Silvasti Transport A/S

Fabriksvej 8
DK-9690 Fjerritslev

CVR no. 30 55 61 00

Annual report 2022

The annual report was presented and approved at the Company's annual general meeting on

30 June 2023

Mikael Alfred Schmidt
Chairman of the annual general meeting

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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 Silvasti Transport A/S for the financial year 1 January – 31 December 2022.

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 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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

We recommend that the annual report be approved at the annual general meeting.

Jammerbugt, 30 June 2023
Executive Board:

Mikael Alfred Schmidt

Board of Directors:

Ville Pentti Silvasti Chairman	Panu Jukka Silvasti	Mikael Alfred Schmidt

Independent auditor's report

To the shareholders of Silvasti Transport A/S

Opinion

We have audited the financial statements of Silvasti Transport A/S for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are 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 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

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.

Management's responsibility 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 that 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 as to 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 in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made 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 judgement and maintain professional scepticism throughout the audit. We also

Independent auditor's report

— identify and assess the risks of material misstatement of the company 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 of the Management's review.

Aalborg, 30 June 2023
KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Steffen S. Hansen
State Authorised
Public Accountant
mne32737

Management's review

Company details

Silvasti Transport A/S
Fabriksvej 8
DK-9690 Fjerritslev

Telephone:	+45 98 21 73 76
CVR no.:	30 55 61 00
Established:	29 June 2007
Registered office:	Jammerbugt
Financial year:	1 January – 31 December

Board of Directors

Ville Pentti Silvasti, Chairman
Panu Jukka Silvasti
Mikael Alfred Schmidt

Executive Board

Mikael Alfred Schmidt

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havnegade 22D
DK-9000 Aalborg
CVR no. 25 57 81 98

Management's review

Financial highlights

DKK'000	2022	2021	2020	2019	2018
Key figures					
Gross profit/loss	45,190	75,310	49,403	38,953	63,446
Profit/loss before financial income and expenses	-7,434	12,630	4,551	5,708	19,047
Profit/loss from financial income and expenses	-1,773	-1,496	258	885	-2,046
Profit/loss for the year	-7,246	8,815	3,678	5,116	13,055
Total assets	112,055	93,386	52,364	55,006	86,616
Equity	24,070	31,363	14,666	10,993	5,882
Investment in property, plant and equipment	14,518	397	457	305	0
Ratios					
Return on equity	-26%	38%	29%	61%	-2,022%
Solvency ratio	21%	34%	28%	20%	7%

The financial ratios have been calculated as follows:

Return on equity $\frac{\text{Profit after tax x 100}}{\text{Average equity}}$

Solvency ratio $\frac{\text{Equity ex. non-controlling interests at year-end x 100}}{\text{Total equity and liabilities at year-end}}$

Management's review

Operating review

Principal activities

The Company's principal activity is to run a transport and logistics company and any related activities.

Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK -7,246,255 as against DKK 8,815,341 in 2021.

Equity in the Company's balance sheet at 31 December 2022 stood at DKK 24,070,478 as against DKK 31,362,763 at 31 December 2021.

The Group has access to cash resources through the Parent Company if needed.

During the 2022 fiscal year, KLVS Group, which Silvasti Transport A/S is part of, continued developing its wind power and project business services. Furthermore, large development projects for TCI – services have been successfully conducted. In TCI services company will expand its range of services to transports, cranes and installations. The company has great expectations for a new range of services where clients have shown considerable interest towards our new range of services. The first contract of TCI services for a large size windfarm project is targeted to sign during the summer of 2023. Another significant expansion in our range of services is developing the service business for wind turbines. In the service business, we made the first commercial projects in 2022. Currently, the framework agreement phase is going on with wind power manufacturers, and we expect the service to grow in the future.

The Group structure continues to consolidate. In 2022 two major acquisitions were made within the Group. To expand the range of logistics services company acquired Härnösand port in Sweden. For recent years, Härnösand port has been a large hub of project logistics, especially for wind power and heavy industrial goods. The acquisition was in line with the company's strategy to expand a new range of services, and the port has already served that purpose. In the future, the Northern part of Sweden and the Härnösand area plans large wind power projects for onshore and offshore in the coming years. In the nearby area, a large battery factory has been confirmed. Härnosand Port will play a significant role both during the building process and when production commences. During 2022 and 2023, the Group has continued to develop the port to accommodate the growing demand for port services in the region. During the last three years, the Group has been renting a significant amount of fleet from company Luxtrailers. Luxtrailers was acquired to integrate the state-of-the-art fleet into the company's fleet pool. The company has even better opportunities to respond profitably to customers' most demanding transportation and project logistics needs.

