unicon
CEMENTIR HOLDING

2023 ANNUAL REPORT

Because you only cast once.

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Management's review

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LETTER FROM MANAGEMENT

The financial year 2023 was greatly influenced by macroeconomic challenges and uncertainties, resulting in an escalation of interest rates, high inflation, and severe increases in raw material prices, ultimately leading the Danish economy to stagnate. These global external factors resulted in a notable slowdown of the Danish ready-mix concrete (RMC) market, bringing the RMC market down to levels similar to those seen following the 2008 financial crisis. Despite the challenging circumstances, everyone at Unicon has demonstrated exceptional dedication, resulting in Unicon navigating through the year and achieving significant earnings compared to the volume produced sold while still maintaining market share.

Robust financial results

Despite a downturn in RMC market activity, Unicon achieved a revenue of DKK 1,186m (-11%). Earnings before depreciation and amortisation (EBITDA) amounted to DKK 178m (-14%). Despite this decline, we have been able to maintain a positive trend in cash flow from operating activities (CFFO) which ended at DKK 211m (2022: DKK 144m). The free cash flow (FCF) was DKK 184m (2022: DKK 124m), and net interest-bearing debt (NIBD) amounted to DKK -53m (2022: DKK -5m).

Revenue and earnings realised in 2023 are below expectations for the year due to the decline in the construction sector caused by the macroeconomic challenges. Taking the market conditions into consideration, the result for the year is satisfactory.

Casting a greener future with CO_2 reduced concrete

Our commitment to environmental leadership was notably exemplified in 2023, as we changed our standard product to UNI-GREEN which is fully based on FUTURECEM®. To push ourselves and the industry further, we have also introduced the UNI-GREEN PLUS® series, utilising the 56-day strength. This innovation enables us to reduce CO_2 emissions even more by up to 50% compared to conventional concrete in the same class. This underscores our commitment to drive sustainable innovation and setting new industry standards, with products that have been verified by EPD to have the lowest CO_2/m^3 levels in the Danish RMC market.

In 2023, we also launched a new initiative in collaboration with our customers to challenge the specifications defined for construction sites and in tender processes.

A circular future in the construction industry

Another significant focus area on our path towards a more sustainable future is our dedication to the circular economy, manifested in comprehensive initiatives such as water collection and recycling of concrete at all our concrete plants, reuse of excess concrete and a zero-waste target. Currently, we are able to successfully recycle 50% of all surplus concrete produced at Unicon into new concrete.

A more sustainable fleet

As part of our efforts to reduce our CO_2 emissions, we are committed to lowering the carbon footprint of our fleet. Having gained good experience with the world's first serially-produced electric truck mixer from 2021, Unicon took the next step towards emissions-free distribution in 2023 by introducing a new generation of electric truck mixers with greater range and payload. Consequently, Unicon joined Volvo Trucks in presenting the world's first electric tractor and concrete semitrailer combination, which features a range of up to 300 kilometers without recharging and load sizes of over 11 cubic meters of ready-mixed concrete possible.

We prevent

Prioritising health and safety is paramount at Unicon. In response to the ever-growing importance of these areas, we increased significantly the resources and capabilities of our Health, Safety and Environment (HSE) department in 2023. Despite improvements in Health & Safety culture, three minor Lost Time Injuries (LTI) occurred in 2023. This is the lowest number in the last ten years, but still not satisfactory. Our goal is to not just maintain but reinforce our focus on health and safety and achieving zero accidents.

A Great Place to Work

In 2023, we invested in comprehensive training programmes for our all our employees, expanded opportunities for apprentices and young talents, and intensified our efforts to enhance overall employee job satisfaction. Following insights from our annual employee engagement survey, we have introduced regular pulse surveys to monitor the impact of our initiatives, ensuring continuous improvements in our work environment and helping to retain our valuable employees.

"Having gained good experience with the world's first serially-produced electric truck mixer from 2021, Unicon took the next step towards emissions-free distribution in 2023 by introducing a new generation of electric truck mixers with greater range and payload."

↘

Casper Mathiasen, Managing Director

Our focus on ESG

Building upon our commitment to sustainability, we are proud to present our first-ever ESG report, where we delve deeper into our work with the ESG agenda. In 2023, we initiated multiple initiatives across the entire ESG agenda including implementing a new Quality Management System according to DS/EN ISO 9001, collaborations across our industry, increased focus on training and people development, etc. We invite you to explore our ESG Report 2023 to learn more about these initiatives and many others.

Events after the balance sheet date

No events have occurred subsequent to the balance sheet date through to this date which would influence the evaluation of this annual report.

Expectations to 2024

Going into 2024, Unicon remains agile and scalable, ready to adapt to any market fluctuations. Backed by its robust contract portfolio, Unicon anticipates a more stable and predictable year. We aim to focus even more on our customers and to remain their preferred supplier, thereby retaining our market share and potentially growing it in specific regions. The focus in 2024 is on strengthening our local presence around existing plants and improving our customers' journeys. For the year 2024, the company expects to achieve revenue of approximately EUR 160m and earnings (EBIT) in the range of EUR 11-12m.

Søren Holm Christensen, CEO
Henrik Jeppesen. CFO
Casper Mathiasen, Managing director

UNICON IN BRIEF

Unicon A/S was founded in 1926 and is the leading producer and partner for ready-mixed concrete, serving both private and professional customers in Denmark. With 33 concrete plants, we are the only company capable of delivering concrete throughout the entire country, and thanks to our advanced production and logistics systems, we guarantee concrete of the right quality and on-time delivery.

1926

Unicon was founded in 1926

350

Unicon employs more than 350 employees located across Denmark.

33

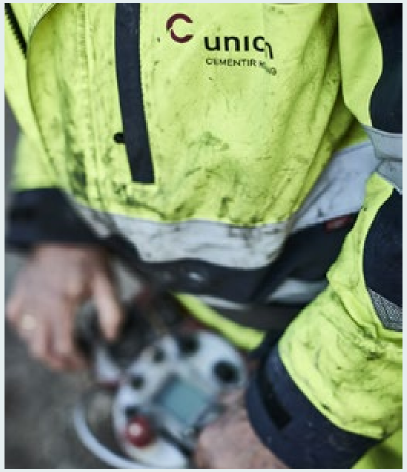
Unicon has 33 plants across Denmark.

200

Unicon operates its own fleet of 200 trucks and trailers.

1 mio.

Unicon produces more than 1 million cubic meters of concrete annually.



Because you only cast concrete once

Ready-mixed concrete is a concrete product specially tailored by Unicon to suit the unique requirements of each customer's construction project. The concrete is delivered in a fresh, moldable, and unset state from one of our 33 plants in Denmark.

Since we were founded in 1926, we have developed extensive technical expertise and a well-documented product range, enabling us to offer customized concrete solutions for all types of construction projects. Our wide range of concrete pumps and pumping accessories means that no concrete pouring task is impossible.

At Unicon, we recognise that every concrete pour presents a single chance for success, regardless of its size. Every pour is equally important, and when customers have only one chance to get it right, Unicon is the clear choice. We are dedicated to consistently delivering the best solution for our clients every time.

Part of a group

Unicon A/S is a part of Aalborg Portland Holding, owned by the Italian Cementir Group. Cementir is a multinational group operating in 18 countries across the building materials sector and employing around 3,000 people globally. The Group's annual production capacity amounts to more than 13 million tonnes of grey and white cement, around 10 million tonnes of aggregates and 5 million cubic metres of ready-mixed concrete. The group has several affiliated companies, including Unicon AS in Norway, AB Sydsten in Sweden and our subsidiary, Kudsk & Dahl A/S, which operates two aggregate quarries in southern Denmark.

For more information on Cementir Group, see www.cementirholding.com, for Unicon AS, see www.unicon.no, for AB Sydsten, see www.sydsten.se, for Kudsk and Dahl A/S, see www.kudsk-dahl.dk and for Unicon A/S, see www.unicon.dk.

