made if the outcome is expected to be negative.
- Estimates and assumptions are regularly reviewed.

Definition of Key Ratios**Operating Revenue**

Revenue from the primary business operations, invoiced expenses, incidental revenue, and corrections to revenue.

Profit after Financial Items

Profit after financial income and expenses, but before extraordinary income and expenses

Total Assets

The company's total assets

Equity Ratio (%)

Shareholder's equity as a percentage of total assets

Gothenburg, April 4, 2025

Mr Daniel Dayan, Chairman of the Board
 Mr Ola Cronholm
 Mr Jimmy Derrico
 Mr Henrik Forsberg Schoultz
 Mr Thomas Hedberg
 Mrs Johanna Lamminen
 Mr Christer Simrén
 Mr Doug Smith

Auditor's Report

The financial information, which comprises a brief summary of the of the Group's consolidated financial statements and highlights for the financial year 2024, on pages 58–69 is translated and retrieved from parts of parent company CellMark AB's Annual accounts which the board of the company has submitted for the financial year 2024. The Auditor's Report below is a translation of the Auditor's Report KPMG has submitted regarding the complete Annual accounts for 2024. This translation does not constitute the Auditor's report submitted by KPMG, which for example means that it is not signed. The Auditor's Report in relation to the complete CellMark AB's Annual accounts can be obtained from the Company or the Swedish Company Registration Office ("Bolagsverket").

To the general meeting of the shareholders of CellMark AB, corp. id 556244-2433

Report on the Annual Accounts and Consolidated Accounts

Opinions

We have audited the annual accounts and consolidated accounts of CellMark AB for the year 2024.

In our opinion, the annual accounts and consolidated 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 and the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. 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.

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.

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 CEO

The Board of Directors and the CEO 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. The Board of Directors and the CEO 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 CEO 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 CEO intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

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 CEO.
- 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.

Report on other Legal and Regulatory Requirements

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 CEO of CellMark AB for the year 2024 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 CEO 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 CEO

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 CEO 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 CEO 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.

Gothenburg, April 4, 2025

Johan Pauli
Authorized Public
Accountant
KPMG AB

Filip Larsson
Authorized Public
Accountant
KPMG AB

Board of Directors

Learn more
about our Board
of Directors



Mr Daniel Dayan
Chairman of the Board

Mr Thomas Hedberg
Non-Executive Director

Mr Ola Cronholm
Non-Executive Director

Mrs Johanna Lamminen
Non-Executive Director

Mr Jimmy Derrico
Executive Director

Mr Christer Simrén
Executive Director

Mr Henrik Forsberg Schoultz
Non-Executive Director

Mr Doug Smith
Executive Director



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Project management: CellMark
Concept and theme: Frank & Earnest
Design and production: Skogen / Frank & Earnest
Photography: Philip Liljenberg, Zeynep Alkan (p.33)
Print: Billes, May 2025

The Financial Summary is printed on
environmentally friendly paper, Galerie Art Silk.
Cover: 300 g, inlay: 150 g

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