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Dynasty Update 2020

Dear friends!

2020 is now approaching the end and it has become the time where we with pleasure send you our yearly publication. It is naturally always sad to see yet another year gone but most important to look forward to the new year and to the future.

And as 2020 in many ways has been radically different from any other years, it is good to look forward and not back.

Naturally our Dynasty Update will also see some changes in content. As being impossible to interact personally and globally with our customers, partners and friends during 2020, apart from January/February, the overall headline of this publication should be

HOW TO MANAGE GLOBAL BUSINESS WITHOUT PHYSICAL CONTACT.

But all being in the same situation has naturally alleviated the issue. We have all come to term with the situation and all challenged to conduct our business/services differently and I am happy to see how well this has been and is working. It is possible still to be close with all and to have contacts maintained, using all the assistance of the very open and wide ways of communication. That has been the biggest help and assistance and - I modestly feel - has brought people closer together also.

From travelling globally many days in a year to being in the office daily has naturally equally been an adjustment. I gather also for my colleagues.... But again a lot of positive things has come from this also, as we have all found ways to continue doing our business and familiar service and even also developing new areas and

materials with the support of our strong group of supply partners.

We introduced the DYNASTY PRODUCTION UPDATES from March, which were very well received.

The overall conclusion is that we all manage but everybody in our company MISS the contact, the personal relation development, trade fairs, customer and production visits. We miss being with YOU.

So let me on that note wish for a soon return to normal open global life!

I hope you will enjoy the reading of this scaled down version of our DYNASTY UPDATE and wish you and your families

A Merry Christmas and a Happy New Year.

SEE YOU SOON!



Morten Simonsen
Managing Director

Our family



During the late spring of 2020 Klaus had the fantastic pleasure of **Sara** and her boyfriend Steffen making him a grandfather. Magnus was born on May 5 right in the middle of the first wave of Covid-19. Unfortunately, this also had the implication that for the first almost 3 weeks Klaus was not allowed to see or hold his grandson in person. He only saw him once through a window at the hospital. That was a strange experience. Fortunately, the situation changed when Sara and Magnus were allowed to come home by the end of May. Since then there has been numerous occasions to enjoy his company as Sara and her family only live approx. 16 km from Klaus and Susanne. Sara is presently on maternity leave and is enjoying her time with Magnus and Steffen on their small farm still also including 3 horses, 2 dogs, 2 cats, an unknown number of chickens and 5 goats, so the days are full.



During the past year **Frederik** has worked closely with Klaus on the technical side of the business. Due to travel restrictions he has not been able to have the normal technical visits with our suppliers (and clients) but video conferences have been a great help and assistance. As Frederik has an interest in new technology, he has also been involved in implementing the IT-system "Navision" in our company.

Further, he is very much involved in developing a "new project" including different kinds of platforms which should ease the cooperation between simonsen and our clients. Privately Frederik is living in a house next to Susanne and Klaus and his main interests are still E-sports, American Football (Kansas Chiefs = Superbowl Champions) and F1-racing, which is still enjoyed and discussed with Klaus.



Nikolaj is now just one month from finalising his job as a trainee in the local company dealing mostly with leasing of cars. After this he will continue working in the same company within the sales department. This will give him the opportunity to utilise all the things learned during the last 2 years.



Due to the current restrictions in number of people meeting in one place he has (for the time being) had to give-up his job as a drummer in the local band as the number of jobs was declining to a minimum immediately. He naturally still keeps practicing and has taken up playing the bass as well.

Both hands full - babysitter and horse sitter!

Privately, he still lives at home with Susanne and Klaus. However, is seriously looking for an apartment in Nykøbing.

Even we cannot move too much around, he still enjoys going to car dealerships with Klaus now especially looking at the development in electric cars.



Remember to enjoy life.....

Our family

Both Laura and Olivia are striving and studying hard. Albeit without all the obvious perks of being young and uni students, i.e. parties and general socialising. But both are used to and accustomed to not being physically at the universities and lectures.

Laura is currently studying a master in Crimonology. For the past 4 months, as part of the curricula, she has been working as research intern at the *National Unit against Violence* in Copenhagen. After Christmas she will be writing her master thesis and will graduate with a masters degree in Social Science. So a very different but highly interesting area.

Laura has for the last 6 months been pursuing a future career in crime related research either by a position within a research dept. or by furthering her academic skills with a Ph.d.