1926

Our founder, engineer **Kristian Hindhede**, establishes KH Beton and built Europe's first RMC (Ready-Mixed Concrete) plant.

1927

KH Beton becomes a part of the FLSmidth Group.

1927-1987

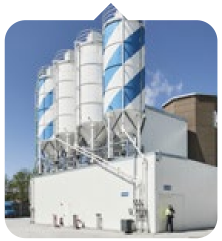
KH Beton grows and becomes one of the **largest RMC** (Ready-Mixed Concrete) producers in Denmark.

1998

Eight RMC companies within the FLSmidth Group, including KH Beton, are merged under the name Unicon A/S.

2004

Italian **Cementir Holding acquires** Aalborg Portland and Unicon. Unicon becomes a part of Aalborg Portland Holding.



2006

Unicon acquires 4K Beton and becomes the largest producer and supplier of RMC (Ready-Mixed Concrete) on the Danish market.

2008

Unicon acquires the raw material company **Kudsk & Dahl.**

2021

Unicon introduces the first mass-produced, **100% electric** rotating concrete mixer truck.

REPORTING IN ACCORDANCE WITH DANISH ACCOUNTING LEGISLATION

Regarding the mandatory statement on corporate social responsibility, cf. section 99(a) of the Danish Financial Statements Act, reference is made to "Sustainability Report 2023" published by the Group's owners Cementir Holding N.V., Netherlands. The statement is available at https://www.cementirholding.com/en/sustainability/sustainability-report-and-documents.

In relation to the provisions in Denmark on the gender composition of management in large companies, cf. section 139(a) of the Danish Companies Act and section 99(b) of the Danish Financial Statements Act, the Group continues to apply its policy on gender equality in recruitment and promotions in that the key consideration when filling any position in the organisation remains to identify the best qualified person for that position.

The sector in which the Group operates is historically characterised by a predominantly male workforce. In order to achieve a balanced composition of management, the Group wishes to increase the proportion of female managers, and the work to attract female candidates for senior positions will continue in pursuance of our policy on gender equality and the achievement of our gender distribution targets in the Danish subsidiaries.

Senior Management	2023
Total members	3
Underrepresented gender in %	0
Target in per cent	33.3
Target year	2026

Other Management levels	2023
Total members	5
Underrepresented gender in %	0
Target in per cent	33.3
Target year	2027

Increasing diversity at all management levels will remain a focus area in the coming years. While no specific diversity initiatives were launched in relation to the Board of Directors in 2023, a talent management training programme was introduced to support and increase the awareness of potential future managers within the organisation.

In Unicon, diversity is not limited to geography but is approached broadly based on a wide range of qualification and competence requirements. Diversity is also important in terms of seniority, educational background, age, gender, ethnicity, religion, sexual orientation, and disability. The Company acknowledges that diversity depends on inclusion but also that both diversity and inclusion challenges are unique for each of the Group's teams and locations. Therefore, efforts are made at all locations to increase diversity, and locally in Denmark, work continues in relation to e.g. conscious/unconscious bias in connection with employment and recruitments.

In accordance with the Danish rules for large companies with operations relating to i.a. the extraction of mineral deposits, cf. section 99(c) of the Danish Financial Statements Act, the Group explains its payments to authorities in a note to the consolidated financial statements. The payments relate in particular to direct and indirect taxes.

In accordance with the Danish rules for large companies, cf. section 99(d) of the Danish Financial Statements Act, the Parent Company of Unicon, Aalborg Portland Holding, has issued a Policy on Data Ethics. The policy addresses the data ethics principles applied by the Aalborg Portland Holding Group and describes the approach to data processing covering all data types. This includes e.g. the use of new technologies and responsible use of data, including personal data protection (GDPR). Data Ethics is an integral part of the compliance programme of the Aalborg Portland Holding Group and Group Management has the overall responsibility for compliance with the Policy on Data Ethics. Implementation of the data ethics policy at the operational level is anchored in Group IT. In 2023, the Aalborg Portland Holding Group continued the work on data ethics issues in accordance with the policy. The policy is reviewed on a yearly basis and no changes were made in 2023. The policy is available at https://aalborgportlandholding.com/en/data-ethics.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PHILIPS

FINANCIAL HIGHLIGHTS

Net revenue 1,186
DKK '000

2023	1,186
2022	1,330
2021	1,182
2020	1,069
2019	1,037

Free cash flow 185
DKK '000

2023	185
2022	125
2021	166
2020	180
2019	145

Return on capital employed (ROCE) 21%
%

2023	21%
2022	29%
2021	24%
2020	19%
2019	15%

EBITDA 178
DKK '000

2023	178
2022	207
2021	197
2020	165
2019	135

Net interest-bearing debt -53
DKK '000

	-53
2022	-5
2021	-3
2020	36
2020	83

Equity ratio 58%
%

2023	58%
2022	58%
2021	56%
2020	56%
2019	55%

FIVE-YEAR OVERVIEW

DKK '000	2019	2020	2021	2022	2023
INCOME STATEMENT					
Revenue	1,037	1,069	1,182	1,330	1,186
Earnings before depreciation/amortisation, impairment losses, provisions, interest and tax (EBITDA)	**135**	**165**	**197**	**207**	**178**
EBITDA ratio	*13%*	*15%*	*17%*	*16%*	*15%*
Earnings before interest and tax (EBIT)	**66**	**93**	**126**	**132**	**102**
EBIT ratio	*6%*	*9%*	*11%*	*10%*	*9%*
Earnings before tax (EBT)	**104**	**121**	**173**	**173**	**94**
Profit for the year	**88**	**101**	**128**	**144**	**72**
CASH FLOWS					
Cash flows from operating activities (CFFO)	159	199	215	144	211
Cash flows from investing activities (CFFI) *	-14	-19	-49	-19	-26
Free cash flow (FCF)	**145**	**180**	**166**	**125**	**185**
* Hereof investments in property, plant and equipment	-17	-22	-55	-30	-27
BALANCE SHEET					
Total assets	898	867	944	1,008	965
Shareholders' equity	490	489	528	583	564
Net interest-bearing debt (NIBD)	**83**	**36**	**-3**	**-5**	**-53**
Working capital (WC)	**-7**	**-12**	**-65**	**-48**	**-66**
FINANCIAL RATIOS					
Including non-controlling interests' share					
Return on equity	18%	21%	25%	26%	13%
Equity ratio	55%	56%	56%	58%	58%
Return on capital employed (ROCE)	15%	19%	24%	29%	21%
NIBD/EBITDA factor	0.6	0.2	0.0	0.0	-0.3
Number of employees at 31 December	**363**	**347**	**379**	**393**	**359**

For definition of financial ratios, see page 35.

FINANCIAL REVIEW

Profit and loss account

Revenue in 2023 amounted to DKK 1,186m (2022: DKK 1,330m).

Sale of ready-mix in Denmark declined by 24% compared to 2022.

The financial results were impacted by a decline in the Danish ready-mix market that was primarily due to the negative impact of higher interest rates and inflation, bringing the ready-mix market down to levels seen post the 2008 financial crisis. The company successfully navigated a year of difficult market conditions requiring the implementation of cost optimisation initiatives and yet still achieved some of the highest earnings relative to volume in company history, while still retaining market share.

Operating profit before depreciation (EBITDA ratio) reached 15.0% (2022: 15.5%).

Earnings before interest and tax (EBIT) amounted to DKK 101.7m (2022: DKK 132.4m).

Tax on profit for the year amounted to DKK 22.0m (2022: DKK 29.6m), net profit for the year being DKK 72.2m (2022: DKK 143.7m).

Cash flows

Cash flow from operating activities (CFFO) was DKK 210.7m for 2023 (2022: DKK 143.6m).

Cash flow from investment activities (CFFI) amounted to DKK -26.3m (2022: DKK -19.3m).