2022 was indeed a very challenging year on many fronts. Due to the post-corona effect, the volume of new-build wind power projects has dropped to a level not seen since 2013. On top of that, the war in Ukraine postponed already-planned projects for several years. That has affected the turnover significantly. The turnover of wind power in Nordic countries dropped to one-fourth compared to the 2021 level. To compensate new market situation, the company re-entered the German markets. The market situation in Nordic countries puts considerable pricing pressure on both German and Nordic projects. That, combined with a new permit application structure in Germany that did not accommodate a large number of permit applications, caused a permit chaos in Germany for heavy transports. That caused huge losses in our German projects. The low market in Nordic, together with the losses in German projects, generated a non-profitable year in 2022 for the Group.

Outlook

To compensate low market of Nordic windpower, the company put in a considerable effort to develop the volume of special transport business. The extensive sales efforts have successfully doubled our turnover in the heavy business segment. The successful development of the heavy segment business has continued well into 2023.

Management's review

Operating review

Environmental matters

The Group strives to renew its equipment to meet the latest environmental standards and to provide its services as efficiently as possible while sustaining the environment. The Group has multi-year procurement agreements with trailer and truck suppliers.

Objectives and policies of financial risk management

The Company is not exposed to any significant financial risks.

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2022.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2022	2021
Gross profit		45,189,937	75,310,372
Staff costs	2	-38,028,613	-45,642,757
Depreciation, amortisation and impairment losses		-14,595,808	-17,037,450
Profit/loss before financial income and expenses		-7,434,484	12,630,165
Income from equity investments in group entities		-215,558	346,587
Other financial income	3	21,865	287,930
Other financial expenses	4	-1,794,814	-1,783,685
Profit/loss before tax		-9,422,991	11,480,997
Tax on profit/loss for the year		2,176,736	-2,665,656
Profit/loss for the year	5	-7,246,255	8,815,341

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
ASSETS			
Fixed assets			
Property, plant and equipment	6		
Plant and machinery		61,903,031	63,318,302
Investments	7		
Equity investments in group entities		2,884,630	3,146,218
Other securities and equity investments		54,239	54,239
		2,938,869	3,200,457
Total fixed assets		64,841,900	66,518,759
Current assets			
Inventories			
Raw materials and consumables		1,966,781	1,325,583
Receivables			
Trade receivables		33,989,828	9,739,060
Receivables from group entities		6,354,565	11,187,981
Contract work in progress		3,187,055	0
Other receivables		1,270,144	1,606,388
Prepayments	8	406,210	536,482
		45,207,802	23,069,911
Cash at bank and in hand		38,668	2,472,035
Total current assets		47,213,251	26,867,529
TOTAL ASSETS		112,055,151	93,386,288

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital	9	501,000	501,000
Reserve for net revaluation under equity method		62,446	1,473,334
Retained earnings		23,507,032	29,388,429
Total equity		24,070,478	31,362,763
Provisions			
Provisions for deferred tax	10	6,957,910	9,134,646
Total provisions		6,957,910	9,134,646
Liabilities other than provisions			
Non-current liabilities other than provisions	11		
Lease obligations		12,872,986	6,643,848
Other payables		2,849,913	2,863,154
		15,722,899	9,507,002
Current liabilities other than provisions			
Current portion of non-current liabilities		3,430,970	4,652,273
Other credit institutions, current liabilities		23,017,791	4,246,613
Trade payables		16,606,718	5,691,075
Payables to group entities		14,950,548	15,373,530
Corporation tax		0	1,199,858
Other payables		7,297,837	12,218,528
		65,303,864	43,381,877
Total liabilities other than provisions		81,026,763	52,888,879
TOTAL EQUITY AND LIABILITIES		112,055,151	93,386,288

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Statement of changes in equity

DKK	Contributed capital	Reserve for net revaluation under equity method	Retained earnings	Total
Equity at 1 January 2022	501,000	1,473,334	29,388,430	31,362,764
Exchange adjustment	0	0	-46,031	-46,031
Transfers, reserves	0	-1,195,330	1,195,330	0
Transferred over the profit appropriation	0	-215,558	-7,030,697	-7,246,255
Equity at 31 December 2022	501,000	62,446	23,507,032	24,070,478

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Silvasti Transport A/S for 2022 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

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

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 Silvasti Transport A/S and group entities are included in the consolidated financial statements of Silvasti Holding A/S, Jammerbugt.

Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of Silvasti Holding A/S.

Section 98b(3) Aggregation of executive remuneration for management categories

In accordance with section 98b(3) of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors is not presented.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Upon recognition of foreign subsidiaries and associates that are independent entities, the income statements are translated into Danish kroner at average exchange rates for the month, and balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising upon translation of foreign subsidiaries' opening equity and results at the exchange rates at the balance sheet date are recognised directly in equity.

Foreign exchange adjustments of balances with independent foreign subsidiaries considered part of the total investment in the subsidiary are recognised directly in equity. Similarly, foreign exchange gains and losses on loans and derivative financial instruments taken out for the purpose of hedging investments in foreign subsidiaries are recognised directly in equity.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Upon recognition of foreign subsidiaries that are integrated entities, monetary items are translated at the exchange rates at the balance sheet date. Non-monetary items are translated at the exchange rates at the date of acquisition or the date of subsequent revaluations of the asset. Income statement items are translated at the exchange rates at the transaction date, whereas items derived from non-monetary items are translated at historical exchange rates for the non-monetary item.

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Revenue from the sale of services, comprising transport, is recognised on a straight-line basis in the income statement as the services are provided.

Services based on time spent are recognised in revenue as the work is performed.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Other operating income

Other operating income comprises items secondary to the activities of the entity, including gains on the disposal of intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Other external costs

Other external costs comprise distribution costs and costs related to sales, sales campaigns, administration, office premises, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees, excluding reimbursements from public authorities.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding transactions denominated in foreign currencies, amortisation of liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on profit/loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Plant and machinery	3-10 years

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Fixed assets under construction are recognised and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Leases

On initial recognition, leases for fixed assets that transfer substantially all risks and rewards incident to ownership to the Company (finance leases) are recognised in the balance sheet at the lower of fair value and the net present value of future lease payments. When calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently treated as the Company's other fixed assets.

The capitalised lease obligation is recognised in the balance sheet as a liability at amortised cost, allowing the interest element of the lease payment to be recognised in the income statement over the term of the lease.

All other leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations and contingencies, etc.

Investments

Equity investments in subsidiaries and associates are measured at the proportionate share of the entities' net asset value calculated in accordance with the Parent Company's accounting policies plus or minus unrealised intra-group gains or losses and plus or minus the residual value of positive and negative goodwill calculated in accordance with the acquisition method.

Equity investments in subsidiaries and associates with negative net asset values are measured at DKK 0, and any receivables from these entities are written down to the extent that the receivables are deemed irrecoverable. To the extent that the Parent Company has a legal or constructive obligation to cover a negative balance exceeding the receivable, the residual amount is recognised as provisions.

Impairment of fixed assets

The carrying amount of property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable is used as discount rate.

Contract work in progress

Contract work in progress is measured at the selling price of the work performed less progress billings and expected losses. The selling price is measured on the basis of the stage of completion at the balance sheet date and the projected income from the individual contract work in progress. The stage of completion is stated as the share of costs incurred in proportion to estimated total costs relating to contract work in progress.

When the selling price of contract work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Contract work in progress is recognised in the balance sheet as receivables or payables, respectively. Net assets comprise the total of contract work in progress where the selling price of the work performed exceeds progress billings. Net liabilities comprise the total of contract work in progress where progress billings exceed the selling price.

Costs arising from sales work and contracting are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

Financial statements 1 January – 31 December

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1 Accounting policies (continued)

Equity

Net revaluation reserve according to the equity method

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

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Finance lease obligation comprise the capitalised residual lease obligation of finance leases.

The liability in relation to frozen holiday funds is measured at net realisable value, including indexation. Indexation adjustments are recognised as interest expense in the income statement.

Financial statements 1 January – 31 December

Notes

2 Staff costs

DKK	2022	2021
Wages and salaries	29,817,602	37,382,428
Pensions	3,129,687	3,377,644
Other social security costs	786,436	838,725
Other staff costs	4,294,888	4,043,960
	38,028,613	45,642,757
Average number of full-time employees	54	55

In accordance with section 98b(3) of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors is not disclosed.