Laura, Olivia and Mads-Ole

Olivia is doing her bachelor in Business Economics and will graduate in 2021. Business Economics is a broad degree that gives insight into many sides of business. She sees this education as the stepping stone for either continued studies or work within business, happily globally. She has a keen sense and interest for business, so it will be highly interesting to follow. - Who knows, maybe aluminium, WtE and our businesses could be attractive!

Olivia is living in Aalborg, the 4th largest city in Denmark, together with her boyfriend Mads-Ole. A highly skilled musician who studies at the same university.



Morten and Marianna's dogs Luis and Minni are still fit for fight and best friends with Minni still being the boss, though.

Minni at the office and very much on the alert!



Luis with his favourite toy, the ball.

Never getting tired.....



Dynasty Update Milestones

simonsen 35 years:

December 1, 2019 our company celebrated our 35th anniversary. It was celebrated with the company board and staff at Sallingsund Færgekro.



Morten and Klaus received a very special gift from the staff. A special work of art from a local artist, representing the dynamics of the primary aluminium industry, refractories and materials. This now adorns the company wall and entrance to our offices.

Ruanbo 60 years:

On January 11 Ruanbo had his 60th birthday. We had planned a big celebration in Shanghai at a possible good time but naturally this date has been postponed. However, we do look forward to this when time comes, for sure! Ruanbo did however celebrate with his family in Shanghai at a great restaurant.



We have been together with Ruanbo for 24 years, so still a significant part of his and our life - so our brother in China.



Anders 70 years:

It was the year of big birthdays. Our chairman of the board, Anders Borg, had his 70th birthday also in January. Anders is very fond of classical music and 2020 being the 250th birthday of Beethoven we had invited Anders for a concert with the very well-known violinist Anne-Sophie Mutter. But naturally also postponed, now to 2021. We look forward still to a great evening together.

Anders is also a dedicated and experienced yachter.

Enjoying a boat ride on the Limfjord together with

Digital News

We have used 2020 for further digital development. The possibilities are endless and the key word is

EASY ACCESSIBILITY / INTERACTION

simonsen smiley app:

As you will note and gather from the front page of the Dynasty Update we will introduce a fully interactive SIMONSEN APP. The "smiling" App will be officially introduced in Q1 2021. We are excited to say the least!

This is a long road and will not stop with the App. We are dedicating time and resources to develop our company to make sure we appeal to the younger generations and change with the time.

We are being measured on a digital maturity scale by our advisors and we have moved significantly in the last 1,5 year.



eSignatur:

By the end of 2020 our signatures can be made fully digital. This will be introduced internally in our organisation and will vastly reduce paper and files in the daily handling. Equally, Morten and Klaus will be able to sign all official documents fully legal.

Digital contracts:

By 2021 all our contracts will be digital. Commencing with contracts for our partners and suppliers and also directly in terms of communication/contracts with our global customers. We see more and more documentation from customers being digital and all personal interaction with the Danish authorities has been digitalised for a rather long time already.

We do envisage a fully digital operational platform in our office, limiting paper and making all access much easier. This will also influence the "old" ways of conducting the company, flow of documents, files etc. A huge transition phase but exciting for sure.



Staff

This year we proudly present another 10-year jubilarian.

On December 13 our financial assistant **Annalise** celebrated her 10 years with the company.

Digital Cooperation

Digitalisation has been an important strategy in our company for some time. Thus, we were also ready to adapt to working from home from day to day during spring when the world closed down. We have had access to the same systems and programs from home as at the office and have therefore also been able to continue the task of upgrading and modernising software and work processes in our shipping and financial departments.



Financial Manager Heidi Hove Pedersen and Susanne Simonsen, Export Manager

During the first five months we have implemented the latest version of NAV Business Central and switched to that per 1st June 2020 as planned. For one thing this program makes it possible for us to make all quotations electronically and in the same simonsen layout as other documents which are sent from the office.

A large part of the digitalisation strategy is, besides optimising work processes in all departments, to become paperless wherever possible and relevant. We have upgraded our CRM accordingly and have an electronical archive, Sharepoint, in which all relevant documents regarding orders and shipments are filed. This will result in better possibilities of providing an even better and faster service for the benefit of our customers.

The implementation was only possible to accomplish efficiently due to a good cooperation across all departments in the company.

We work on implementing further digital improvements at the beginning of 2021, among other things forwarding invoices etc. directly from NAVISION (Document Output) as well as internal and external processes of approval by the digital signing tool eSignatur.

In May we temporarily recruited IT/Business Consultant Christina Olesen to make sure that the upgrade and implementation of NAV went efficiently.