Debt and financial resources

Unicon is part of the cash pool held by the parent company, Aalborg Portland Holding A/S. Unicon has access to funding through the parent company financing facility.

Balance sheet

Non-current assets amounted to DKK 652.0m at 31 December 2023 (2022: DKK 710.0m), of which DKK 419.4m (2022: DKK 408.8m) is related to property, plant and equipment and DKK 16.8m (2022: DKK 24.6m) is related to intangible assets.

Current assets amounted to DKK 312.9m (2022: DKK 297.6m), mainly related to receivables.

Shareholders' equity

Shareholders' equity amounted to DKK 564.2m at the end of 2023 against DKK 582.6m the year before. The decrease in shareholders' equity was due to the profit for the year less the dividend paid to Aalborg Portland Holding A/S.

Equity ratio was 58.5% at the end of 2023 (57.8% in 2022).

Working capital

Working capital, i.e. the capital tied up in debtors and inventories less creditors, was at a low level through focused control and reporting in relation to agreed targets. Keeping down working capital saves interest expenses and frees up resources for investment, etc. The positive development in working capital was partly due to the implementation of a factoring setup for selected customers.

Working capital at the end of 2023 amounted to DKK -65.5m (DKK -47.5m in 2022).

Subsidiaries

Norway
The Norwegian subsidiary experienced a significant decline in financial performance during 2023, primarily due to a substantial downturn in the construction sector, the most significant downturn since the 2009 financial crisis. The volumes of ready-mix concrete sold declined by 25% compared to 2022. Mitigation measures have been or are in the process of being implemented to curb the market impact, but were unable to offset the effects of reduced sales volume. Consequently EBIT declined with 52% compared to 2022.

Sweden
The Swedish construction market experienced a significant decline during 2023 due to macroeconomic developments which resulted in inflation and interest rate increases which had an immediate negative impact on all market segments. Volumes sold declined by 42% in ready-mix and by 18% in aggregates compared to 2022. EBIT declined significantly during 2023 and cost optimisation initiatives have been implemented to offset the impact of reduced sales volume and stabilise future earnings.

GROUP CHART

- **Cementir Holding N.V.**
  - **Aalborg Portland Holding A/S** 100%
    - **Unicon A/S** 100%
      - **Unicon AS** 100%
      - **Kudsk & Dahl A/S** 100%
      - **AB Sydsten** 50%
        - **Skåne Grus AB** 60%
        - **Ågab Grus AB*** 40%
      - **Ecol-Unicon Sp. z o.o.*** 49%

*Joint venture

RISKS AND UNCERTAINTIES

Internal control and risk management system

Unicon is integrated with the Cementir Group's Internal Control and Risk Management System, defined as the set of tools, organisational structure, procedures and company rules to guarantee, through an adequate process of identification, measurement, management and monitoring of the main risks, correct and consistent business management with objectives set in terms of:

- compliance with laws and regulations;
- safeguarding of corporate assets;
- operating activity effectiveness and efficiency;
- reporting accuracy and completeness.

The Internal Control and Risk Management System adopts a "top-down" and "risk-based" approach that starts from the definition of the Cementir Group's Industrial Plan. It ensures that the main risks are identified, assessed and monitored taking into account each business unit, to create a fully integrated risk management process. Risks are assessed with quantitative and qualitative tools considering both the probability of occurrence and the impacts that would be generated in a given time horizon if the risk were to occur. It also ensures that all necessary measures are taken to control risks that could threaten the Group's assets, its ability to generate profits or achieve its objectives.

Roles and responsibilities in risk management have been defined starting from the Company's Board of Directors, which defines strategy, policy and risk appetite, supported by the Audit Committee and the Sustainability Committee. In addition, management teams from the Group companies are involved, with responsibility for risk management within their area of expertise.

Below is a summary of the people and bodies involved and their responsibilities:

- **The Board of Directors** plays the central role, defining the Company's risk appetite, the nature and level of risk. In addition, it carries out an assessment of the risks related to climate change ensuring the constant compatibility of management and strategic objectives.
- **The Cementir Group's Audit Committee and the Sustainability Committee** (corporate bodies relevant in the risk definition process) support the Board of Directors, subject to a favourable opinion, in the definition and management of risks;
- **CEO & Chairman:** implements the general guidelines of the Board of Directors, ensuring the identification, management and monitoring of the main risks;
- **Risk owners,** or the first level of control, are primarily responsible for internal control and risk management activities;
- **Finally, Risk Management and Internal Audit** are the main responsible for the internal control and risk management system (second and third level of control). They are responsible for verifying that the Internal Control and Risk Management System is functioning and adequate with respect to the size and operations of the Group, verifying, in particular, that the Management has identified the main risks, that they have been evaluated in a consistent manner and that the appropriate mitigation actions have been defined and implemented.

The Cementir Group's Internal Control and Risk Management System is integrated into the Group's organisational, administrative, accounting and governance structure and has been prepared on the basis of the principles laid down by the Enterprise Risk Management - Integrated Framework, an international standard developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO Report), also ensuring greater detail in the identification of the risks of the companies and Group and integration with the results of the Audit activities. The methodology followed involves an iterative process consisting of the following steps:

- Risk identification: the process starts with the definition of the Industrial Plan and focuses on the main risks that could compromise the achievement of the Group's objectives;
- Risk assessment: for each identified risk, management gives an inherent risk assessment (in the absence of controls/mitigation actions), in terms of probability and impact during the horizon of the Industrial Plan, using a 5-level assessment system (scoring):
  - Impact: scale from 1 (Negligible) to 5 (Extreme);
  - Probability: scale from 1 (Rare) to 5 (More than Likely)
- With regard to impact, three parameters are considered: economic (quantitative), operational (qualitative), reputational (qualitative). Management at Region and Group level assesses the potential impacts and likelihood of major risks that could have a material adverse effect on the company's current or future operations. For sustainability and climate-related risks, the time horizon was extended to a long-term view for the analysis of the various threats that could jeopardise the success of the "10-year Roadmap to Sustainability". For more details, see the 2023 Non-Financial Statement;
- Identification and assessment of the adequacy of the existing principals: for each identified risk, all the controls/actions currently in place for risk mitigation are identified with the management;
- Residual Risk Assessment: taking into account the individual controls for each risk and the relative adequacy, the residual risk is calculated by applying a uniform calculation methodology to all Group companies;
- Identification of further actions: in the event that the residual risk is higher than the predefined level of risk appetite, further actions are agreed with management to mitigate the risk and contain it within acceptable levels. The initiatives are taken promptly and within budget limits, to effectively contribute to risk mitigation;
- Risk mitigation: mitigation strategies are defined with specific action plans for key risks;
- Reporting: reports are prepared at the company and Group level, showing the main risks and initiatives taken by management to reduce the risks to acceptable levels;
- Monitoring: the following are reviewed periodically: existing risk assessments, assessment parameters, and new risks can be identified if necessary.

The model, as described, subject to further and future updates, aims to provide support for the decision-making and operational processes of the company management, so as to reduce the possibility that specific events could compromise the Group's ordinary operations or the achievement of its strategic objectives.

To this end, the risk appetite level adopted in relation to strategic risks is consistent with the vision of creating value, while always respecting the environment and promoting integration with local communities. In relation to operational risks, the risk appetite level is defined on the basis of the effectiveness and efficiency targets set by the management.

Provisions for compliance and financial reporting are different. The Group does not accept an assumption of non-compliance risk for laws and regulations (including those relating to safety), and of possible alterations to the integrity of financial reporting.