3 Financial income

DKK	2022	2021
Interest income from group entities	18,076	145,178
Other financial income	3,789	245
Exchange rate adjustments	0	142,507
	21,865	287,930

4 Financial expenses

Interest expense to group entities	520,068	442,224
Other financial costs	973,892	994,933
Exchange rate adjustments costs	300,854	346,528
	1,794,814	1,783,685

5 Proposed profit appropriation/distribution of loss

Reserve for net revaluation under equity method	-215,558	346,587
Retained earnings	-7,030,697	8,468,754
	-7,246,255	8,815,341

Financial statements 1 January – 31 December

Notes

6 Property, plant and equipment

DKK	Plant and machinery
Cost at 1 January 2022	196,793,094
Additions for the year	14,518,037
Disposals for the year	-12,099,343
Cost at 31 December 2022	199,211,788
Change in intercompany profit on inventories	-133,474,792
	-14,595,808
	10,761,843
Depreciation and impairment losses at 31 December 2022	-137,308,757
Carrying amount at 31 December 2022	61,903,031
Assets held under finance leases	21,452,610

Financial statements 1 January – 31 December

Notes

7 Investments

DKK	Equity investments in group entities
Cost at 1 January 2022	2,822,164
Cost at 31 December 2022	2,822,164
Revaluations at 1 January 2022	324,054
Net profit/loss for the year	-215,558
Exchange rate adjustments	-46,030
Revaluations 31 December 2022	62,466
Carrying amount at 31 December 2022	2,884,630

DKK	Other equity investments
Cost at 1 January 2022	54,239
Cost at 31 December 2022	54,239
Carrying amount at 31 December 2022	54,239

Name	Registered office	Voting rights and ownership interest
Silvasti Transport GmbH	Handewitt, Germany	100%
Silvasti SP. Z O. O.	Pila, Poland	100%

Financial statements 1 January – 31 December

Notes

8 Prepayments

Prepaymentss comprise prepaid expenses concerning leasing and insurance premiums, etc.

9 Equity

Contributed capital consists of 501 shares of a nominal value of DKK 1,000 each.

All shares rank equally.

10 Deferred tax

DKK	31/12 2022	31/12 2021
Deferred tax at 1 January	9,134,646	-1,606,371
Deferred tax adjustment for the year in the income statement	-2,101,222	1,960,125
Deferred tax adjustment from prior years	-75,514	97,673
Deferred tax due to merger	0	8,683,219
	6,957,910	9,134,646

11 Non-current liabilities other than provisions

DKK	31/12 2022	31/12 2021	Repayment, first year	Outstanding debt after five years
Other payables	2,849,913	2,863,154	0	2,849,913
Leasing	16,303,955	11,296,121	3,430,970	1,900,915
	19,153,868	14,159,275	3,430,970	4,750,828

12 Contractual obligations, contingencies, etc.

Contingent liabilities

The Company has provided a guarantee for debt to credit institutions for group entities Silvasti Holding A/S' and Silvasti Ejendomme ApS' engagement with Arbejdernes Landsbank, which amounted to DKK 23,019 thousand at the balance sheet date.

The Company has issued a letter of support to its affiliated company, Silvasti Ejendomme ApS until 31 December 2023.

The Company is jointly taxed with the other Danish companies in the Group and has joint and several unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. Total tax liability for the jointly taxed companies at the balance sheet date has not yet been determined. For further information, please see the financial statements of the management company, Silvasti Holding A/S.

Operating lease obligations

The Company has entered into lease obligations with group entities with a notice of 6 months totalling costs of DKK 403 thousand.

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Notes

13 Mortgages and collateral

As collateral for debt to credit institutions of DKK 23,019 thousand, the Company has issued a company pledge of DKK 65,000 thousand and deposited cash at bank of DKK 39 thousand. The company pledge includes a total of DKK 79,656 thousand consisting of fixed assets, debtors and inventories at 31 December 2022.

As security for invoice credit, on 31 December 2022, collateral of DKK 5,000 thousand has been provided in debtors with a carrying amount of DKK 33,989 thousand.

14 Related party disclosures

Silvasti Transport A/S' related parties comprise the following:

Control

Silvasti Holding A/S, Fabriksvej 8, 9690 Fjerritslev.

Silvasti Holding A/S holds the majority of the contributed capital in the Company.

Silvasti Transport A/S is part of the consolidated financial statements of Silvasti Holding A/S, Jammerbugt, which are the smallest and largest group, in which the Company is included as a subsidiary.

The consolidated financial statements of Silvasti Holding A/S can be obtained by contacting the company at the above adress.

Related party transactions

DKK	2022	2021
Sales to Parent Company	58,520,701	80,003,907
	58,520,701	80,003,907

Balances and interest with related parties are disclosed in the balance sheet and notes.

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Mikael Alfred Schmidt
Adm. direktør
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Mikael Alfred Schmidt
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Bestyrelsesformand
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