When Christina's task was completed here, she went on to work for another lucky company.

Christina became a good friend of the house and is still affiliated to us as a NAV-advisor.



Waste-to-Energy

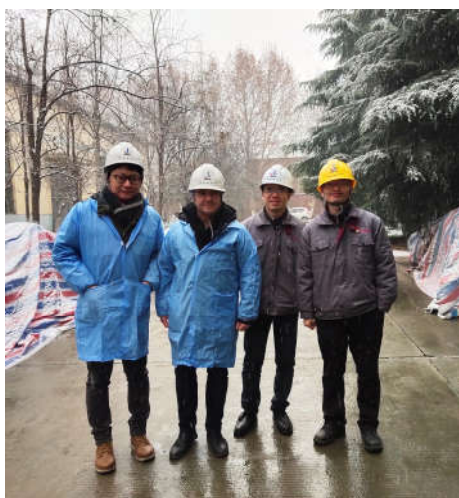


In 2020 we have taken a huge and meaningful step in this market. We are proud that this huge step includes three big projects: Australia-KWINANA Perth project, Waste-to-Energy SHARJAH project and Scotland-EARLS GATE project and we feel confident that this successful year will lead us to achieve another greater goal in the future.

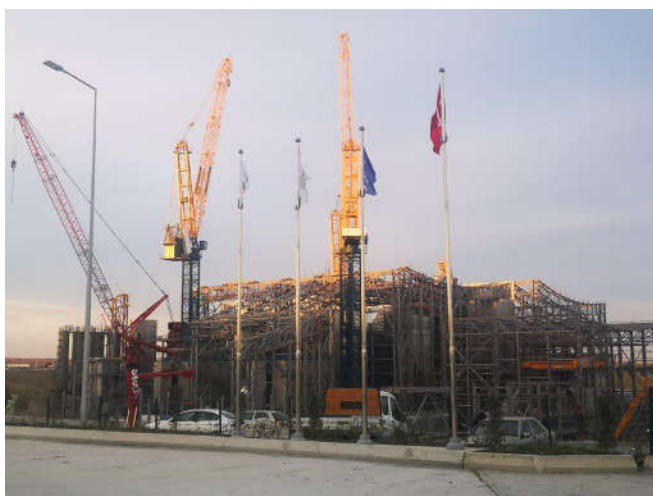
Michael Wang and Ningning Li

We had a great start of 2020 and in January Michael visited LIRR together with Mr. Celal Cakar from Dominion for NSiC BMM Tile System inspection for the Istanbul WtE plant. We are glad to be part of the two milestone projects: the biggest WtE plant in Europe and the first thermal WtE plant in Australia. Together with DOMINION we made things happen!

Production planning strategy for meeting increased demand globally: a brand new production line for NSiC tiles is under construction, not only with an aimed capacity of 10,000 tons per year or more but focus on large-scale machine to machine communications and the latest automation solutions.



Final inspection in January: Michael, Celal Cakar (Dominion), Huang Zhigang and Wang Han (both LIRR)



Istanbul: The biggest WtE plant in Europe is being constructed with three boiler lines. Total capacity: one million tons per year

With CNIM's continued trust and support we are also making progress towards new goals. In 2020 we accomplished 2 productions for the WtE projects in Scotland and UAE. The next Serbian project is on the right track.

It is our great honour to deliver refractory materials to CNIM's projects around the world.

Shanghai Update

"Dear friends,

2020 will pass soon, a very different year, went very quick but also slow, left everybody unforgettable memory...

At the very beginning of the year I spent my 60-years birthday celebration. It was a sweet minute with my family typically with my daughter and grand-daughter from North America. It seems to our people sixty is a boundary for lifecycle but I believe I am still full of energy to fight for work and life.

Around our New Year we got the pandemic switch-off. Thanks to the strong action from the government and endurable & cooperative of the whole society we went over the situation within months. Today the pandemic are under well control and we are back to normal.



And during the suffering period, both our carbon plants, QXC in Ningxia and Jinyang in Shanxi, were keeping full production and delivering products to port on time; my team were doing quality assurance and arranging shipments under close cooperation and instruction from SIMONSEN. Thanks to all them we did timely service to our valued customers worldwide.

Our plant, QXC in Ningxia, has been doing very well, keeping full capacity, supply on time, and also has implemented the second baking furnace innovation project. A new 36 chambers baking furnace has been put into production this November.