The Cementir Group's Internal Control and Risk Management System is integrated with the Group's Sustainability Strategy. Starting from 2021 the Cementir Group launched a project to implement the recommendations of the TCFD (Task Force on Climate-Related Financial Disclosure) committing to be transparent on risks and opportunities related to climate change. The identification, assessment and effective management of risks and opportunities related to climate change are fully integrated into the Group's risk management process. To promote and improve its climate change disclosure, in 2022, the Group engaged Standard & Poor's (S&P) to assess physical and transitional climate risks and develop scenario analyses to support the implementation of the TCFD guidelines. The analysis carried out by S&P showed that the Cementir Group scored 100% on the overall assessment of the eleven recommendations of the TCFD, which represents a complete and transparent level of disclosure achieved. Furthermore, the Group is integrating the guidelines published by the European Union "EU Taxonomy Regulation", which together with the TCFD constitute the reference frameworks. For more details, see the paragraph "Main risks to which the group is exposed".

In relation to accounting and financial reporting, the existing Internal Control System ensures its accuracy and completeness through constantly updated administrative and accounting procedures.

Furthermore, as part of the compliance activities with the COSO structure, during the year, the Internal Audit function carries out audit activities on the aforementioned procedures to ascertain that the provided key controls are being correctly applied by the involved company structures. The assessment of the internal control system on financial reporting provided for by Cementir Group procedures was carried out based on this activity.

On the basis of the activity carried out by the Internal Audit department and the related results, the Audit Committee assessed the Internal Control and Risk Management System as adequate, effective and appropriate for dealing with business, operational, environmental, financial and compliance risks.

Starting from October 2023, the Group has launched the strategic initiative for the digitalization of Risk Management aims to enhance organizational resilience by leveraging advanced technology solutions, streamlining data-driven risk assessments, and implementing real-time monitoring capabilities, fostering a proactive and agile approach to risk mitigation across all business functions. The digitalization of Risk Management will commence with the updating of the model during 2024, ensuring our risk management practices are at the forefront of industry standards.

Financial statements

IN THIS CHAPTER

INCOME STATEMENT

DKK '000	NOTE	2023	2022
Revenue		1,186,299	1,330,090
Cost of sales	1	772,917	839,485
Gross profit		**413,382**	**490,605**
Sales and distribution costs	1	255,258	293,999
Administrative expenses	1	68,561	74,762
Profit from ordinary operating activities		**89,563**	**121,844**
Other operating income	2	13,835	10,555
Other operating costs	2	1,736	0
Earnings before interest and tax (EBIT)		**101,662**	**132,399**
Share of profit after tax, enterprises	3	-10,192	40,579
Share of profit after tax, joint ventures	4	4,522	3,405
Financial income	5	6,291	719
Financial expenses	5	8,125	3,730
Earnings before tax (EBT)		**94,158**	**173,372**
Tax on profit for the year	6	22,000	29,626
Profit for the year		**72,158**	**143,746**
Proposed distribution of profit			
Transfer to next year	7	-30,304	21,722
Net revaluation according to the equity method		-47,538	37,024
Proposed dividends for the financial year		150,000	85,000
		72,158	**143,746**

BALANCE SHEET

DKK '000	NOTE	2023	2022
Fixed assets			
Goodwill		16,729	20,746
Other intangible assets		49	3,838
Intangible assets	8	**16,778**	**24,584**
Land and buildings		99,336	103,857
Plant and machinery		138,510	153,195
Fixtures, tools and equipment		3,912	3,901
Tangible assets in course of construction		16,307	1,801
Right-of-use assets		161,321	146,080
Property, plant and equipment	9	**419,386**	**408,834**
Investments in subsidiaries	3	184,151	250,863
Investments in joint ventures	4	31,666	25,691
Fixed asset investments		**215,817**	**276,554**
Total fixed assets		**651,981**	**709,972**
Current assets			
Raw materials and consumables		25,285	24,875
Inventories	10	**25,285**	**24,875**
Trade receivables	11	60,307	116,439
Receivables from group enterprises	11	218,541	137,539
Other receivables	11	728	557
Prepayments	11	6,590	1,354
Receivables		**286,166**	**255,889**
Cash funds		**1,450**	**16,827**
Total current assets		**312,901**	**297,591**
TOTAL ASSETS		**964,882**	**1,007,563**

DKK '000	NOTE	2023	2022
EQUITY AND LIABILITIES			
Shareholder's equity			
Share capital		150,000	150,000
Reserve for net revaluation according to the equity method		18,516	66,054
Retained earnings		245,649	281,584
Proposed dividends for the financial year		150,000	85,000
Total shareholders' equity		**564,165**	**582,638**
Provisions			
Deferred tax liabilities	12	9,567	10,083
Other provisions	13	2,050	2,392
Total provisions		**11,617**	**12,475**
Liabilities			
Credit institutions, etc.		125,223	113,416
Non-current liabilities	14	**125,223**	**113,416**
Credit institutions, etc.		38,248	34,312
Trade payables		143,706	144,183
Payables to group enterprises		11,166	46,408
Joint taxation contribution payable		24,498	29,463
Other payables	15	46,259	44,668
Current liabilities		**263,877**	**299,034**
Total liabilities		**389,100**	**412,450**
TOTAL EQUITY AND LIABILITIES		**964,882**	**1,007,563**

STATEMENT OF SHAREHOLDERS' EQUITY

DKK '000	NOTE	Share capital	Reserve for net revaluation according to the equity method	Retained earnings	Proposed dividends for the financial year	Total
Shareholders' equity 1 January 2022		**150,000**	**29,030**	**263,556**	**85,000**	**527,586**
Exchange rate adjustments		0	4,785	-17,734	0	-12,949
Equity movements in subsidiaries		0	-11,745	21,000	0	9,255
Reserve according to equity method		0	43,984	-43,984	0	0
Profit for the year		0	0	143,746	0	143,746
Movement for the year at the equity		**0**	**37,024**	**103,028**	**0**	**140,052**
Dividend paid		0	0	0	-85,000	-85,000
Proposed dividends for the financial year		0	0	-85,000	85,000	0
Shareholders' equity at 31 December 2022		**150,000**	**66,054**	**281,584**	**85,000**	**582,638**
Exchange rate adjustments		0	8,616	-13,199	0	-4,583
Equity movements in subsidiaries		0	-50,484	49,436	0	-1,048
Reserve according to equity method		0	-5,670	5,670	0	0
Profit for the year		0	0	72,158	0	72,158
Movement for the year at the equity		**0**	**-47.538**	**114.065**	**0**	**66,527**
Dividend paid		0	0	0	-85,000	-85,000
Proposed dividends for the financial year		0	0	-150,000	150,000	0
Shareholders' equity at 31 December 2023		**150,000**	**18,516**	**245,649**	**150,000**	**564,165**

The share capital consists of shares of nominal DKK 1.000 or multiples of these.

CASH FLOW STATEMENT

DKK '000	NOTE	2023	2022
Profit for the period		**72,158**	**143,746**
Reversal of amortisation and depreciation		71,478	69,419
Reversal of revaluation / impairment losses		501	347
Share of net profits of equity-accounted investees		5,670	-43,984
Net financial income / expense		-46,754	-17,297
Gains/losses on disposals		449	-9,763
Income taxes		74,603	53,952
Change in provisions (current and non-current)		-341	335
Operating cash flows before changes in working capital		**177,764**	**196,755**
Increase / decrease Inventories		-410	-1,095
Increase / decrease Trade receivables		52,382	-43,370
Increase / decrease Trade payables		-34,431	26,459
Change in non-current/current other assets/liabilities		-3,963	-9,359
Change in current and deferred taxes		16	0
Operating cash flows		**191,358**	**169,390**
Dividends received		49,436	21,000
Interests received		5,296	623
Interests paid		-4,875	-3,008
Other income collected/expenses paid		-3,009	-125
Income taxes paid		-27,479	-44,245
Cash flow from operating activities		**210,727**	**143,635**

DKK '000	NOTE	2023	2022
Investments in property, plant and equipment and inv. property		-26,677	-29,914
Proceeds from sale of property, plant and equipment		380	10,581
Cash from investing activities		**-26,297**	**-19,333**
Payment of lease liabilities		-38,317	-33,647
Other cash movement of financial receivables		-76,490	11,126
Dividend distributed		-85,000	-85,000
Cash flow from financing activities		**-199,807**	**-107,521**
Net change in cash and cash equivalent		-15,377	16,781
Cash and cash equivalent opening balance		16,827	46
Cash and cash equivalent closing		**1,450**	**16,827**

NOTES

1. Staff costs

DKK '000	NOTE	2023	2022
Wages and salaries		196,135	209,968
Pension contributions		20,194	19,535
Social security contributions		3,736	3,715
		220,065	**233,218**
Number of employees at 31 December		359	393

Remuneration to the board of directors amounted to DKK 0.1 m in 2023 and DKK 0.1m in 2022. In 2023 and 2022, remuneration to the management is paid via management fee to Aalborg Portland Holding A/S. Remuneration to the management is DKK 2.0m in 2023 and DKK 1.9m in 2022.