Our long time partner Jinyang in Shanxi has also been running smoothly. They are doing expansion project in new plant for carbon sidewall blocks with a capacity of 10 thousand ton per year. A big extrusion press is employed. And the no. 3 baking furnace is also under construction. Next spring the project will be finished and all sidewall production will be moved to the new site with increased capacity.

My team in Shanghai keeps full running over the year, we have two people in shipping while other two in quality assurance. They are closely coordinated by our partner and friend SIMONSEN. We have smooth shipments over the year and our SIM-Gd and SSB in nice quality continuously.

It will soon come to the end of the year. The pandemic is still going on in this world. We feel what you feel and wish you safe and healthy.

May you have a peaceful and beautiful New Year!

Ruanbo from Shanghai"

Upgrading Shanxi

Our Chinese supplier of carbon sidewall blocks - Shanxi Jinyang Carbon Co. Ltd. - producing our SSB-qualities is presently doing a major upgrade in their existing carbon plant. The upgrades, which will most probably be finalised during the first quarter of 2021, include the following:



- Capacity increase for carbon sidewall blocks from approx. 6,000 m.t./year to approx. 10,000 m.t./year
- Installing a 4,000 m.t. extrusion press
- Installing the 3rd baking furnace (40 sections) for both carbon sidewalls and cathodes
- Workshop with completely new grinding facility
- Carbon cathode impregnation facility

Ruan Bo and his team visiting Shanxi plant:



*From left: **Cao Guobin** (Sales Manager, SX), **Lori Zhu**, **Jing Jianying** (Quality Dept. Manager, SX), **Ruan Bo**, **Liang Yangmin** (Deputy GM, SX), **Kevin Zhang** and **Huang Juntao***

Company China

We are proud to announce that we have now formed a fully owned private company in Shanghai:

SIMONSEN REFRACTORY SERVICE (SHANGHAI) CO. LTD.



This will be run by our management in Denmark but fully together with our legal partner Maarten Roos of R&P China Lawyers. Maarten is Dutch and a very good friend with his own legal company in Shanghai.

Scope of the company is to be prepared to develop in China. Not within the primary aluminium and not sourcing for this global industry but to focus on other industries, where we see future potential for growth. - And has to influence to our relationship with Ruanbo and his company and our services and sourcing in China.



Mashio-san

On a very sad and somber note this year we lost our very close family friend Koichiro Mashio - and especially close friend to our late father Jorgen. Mashio died after a short serious illness early in the year.



We are certain that many of our readers will remember Mashio. He was very much a very famous figure and character in the primary aluminium industry, a specialist in his field and this industry and highly regarded for his technical skills and none the less an outstanding personality.

He was a key figure at most conferences, especially the TMS and the Australasian Aluminium Smelting Technology Conference (AASTC).

Together with our father Jorgen he introduced the KARAOKE event on the last dinner evening of the Australasian conference. All global participants had to get up sing either songs from home. Surely, we will all remember the Mashio signature song, he performed at every conference (and every chance he had!): "You are my sunshine, my only sunshine".



Also he was always on the simonsen golf team in New Zealand, latest in 2018, always proudly wearing our simonsen ties!



Mashio WAS indeed a "sunshine" in the industry. He is and will be missed by us all and we hope you will all sing or hum the tune when you read this, in his honour, let him feel and hear it!

Managing Business Relations



Meeting LIRR at a distance!



Company car

Our trusted colleague Michael (Zhiyong Wang) has been hugely responsible for our development within the Waste-to-Energy industry globally. - This in close cooperation with LIRR. A new biz we created in 2016 and we have had considerable success and are growing.

Michael therefore received his first company car this year. A very nice brand new VW Polo. This will also enable him to move around in Denmark with his 2 sons.

But it seems he was not moving all too much - after the first month he only did 500 km, which must have been almost a record for lowest number for a new car!

The idea was for him to be able to drive to our customers in Germany and to airports but naturally not the case, yet.....



TMS 2020

During the end of February Klaus and Frederik participated in the yearly TMS conference, this time in San Diego, a beautiful place. But due to the outbreak of Covid-19 in China and the general situation within the primary aluminium industry, the number of participants was really down compared to previous years.

As usual we did have some interesting meetings and discussions during TMS and among others we did have the pleasure of meeting some very good friends from Hydro, Trimet, Nordural, RTA and Aluar.

Afterwards the below photo and comments were found in the AZ China newsletter:



"It was great to see that the simonsen dynasty is rolling out. Frederik Simonsen was hard to miss, towering over his dad, working in the company in the logistics field. Jorgen would be so proud.