2. Other operating income and other operating costs

DKK '000	NOTE	2023	2022
Other operating income			
Rental income		911	788
Profit from sale of fixed assets		1,287	9,763
Insurance compensations		5,000	0
Contract compensations		6,250	0
Other income		387	4
		13,835	**10,555**
Other operating costs			
Loss from sale of fixed assets		1,736	0
		1,736	0

3. Investments in subsidiaries

DKK '000	NOTE	2023	2022
Cost at 1 January		209,472	227,206
Exchange rate and other adjustments		-13,199	-17,734
Cost at 31 December		**196,273**	**209,472**
Adjustments at 1 January		41,391	6,661
Exchange rate adjustments		6,315	5,206
Profit after tax		-10,192	40,579
Equity movements in subsidiaries		-1,048	9,255
Dividend received		-48,588	-20,310
Adjustments at 31 December		**-12,122**	**41,391**
Carrying amount at 31 December		**184,151**	**250,863**

Investments in subsidiaries

DKK '000	Shareholders' equity	Ownership interest (%)	Unicon's share of profit before tax	Unicon's share of profit after tax	Unicon's share of shareholders' equity
Unicon AS, Norway	136,004	100	-22,005	-17,193	78,833
AB Sydsten, Sweden	95,374	50	3,542	2,531	81,363
Kudsk & Dahl A/S, Denmark	19,485	100	5,732	4,470	23,955
			-12,731	**-10,192**	**184,151**

4. Investments in joint ventures

DKK '000	NOTE	2023	2022
Cost at 1 January		1,028	1,028
Cost at 31 December		**1,028**	**1,028**
Value adjustments at 1 January		24,663	22,369
Exchange rate adjustments		2,301	-421
Profit shares		4,522	3,405
Dividend for the year		-848	-690
Adjustments at 31 December		**30,638**	**24.663**
Carrying amount at 31 December		**31,666**	**25,691**

DKK '000	Shareholders' equity	Ownership interest (%)	Unicon's share of profit before tax	Unicon's share of profit after tax	Unicon's share of shareholders' equity
Ecol-Unicon Sp. z o.o., Poland	64,625	49	6,525	4,522	31,666
			6,525	**4,522**	**31,666**

The voting rights does not differ from the ownership interest held.

5. Financial income and expenses

DKK '000	NOTE	2023	2022
Financial income			
Interest and other financial income		297	313
Interest income, Group enterprises		5,000	311
Realised exchange rate gains		31	3
Unrealised exchange rate gains		963	92
		6,291	**719**
Financial expenses			
Interest and other financial expenses		4,873	1,228
Interest expenses, Group enterprises		2,957	1,907
Realised exchange rate losses		86	1
Unrealised exchange rate losses		209	594
		8,125	**3,730**

6. Tax on profit for the year

DKK '000	NOTE	2023	2022
Current tax on the profit for the year		24,498	29,463
Adjustment of deferred tax		-516	1,972
Adjustment previous years		-1,982	-1,809
		22,000	**29,626**

7. Proposed distribution of profit

DKK '000	NOTE	2023	2022
Transfer to next year		-30,304	21,722
Net revaluation according to the equity method		-47,538	37,024
Proposed dividends for the financial year		150,000	85,000
		72,158	**143,746**

8. Intangible assets

	2023	2022
DKK '000	Goodwill	Goodwill
Cost at 1 January	172,343	175,391
Exchange rate and other adjustments	-3,632	-3,048
Cost at 31 December	**168,711**	**172,343**
Amortisation at 1 January	151,597	150,629
Exchange rate	-3,631	-3,048
Amortisation for the year	4,016	4,016
Amortisation at 31 December	**151,982**	**151,597**
Carrying amount at 31 December	**16,729**	**20,746**

	Other intangible assets	Other intangible assets
Cost at 1 January	104,957	104,957
Cost at 31 December	**104,957**	**104,957**
Depreciation at 1 January	101,119	95,015
Depreciation for the year	3,789	6,104
Depreciation at 31 December	**104,908**	**101,119**
Carrying amount at 31 December	**49**	**3,838**

Performed impairment tests have supported carrying values.

9. Property, plant and equipment

DKK '000	2023	2022
	Land and buildings	**Land and buildings**
Cost at 1 January	370,055	370,210
Additions	855	1,860
Disposals	0	-11,031
Transfer	0	9,016
Cost at 31 December	**370,910**	**370,055**
Depreciation and impairment losses at 1 January	266,198	271,468
Reversed depreciation on disposals	0	-10,620
Depreciation for the year	5,376	5,350
Depreciation and impairment losses at 31 December	**271,574**	**266,198**
Carrying amount at 31 December	**99,336**	**103,857**

Property, plant and equipment, continued

DKK '000	2023	2022
	Plant and machinery	**Plant and machinery**
Cost at 1 January	397,645	390,990
Additions	9,019	25,903
Disposals	-8,661	-40,784
Transfer	1,584	21,536
Cost at 31 December	**399,587**	**397,645**
Depreciation and impairment losses at 1 January	244,450	260,522
Reversed depreciation on disposals	-7,832	-40,377
Depreciation for the year	24,459	24,305
Transfer	0	0
Depreciation and impairment losses at 31 December	**261,077**	**244,450**
Carrying amount at 31 December	**138,510**	**153,195**

Property, plant and equipment, continued

DKK '000	2023	2022
	Other fixtures, tools and equipment	Other fixtures, tools and equipment
Cost at 1 January	33,662	92,902
Additions	713	350
Disposals	-579	-60,007
Transfer	0	417
Cost at 31 December	**33,796**	**33,662**
Depreciation at 1 January	29,761	89,074
Reversed depreciation on disposals	-579	-60,007
Depreciation for the year	702	694
Depreciation at 31 December	**29,884**	**29,761**
Carrying amount at 31 December	**3,912**	**3,901**

Property, plant and equipment, continued

DKK '000	2023	2022
	Tangible assets in course of construction	Tangible assets in course of construction
Cost at 1 January	1,801	30,966
Additions	16,090	1,801
Transfer	-1,584	-30,966
Cost at 31 December	**16,307**	**1,801**
Carrying amount at 31 December	**16,307**	**1,801**

Property, plant and equipment, continued

DKK '000	2023	2022
	Right-of-use assets	Right-of-use assets
Cost at 1 January	249,814	220,088
Additions	55,156	37,476
Disposals	-28,827	-7,749
Transfer	0	-1
Cost at 31 December	**276,143**	**249,814**
Depreciation and impairment losses at 1 January	103,734	78,204
Reversed depreciation on disposals	-26,065	-7,438
Depreciation for the year	37,153	32,968
Transfer	0	0
Depreciation and impairment losses at 31 December	**114,822**	**103,734**
Carrying amount at 31 December	**161,321**	**146,080**

Property, plant and equipment, continued

DKK '000	2023	2022
Depreciation, Land and buildings	2,433	2,035
Depreciation, plant and machinery	34,720	30,933
Interest on lease liabilities	1,683	1,076
Short-term leases	3,175	3,175
Total amounts recognised in the income statement	**42,011**	**37,219**

10. Inventories

No material impairment has been made during the year and no material inventories are measured at a net realisable value under the actual cost price.