Morten was not able to attend TMS due to a leg injury. Get well soon, Morten".

Visit to Norway

Under normal circumstances we always have a trip to Norway for visiting some of the Hydro facilities during April or May each year. But due to the special circumstances in 2020 this was not possible.



However, by the end of August Klaus and Frederik did get the opportunity to visit some plants. All meetings took place outside of the plants with all regulations on Covid-19 in place. Considering all the travel restrictions we really appreciated having this opportunity to set up meetings with Hydro and to follow up on our discussions from TMS.



The Aluminium Age

This year 2020 is the 200th anniversary of the great Danish physicist H.C. Ørsted's discovery of electromagnetism being the discovery enabling the world to produce aluminium. In fact Ørsted was the first to discover the element aluminium but it was not until 100 years later that his discovery was recognised.



In 1825 when he announced "a metal lump, which in colour and gloss somewhat resembles tin", he was quite modest and did not attribute any further significance to his discovery.

However, aluminium is the most common metal in the earth's crust, making up 8.3 percent of it and thus surpassing iron's 5.6 percent.



When Ørsted died in 1851, aluminium was just a scientific curiosity but a decade later the metal could be produced in larger quantities and, little by little, it began to provoke industrial interest. However, it was extremely expensive and therefore mostly used for ornamental items such as the equestrian helmet made for Frederik VII, which today can be seen at Rosenborg Castle.

It was not until the mid-20th century that aluminium became the basis for large scale industry of enormous proportions. Today 65 million tonnes of pure aluminium is produced annually, which is essential for modern society.

While Ørsted and his generation lived in a coal and iron age, we now live in an aluminium age.

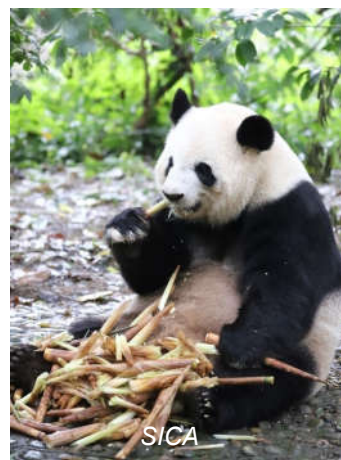


Bird language

SICA

As the previous years we received an update from Jingjing of the Chengdu Panda Base on SICA, our adopted panda:

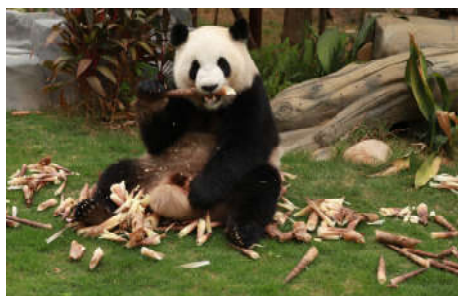
"Name: SICA (Pedigree name = Si Yuan)
Birthday: October 22, 2004
Gender: Female
Stud number: 593
Age: 16
Current living place: Sunshine Nursery House in panda base
Weight: 109 kg
Food menu: Fresh bamboo, fresh bamboo shoots and apples, specific cake etc.



Giant Panda Si Yuan (SICA) was born on October 22, 2004. Her mother is Qi Yuan. She weighed 68 grams at birth. In her childhood she was too weak. Today, however, she weighs up to 109 kg.

In 2012 she gave birth to a male cub (Si Yi). Three Years later she gave birth to twins (Si Nian and Si Junjun). Her children now have grown up and enjoy their independence. For first-time panda mothers they are inexperienced in looking after little babies. Particularly these new mothers don't know how to feed babies and help babies excrete. Sometimes we also meet some panda mothers will be in poor health after childbirth. When that happens, panda keepers need to find a foster mother to look after the babies. SICA is a gentle panda mother with much maternal instinct so she helps with childcare many times.

Now she is living in Sunshine Nursery House. Her life is monotonous but happiness. Our animal keepers have tried help her pregnant this year, unsuccessfully. According to panda expert, false pregnancy is widespread in those female pandas who before had mating experience. False pregnancy lasts for 1 to 2 month usually. A pseudo-pregnancy is not an actual pregnancy but is a condition that closely mimics pregnancy. Si Yuan before had pseudo-pregnancy with loss of appetite, drowsiness, changes of pregnancy hormone. Now 16 year old Si Yuan comes to middle-aged and elderly. Animal keepers provide her with honey water, apples, WoWotou (a steamed bread) and other daily necessities besides bamboos. Chengdu had fallen into early winter, which means the most comfortable season for sunbather (pandas).



Sica is called aunt "white gloves" because she has some white hair on the fore limbs. She is easy identified."

To the left: Si Junjun, one of Sica's twins

Iceland

Travel restrictions were highly enforced during the summer holidays. However, Klaus and his family got the opportunity to go to Iceland being one out of only 4 countries which opened up for tourists from Denmark. The "window" for travelling to Iceland only lasted for 3 weeks and they were lucky to spend 2 of those 3 weeks there.



They rented a car and drove along the coastline all around Iceland and due to the special circumstances they almost had the island to themselves. It was a fantastic experience during which they tried snorkling in 2°C water, going on gletchers, sailing among icebergs, climbing into vulcanoos, experiencing earth quakes etc.



Even though visits were very restricted Klaus and Frederik did get the opportunity to visit and talk to the people at Nordural but only in a meeting room outside the plant.

Meeting was set up the day before their planned departure to Denmark. This was very timely, as Iceland started to close down again the day they left.



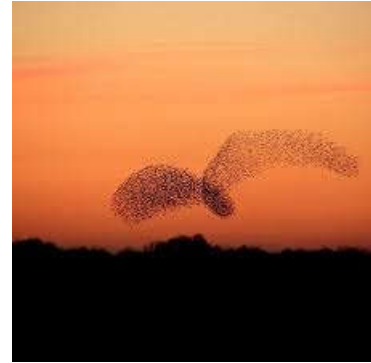
"Seriously, would you share some"

Starling Magic

Sort sol is a murmuration, nature phenomenon in the marshlands in southwestern Jutland of Denmark. Very large numbers of migratory starlings gather there in spring and autumn when they move between their winter grounds in southern Europe and their summer breeding grounds in Scandinavia and other countries near the Baltic Sea.

Sort sol takes place in the hours just after sunset. The birds gather in large flocks and form huge formations in the sky just before they decide for a location to roost for the night. The movements of the formations have been likened to kind of a dance or ballet and the birds are so numerous that they seem to obliterate the sunset, hence the term “sort sol” (Danish for “black sun”).

Sort sol can occasionally comprise a formation with up to one million birds. Usually flocks break up when the number of individuals exceed about half a million birds due to excessive internal disturbances in the flock.



Enjoy these incredible formations!



Danish lesson

Further to previous lessons this time we bring you something about hygge:

LEARNING DANISH WORDS AND EXPRESSIONS WITH 'HYGGE'	
HYGGE [Cosy time/hour] Cosy time on your own or with friends	MORMOR HYGGER OM OS [Granny cosies around us] Granny spoils us/makes us comfortable
UHYGGE [Un-cosy] Scary, spooky, eerie	RÅHYGGE [Raw cosiness] Extremely cosy / chilling with friends
VI SKAL RIGTIG HYGGE [We'll really cosy] We'll have a lovely time	TAK FOR EN HYGGE AFTEN [Thank you for a cosy evening] Thank you for a lovely evening
DET LYDER HYGGE [That sounds cosy] Sounds good/like sth I'll enjoy	HYGGEKROG [Cosy nook] A small place dedicated to cosiness
EN HYGGE FÆTTER [A cosy cousin] A pleasant and friendly guy	HVOR BOR I HYGGE [You live very cosily] You have a lovely home
HYGGESNAK [Cosy chat] A lovely chit chat	HYG DIG! [Cosy yourself / Have a cosy time!] Enjoy yourself!

- Line 1: The Danish expression
 Line 2: Translation word by word
 Line 3: The English explanation

How to hygge in Danish

Hygge is a feeling you cannot translate.

Hygge is an important and well-used word in Danish. Denmark can be dark, cold and dreary up to six months a year and it often rains. To survive the Danish weather, hygge is a vital part of life in Denmark.

An overall definition of hygge:

- ◇ Practise hygge all by yourself or in the company of friends and family
- ◇ Hygge can take place indoors or outdoors - in the summer or the winter
- ◇ Hygge can be a cup of tea in the comfort of your home or a glass of wine with friends in town

Common hygge equipment:

Hygge on your own: books, candles, warm socks, a blanket, hot tea or chocolate, sweets

Hygge in company: candles, board games, live music, wine, beer, good food, great conversations, bonfire, barbeque

You can use some of the equipment or all. The most important part is that it is low-key and that you are comfortable and relaxed.



Nykøbing View



A happy Christmas and a prosperous 2021 to you and your families!

Warmest regards,
Morten

Klaus