11. Receivables

Receivables with maturity after one year amount to DKK 0.0m (2022: DKK 0.0m).

12. Deferred tax liabilities

DKK '000	NOTE	2023	2022
Deferred tax liabilities			
Intangible assets		-4,177	-3,473
Property, plant and equipment		14,027	13,836
Current assets		91	95
Provisions		-374	-375
Deferred tax liabilities at 31 December		**9,567**	**10,083**

The year's changes in deferred tax liabilities		**Deferred tax liabilities**
Deferred tax liabilities at 1 January 2023		10,083
Movements through the income statement		-516
Deferred tax liabilities at 31 December 2023		**9,567**

The Company's basis for deferred tax reflects the differences between the carrying amount and the tax value of the Company's assets and liabilities.

The Company's valued tax assets are essentially not subject to time limits.

13. Other provisions

DKK '000	2023	2022
Other provisions at 1 January	2,392	2,057
Additions	0	350
Disposals in the year	-342	-15
Other provisions at 31 December	**2,050**	**2,392**

The provisions are mainly related to guarantee work and demolition liabilities for buildings etc.

14. Non-current liabilities

Non-current liabilities falling due later than 5 years after the end of the financial year:

DKK '000	2023	2022
Leases	28,244	26,635
	28,244	**26,635**

15. Other payables

Other payables include due holiday pay, taxes, public duties and interest payable.

16. Contingent liabilities

DKK '000	2023	2022
Guarantees	531	531

Lease expenses recognised in the income statement are in accordance with IFRS16, reference is made to note 9.

Unicon A/S is taxed jointly with other Danish companies in the Aalborg Portland Holding Group. As a 100% owned subsidiary, the company is jointly and unlimited liable with the other companies in the joint taxation of Danish corporate taxes within the joint taxation group. Payable corporate taxes in the joint taxation group amounted to DKK 30.5 m at 31 December 2023. Any subsequent corrections of the taxable income subject to joint taxation could cause a higher liability of the company.

17. Fee to the auditors appointed at the Annual General Meeting

Total fee to auditors appointed at the Annual General Meeting to be specified as follows:

DKK '000	2023	2022
Statutory audit	666	539
Other assurance engagements	0	-8
Other services	0	4
	666	**535**

18. Related party transactions

Related parties with significant influence:
Aalborg Portland Holding A/S, Rørdalsvej 44, 9220 Aalborg Øst, owns 100% of the shares in Unicon A/S.
Cementir España S.L., Calle General Yagüe, Num. 13, 28020 Madrid, Spain
Cementir Holding N.V., Zuidplein 36, 1077 XV Amsterdam, Netherlands
Caltagirone S.p.A., Via Barberini, 28, 00187 Rome, Italy

Related parties within Unicon A/S comprise the enterprises' Board of Directors and Management together with family related to these persons.

Furthermore, related parties comprise enterprises in which the above-mentioned persons have significant interests.

DKK '000	NOTE	2023	2022
Transactions with Aalborg Portland Holding A/S:			
Intra-group management and administration agreements and royalties		4,347	4,582
Financial items, net		274	-214
Financial receivables		28,821	18,446
Financial payable		0	173
Trade payables		1,047	1,310
Transactions with other related parties:			
Intra-Group management and administration agreements		1,670	1,408
Cost of sales		50,830	51,237
Other operating income		227	343
Trade receivables		502	49
Trade payables		451	4,633

19. Financial risks and instruments

The Company has no financial instruments at 31 December 2023.

20. Post-balance sheet events

There have been no post-balance sheet events material to this Annual Report which have not been recognised or mentioned.

21. Accounting policies

General
The Annual Report 2023 of Unicon A/S is prepared in accordance with the Danish Financial Statements Act for large companies in reporting class C, with the adoption of some IFRS standards.

The annual report 2023 is presented in thousand Danish kroner.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Recognition and measurement in general
The financial statements have been prepared under the historical cost convention.

Income is recognised in the income statement as it is earned, including recognised value adjustments of financial assets and liabilities measured at fair value or amortised cost. Furthermore, costs incurred to achieve year earnings are recognised in the income statement, including depreciation, impairment losses and provisions as well as reversals due to changes in accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will accrue to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the liability value can be reliably measured.

On initial recognition assets and liabilities are measured at cost. Subsequent measurement of assets and liabilities are made as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost, which includes a constant effective interest rate over the term. Amortised cost is calculated as original cost less depreciation and allowance / deduction of accumulated depreciation of the difference between cost and the nominal amount. Hereby exchange rate gains and losses are allocated according to the life of the asset or liability.

Recognition and measurement take into account predictable losses and risks, which appear before the annual report is presented, and which confirm or deny the conditions that existed at the balance sheet date.

DKK is used as functional currency. All other currencies are considered foreign currency.

Foreign currency translation
Transactions in foreign currencies are translated at the exchange rate of the date of transaction. Any foreign exchange variances between the rates at the transaction date and the payment date are stated in the income statement as financial items.

Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the balance sheet date. Any foreign exchange variances between the rates at the transaction date and the payment date or the balance sheet date, respectively, are stated in the income statement as financial items.

Non-monetary assets and liabilities in foreign currencies are stated at the rate of exchange at the date of transaction.

Income statements of foreign subsidiaries and joint ventures that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

On full or partial disposal of a foreign operation or on repayment of balances which constitute part of the net investment in the foreign operation, the share of the cumulative amount of the exchange differences recognised directly in equity relating to that foreign operation is recognised in the income statement when the gain or loss on disposal is recognised.

An average exchange rate is used if it does not significantly deviate from the exchange rate ruling at the transaction date.

The assets and liabilities of a foreign company acquired are translated at the exchange rate at the date of transaction (acquisition date).

Income statement

The annual report is classified by function.

Revenue
Revenue is recognised in the income statement on delivery and passing of the risk to the buyer and when the income can be measured reliably and is expected to be received.

Revenue is measured at fair value of the consideration agreed excl. VAT charged on account of third party. All kinds of discounts are recognised in Revenue.

All revenues are related to sales in Denmark.

Trade receivables recognised as services delivered are invoiced to the customer and are not adjusted for any financing components as credit terms are short – typically between 20 to 45 days – and the financing component therefore insignificant.

Cost of sales
Cost of sales comprises of raw materials, consumables, direct labour costs and indirect production costs such as maintenance, depreciation and operation of production plant as well as administration and plant management.

Sales and distribution costs
Sales and distribution costs comprise direct distribution and marketing costs, salaries for the sales and marketing functions, depreciation as well as other indirect costs.

Administrative expenses
Administrative costs comprise the costs of the year for management and administration of the company, including costs for administrative staff and management, offices, office expenses and depreciation.

Other operating income and costs
Other operating income and costs comprise items of a secondary nature in relation to the activities of the Group, including certain grants, rentals, fees, etc.

Other operating income and costs also comprise profit on disposal of individual assets, land and buildings which are not related to a total disposal of an activity.

Profit/loss from investments in subsidiaries
The proportionate share of the profit/loss after tax of subsidiaries is recognised in the income statement and the financial statements of the Parent Company and after elimination of the proportionate share of intra-group unrealised profits/losses, and deduction of impairment and depreciation of group goodwill.

Profit/loss from investments in joint ventures
The proportionate share of the profit/loss after tax of joint ventures is recognised in the consolidated income statement and after elimination of the proportionate share of intra-group unrealised profits/losses, and deduction of impairment and depreciation of group goodwill. Profit/loss on disposal of joint ventures are presented in the income statement. Costs related to the disposal are recognised in the statement of profit/loss.

Financial items
Interest income and expenses comprise interest, exchange rate gains and losses on securities, debt and transactions in foreign currency and depreciation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc. Realised and unrealised gains and losses on derivative financial instruments that are not qualified as hedge accounting are also included.

Tax
Tax for the year comprises current tax and changes in deferred tax.

Current tax comprises tax payable calculated on the basis of the expected taxable income for the year, using the applicable tax rates for the financial year and any adjustment of tax for previous years.

Tax related to changes in shareholders' equity is restated on equity.

Deferred tax is recognised and measured according to the balance sheet liability method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for taxation purposes, except differences relating to goodwill not deductible for tax purposes.

Deferred tax is calculated based on the applicable tax rates for the individual financial years. The effect of changes in the tax rates is stated in the income statement unless it relates to items previously entered directly in Shareholders' equity.

Deferred tax assets, including the value of tax loss carry-forwards, are recognised under other fixed assets at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Tax assets are presented under other fixed assets as a separate item.

Unicon A/S is jointly taxed with the parent company Aalborg Portland Holding A/S and all Danish enterprises. The current Danish corporation tax is allocated between the jointly taxed Danish companies in proportion to their taxable income.

Balance sheet

Intangible assets

Goodwill
On initial recognition, goodwill is recognised in the balance sheet at cost as described under "Business combinations". Subsequently goodwill is measured at cost less accumulated impairment and depreciation.

Goodwill is amortised over its estimated useful life, which is determined on the basis of management experience in the individual business areas.
- Goodwill. The amortisation period is up to 20 years.

Development projects, patents and other intangible assets
Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or

development opportunities in the Company is demonstrated, and where the Company intends to complete, market and use the individual project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings or the net selling price can cover production costs, selling and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Intangible assets are measured at cost less accumulated amortisation and impairment.

Cost comprises wages and salaries, depreciation and other costs attributable to the Group's development activities.

Specifically developed software applications with a high degree of company-specific adjustments are considered to have an economic life of up to 15 years.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life from the date when the asset is available for use. The depreciation period is:

- Development costs, up to 5 years.
- Software applications, up to 15 years.
- Licences and other rights, up to 20 years.

Property, plant and equipment
Property, plant and equipment are measured at cost less accumulated depreciation and impairment.

The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, and wages and salaries.

Deemed costs for dismantling and disposal of the asset and re-establishment are added to cost if the deemed costs are recognised as a provision. The cost of total assets is split into separate components, which are depreciated separately if the useful lives of the individual components differ.

Financing costs on loans to finance manufacture of property, plant and equipment are included in the cost price if related to the manufacturing period. All other financing costs are recognised in the income statement.

Subsequent costs, e.g. in connection with replacement of components of property, plant and equipment, are recognised in the carrying amount of the asset if it is probable that the costs will result in future economic benefits for the Group. The carrying amount of the replaced components are derecognised in the balance sheet and recognised as an expense in the income statement. All costs incurred for ordinary repairs and maintenance are recognised in the income statement as incurred.

Depreciation is charged on a straight-line basis during the estimated useful life of the asset concerned until it reaches the estimated scrap value.

Estimated useful lives are as follows:

- Buildings, 20 - 40 years
- Plant and machinery, 5 - 25 years
- Other fixtures, tools and equipment, 3 - 10 years
- Leasehold improvements, up to 5 years.

Newly acquired assets and assets of own construction are depreciated from the time they are available for use. Land is not depreciated, unless it is used for raw material extraction after individual assessment.

The basis of depreciation is calculated on the basis of the scrap value less impairment losses. The scrap value is determined at the acquisition date and reassessed annually. If the scrap value exceeds the carrying amount, depreciation is discontinued.

When changing the depreciation period or the scrap value, the effect on the depreciation is recognised prospectively as a change in accounting estimates.

Lease assets and lease liabilities
Unicon Group mainly leases land, trucks, vehicles and office buildings. When entering into a contract, it is assessed whether the contract is a lease or contains a lease component. A lease is defined as a contract or part of a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. When assessing whether a contract contains a lease component, it must be considered whether, during the period of use, the lessee has the right to essentially all economic benefits from the use of the identified asset and the right to direct the use of the identified asset.

A right-of-use asset and a lease liability is recognised at the commencement date.

Unicon Group leases cars including a service component in the payments to the lessor. This service is separated from the lease payment when measuring the lease liability. If it is not possible to separate lease components and non-lease components, it is considered a single lease component.

Lease liabilities recognised as "Credit institutions and interest-bearing liabilities" are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, we have used the incremental borrowing rate.

The lease payments consist of fixed and variable lease payments that depend on an index or a rate, guaranteed residual values, purchase options and extension options, if it is reasonably certain to exercise the option and termination penalties, if the lease term reflects our exercising an option to terminate the lease. The lease liability is subsequently adjusted as follows, if:

The value of the index or rate on which the lease payments are based is changed.

- The exercise of options is changed in order to extend or terminate the lease due to significant events or a significant change in circumstances within the Company's control.
- The lease term is changed if the option is exercised in order to extend or terminate the lease.
- Estimated residual value guarantee is changed.
- The contract is renegotiated or modified.

Any subsequent adjustment of the future lease liability is recognised as an adjustment to the right-of-use asset. If the carrying amount of the right-of-use asset is DKK 0, a negative adjustment to the right-of-use asset is, however, recognised in the income statement.

The right-of-use asset is initially measured at cost comprising amount of initial measurement of the lease liability plus any initial direct costs and any estimated costs of dismantling and removal of the asset at the end of the lease term which the Company is under an obligation to incur and any prepaid lease payments and less any lease incentives received.

The right-of-use asset is depreciated over the shorter of the lease term and the useful life of the right-of-use asset.

Short-term leases with a maximum lease term of 12 months and leases for low-value assets are not recognised in the balance sheet.

Impairment of assets
Goodwill and intangible assets with an indefinite useful life are subject to an annual impairment test. The first test is carried out before the end of the acquisition year.

The carrying amount of goodwill is impairment tested at least once a year together with the other non-current assets in the cash-generating unit to which the goodwill is allocated, and an impairment to the recoverable amount is made in the income statement if the carrying amount is higher. The recoverable amount is calculated as the higher of selling price less expected disposal costs and the value in use. The value in use is computed as the present value of the expected future cash flows from the entity of activity (cash-generating unit) to which the goodwill is allocated.

The carrying amount of non-current assets, except for goodwill, intangible assets with an indefinite useful life, deferred tax assets and financial assets, is reviewed each year to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is estimated. The recoverable amount is the higher value of the asset's selling price less expected disposal costs and its value in use.

An impairment loss is recognised if the carrying amount of an asset or a cash-generating unit exceeds the recoverable amount of the asset or the cash-generating unit.

Impairment of Intangible assets and Property, plant and equipment is charged to the same items as the related depreciation.

Investments in joint ventures
Investments in joint ventures are measured according to the equity method.

Investments in joint ventures are recognised in the balance sheet as the proportionate share of the equity value of the entities stated in accordance with the Group's accounting policies, adding or deducting the proportionate share of unrealised intra-group profits and losses.

The total net revaluation of investments in joint ventures is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in joint ventures.

Joint ventures with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Inventories
Raw materials and consumables are measured at cost. Cost is computed according to the weighted average cost method.

The cost of goods for resale and raw materials and consumables comprises purchase price plus delivery costs.

The cost of work in progress and finished goods comprise direct production costs with addition of indirect production costs. Indirect production costs include operating costs, maintenance and depreciation of production plant and plant management.

If the net realisable value is lower than cost, write-down is made to this lower value.

Receivables
Receivables are measured at the lower of amortised cost and net realisable value, which corresponds to nominal value less net of impairment losses after individual assessment. Carrying amounts of trade receivables includes receivables subject to factoring arrangement. Trade receivables are recognised net factored trade receivables.

Prepaid expenses
Prepaid expenses are measured at amortised cost.

Investments in subsidiaries
Investments in subsidiaries are measured according to the equity method.

Investments in subsidiaries are recognised in the balance sheet as the proportionate share of the equity value of the entities stated in accordance with the Group's accounting policies, adding or deducting the proportionate share of unrealised intra-group profits and losses.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Equity
Dividends
Dividends are recognised as debt at the time of approval at the annual general meeting (time of declaration). Dividends which are proposed for distribution are therefore stated separately in the shareholders' equity.

Interim dividends are recognised as debt at the time of decision.

Net revaluation reserve according to the equity method
Net revaluation reserve according to the equity method comprises net revaluation of equity investments in associates in proportion to cost.

Dividends that are expected to be received before the balance sheet date are not tied to the reserve. Reserves may be eliminated in connection with loss, realisation of equity investments or changes in accounting estimates.

Reserves cannot be recognised at a negative amount.

Pensions, defined contribution schemes
In contribution pension schemes the employer is obliged to pay a specific contribution (e.g. a fixed sum or a fixed percentage of the pay). In a contribution scheme the risk in respect of future developments in interest rate, inflation, mortality and invalidity is not borne by the Group. Payments by the Group into defined contribution schemes are stated in the income statement for the period to which they apply and any outstanding payments are stated in the balance sheet as Other payables.

Provisions
Provisions are recognised when, as a result of past events, the Group has a legal or a constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation.

When measuring provisions, deemed costs are discounted. When the Group has a legal obligation to dismantle or remove an asset or restore the site on which the asset is located, a provision is recognised corresponding to the present value of expected future costs.

Provisions relating to obligations relate to guarantee work, severance costs, re-establishment of gravel pits, demolition liabilities for buildings and silos on rented land, etc.

Provisions are measured as the best estimate of the expenses required to settle the obligation at the balance sheet date.

On measurement of provisions, the costs required to settle the liability are discounted if the effect is material to the measurement of the liability. A pre-tax discount factor is used that reflects the current market interest rate level plus risks specific to the liability. Changes in present values during the year are recognised as financial expenses.

To the extent that at the end of the year further minor supplies etc. for completion of an order are outstanding, accounting provisions are made. Outstanding supplies, for which price and volumes have been agreed upon, are recognised as liabilities. The rest of the reserved amount is allocated to provisions. The provision covers the expected cost of its own completion, subsequent warranty supplies and unsettled claims from customers or sub-suppliers.

Financial liabilities
Amounts owed to credit institutions are recognised when raising the loan at the proceeds received less transaction costs. Subsequent measurement is made at amortised cost so that the difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other payables consist of holiday pay obligations, supplementary holiday pay, taxes and levies and interest payable. Other payables are recognised at amortised cost prices, usually corresponding to the nominal value.

Cash flow statement
The cash flow statement for the Group is presented according to the indirect method and shows the composition of the cash flow divided into operating, investing and financing activities, respectively, and the cash funds at the beginning and end of the year.

The cash flow statement is based on earnings before depreciation, impairment, provisions, interest and tax (EBITDA).

In the statement of working capital/loans a distinction is made between interest-bearing and non-interest-bearing items plus cash funds.

- Cash funds consist of cash in hand and bank deposits.
- Loans represent total interest-bearing debt items less interest-bearing receivables.
- All other non-interest-bearing receivables and debt items are regarded as working capital.

Cash flows from operating activities are stated as the year's profit adjusted for non-cash operating items, changes in working capital, financial items and paid tax.

Cash flows from investing activities comprise payments made in connection with the acquisition and disposal of property, plant and equipment.

To the extent that enterprises or joint ventures buy-back treasury shares, this is regarded as disposal of securities and is thus included as a reduction of cash flows from investing activities, and not as the dividends as cash flows from operating activities.

Cash flows from financing activities comprise payments to and contributions from owners as well as the raising and repayment of loans.

Omission of consolidated financial statements
Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Unicon A/S and group entities are included in the consolidated financial statements of Aalborg Portland Holding A/S, Rørdalsvej 44, 9220 Aalborg Øst, Denmark, CVR no. 14 24 44 41.

Financial ratios

EBITDA ratio
Earnings before depreciation/amortisation, impairment losses, provisions, interest and tax (EBITDA).
Revenue

EBIT ratio
Earnings before interest and tax (EBIT).
Revenue

ROCE
NOPAT
Average invested capital

NOPAT
Net Operating Profit After Tax
Earnings before interest and tax (EBIT) x
(1 – effective tax rate)

Capital employed
Intangible assets + tangible assets + working capital

NIBD/EBITDA factor
Net interest-bearing debt (NIBD)
EBITDA

Return on equity
Profit
Average shareholders' equity

Equity ratio
Shareholders' equity
Total assets

Net interest-bearing debt (NIBD)
Interest-bearing liabilities less interest-bearing assets

Working capital
Inventories, trade receivables and trade payables.

Signatures

IN THIS CHAPTER

STATEMENT BY THE BOARD OF DIRECTORS AND THE EXECUTIVE BOARD

The Board of Directors and the Executive Board have today discussed and approved the annual report of Unicon A/S for the financial year 1 January – 31 December 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

In our opinion the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's activities and financial matters, of the results for the year and of the Group's and the Parent Company's financial position.

We recommend the annual report for adoption at the Annual General Meeting.

Vejle, 11 March 2024

Board of Directors

Bjarne Moltke Hansen
Chairman

Marco Maria Bianconi
Vice Chairman

Søren Holm Christensen
Chief Executive Officer

Carsten Ottsen
Employee Representative

Flemming Grand
Employee Representative

Executive Board

Søren Holm Christensen
Chief Executive Officer

Henrik Jeppesen
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Unicon A/S

Opinion
In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Unicon A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of cash flows, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review
Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's Responsibilities for the Financial Statements
Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could

reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Aarhus, 11 March 2024
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Henrik Trangeled Kristensen	**Thyge Belter**
State Authorised	State Authorised
Public Accountant	Public Accountant
mne23333	mne30222

Company information

IN THIS CHAPTER

COMPANIES IN THE GROUP

The Company

Unicon A/S
Ulvehavevej 61
7100 Vejle
Denmark
Tel. +45 70 10 05 90
E-mail: info@unicon.dk
Internet: www.unicon.dk
CVR No 16 06 49 39

Board of Directors

Bjarne Moltke Hansen
Chairman
Marco Maria Bianconi,
Vice Chairman
Søren Holm Christensen
Carsten Ottsen*
Flemming Grand*
*Elected by the employees

Executive Board

Søren Holm Christensen,
CEO, Nordic & Baltic
Henrik Jeppesen,
CFO, Aalborg Portland Holding

Owners

Unicon A/S is 100% owned by Aalborg Portland Holding A/S.

Aalborg Portland Holding A/S is included in the Group financial statements for Cementir Holding N.V., the Netherlands and Caltagirone S.p.A., Italy.

Annual General Meeting

22 April 2024 at
Rørdalsvej 44, 9220 Aalborg Øst

			Nominal share capital (in 000)	Direct holding*	Minorities
Unicon A/S	**Denmark**	**DKK**	**100.000**	**-**	
Unicon AS	Norway	NOK	13,289	100.0%	
AB Sydsten	Sweden	SEK	15,000	50.0%	50.0%
ÅGAB Syd AB**	Sweden	SEK	500	40.0%	
Skåne Grus AB	Sweden	SEK	1,000	60.0%	40.0%
Ecol-Unicon Sp. Z o.o.**	Poland	PLN	1,000	49.0%	
Kudsk & Dahl A/S	Denmark	DKK	10,000	100.0%	

* Ownershare is stated as direct holding of the superjacent enterprise.
** Joint ventures. Others are Group companies.

Unicon A/S
Ulvehavevej 61
7100 Vejle
Denmark

CVR: 16 06 49 39
www.unicon.dk

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CEMENTIR HOLDING