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Dokken 8
DK-6700 Esbjerg
CVR no. 20 22 26 70

GRENING HOLDING APS

SLETTEN 21, 6800 VARDE

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 24 April 2024

Niels Grening Langerhuus

The English part of this document is an unofficial translation of the original Danish text, and in case of any discrepancy between the Danish text and the English translation, the Danish text shall prevail.

CVR NO. 31 93 31 53

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COMPANY DETAILS

Company	GRENING HOLDING ApS Sletten 21 6800 Varde	
	CVR No.:	31 93 31 53
	Established:	18 December 2008
	Municipality:	Varde
	Financial Year:	1 January - 31 December
Board of Directors	Niels Kristensen, chairman Jan Bruun Jørgensen Niels Grening Langerhuus	
Executive Board	Niels Grening Langerhuus	
Auditor	BDO Statsautoriseret revisionsaktieselskab Dokken 8 6700 Esbjerg	

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of GRENING HOLDING ApS for the financial year 1 January - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

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

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Varde, 24 April 2024

Executive Board

Niels Grening Langerhuus

Board of Directors

Niels Kristensen Chairman	Jan Bruun Jørgensen	Niels Grening Langerhuus

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of GRENING HOLDING ApS

Opinion
We have audited the Consolidated Financial Statements and the Annual Financial Statements of the Company of GRENING HOLDING ApS for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group and the Parent Company, as well as consolidated statement of cash flows for the Group. The Consolidated Financial Statements and the Annual Financial Statements of the Company are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Annual Financial Statements of the Company give a true and fair view of the assets, liabilities and financial position of the Group or the Company at 31 December 2023 and of the results of the Group and the Parent Company's operations as well as the consolidated cash flows of the Group for the financial year 1 January - 31 December 2023 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 Consolidated Financial Statements and the Annual Financial Statements of the Company" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Consolidated Financial Statements and the Annual Financial Statements of the Company
Management is responsible for the preparation of Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Consolidated Financial Statements and the Annual Financial Statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Annual Financial Statements of the Company, Management is responsible for assessing the Group's and the Parent 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 Consolidated Financial Statements and the Annual Financial Statements of the Company unless Management either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements
Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Consolidated Financial Statements and the Annual Financial Statements of the Company.

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:

INDEPENDENT AUDITOR'S REPORT

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Annual Financial Statements of the Company, 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 Group's and the Parent 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 Consolidated Financial Statements and the Annual Financial Statements of the Company and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent 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 Consolidated Financial Statements and the Annual Financial Statements of the Company 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Annual Financial Statements of the Company, including the disclosures, and whether the Consolidated Financial Statements and the Annual Financial Statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Consolidated Financial Statements and the Annual Financial Statements of the Company does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Annual Financial Statements of the Company, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Consolidated Financial Statements and the Annual Financial Statements of the Company or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Consolidated Financial Statements and the Annual Financial Statements of the Company and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management Commentary.

INDEPENDENT AUDITOR'S REPORT

Esbjerg, 24 April 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Henrik Harbo Andersen
State Authorised Public Accountant
MNE no. mne19699

FINANCIAL HIGHLIGHTS OF THE GROUP

	2023 DKK '000	2022 DKK '000	2021 DKK '000	2020 DKK '000	2019 DKK '000
Income statement					
Gross profit/loss	122,916	85,157	49,856	46,516	41,679
Operating profit/loss	27,926	18,322	8,874	9,401	-2,904
Financial income and expenses, net	-3,926	-2,939	-1,496	-1,346	-1,406
Profit/loss for the year	17,873	11,166	5,090	5,692	-3,972
Results for the year without minority interests	14,520	9,371	4,388	5,183	-4,571
Balance sheet					
Total assets	211,116	218,378	136,623	158,489	187,356
Equity	104,992	90,786	73,583	70,425	65,899
Equity ex minority interests	89,082	77,562	70,191	67,565	63,382
Net interest-bearing debt	57,275	89,361	30,559	56,795	93,830
Average invested capital	174,059	177,201	145,981	166,984	160,554
Cash flows					
Investment in property, plant and equipment	-13,166	-26,989	-7,381	-3,063	-3,435
Key ratios					
Return on invested capital	15.9	11.3	5.7	5.7	-2.0
Equity ratio	42.2	35.5	51.4	42.6	33.8
Return on equity	18.3	13.6	7.1	8.4	-5.8

The ratios stated in the list of key figures and ratios have been calculated as follows:

Invested capital:	Net working capital + intangible and tangible assets - provisions - other operating liabilities, non-current
Net interest-bearing debt:	Interest-bearing liabilities - interest-bearing assets - cash and cash equivalents
Return on invested capital:	$\frac{\text{Operating Profit/loss x 100}}{\text{Average invested capital}}$
Equity ratio:	$\frac{\text{Equity (ex. minorities), at year-end x 100}}{\text{Total assets, at year-end}}$
Return on equity:	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$

MANAGEMENT COMMENTARY

Principal activities
The group develops and constructs individual solutions, furthermore sale/service and rental of equipment for the industry of energy and industrial segments.

The primary activity of the entity consists of owning shares in subsidiaries for the group.

Development in activities and financial and economic position
In 2023 the group realized a satisfactory profit of 17,873 t.DKK against a profit of 11,166 t.DKK in 2022. The profit is significantly above the expectations for 2023.

The profit is due to progress in most of our businesses and geographies, and is characterized by high activity on installation tasks, respectively on- and offshore.

The equity of the group amounts to 104,992 t.DKK at the 31st of December 2023.

Profit/loss for the year compared to the expected development
The profit of 17,873 t.DKK for 2023 is significantly above the expectations for 2023. The profit is due to progress in most of our businesses and geographies, and is characterized by high activity on installation tasks, respectively on- and offshore.

Significant events after the end of the financial year
No events have occurred after the end of the financial year of material importance for the Company's financial position.

Future expectations
The Board of Directors expects a lower result in 2024, primarily due to significantly lower activity in the Asian market. The profit for the year 2024 is expected to amount to 80-90% of the profit in 2023.

Corporate Social and Sustainability report

Business model
The business model is divided into primarily two types of activities, one with the main activities engineering integrable system solutions with a project-oriented organisation and one with modern and heavy-duty specialized generators, tools and tools solutions for torque/tensioning and lifting with a sales, service and rental oriented organisation.

Common for HYTOR Group is to engineer and provide integrable system solutions, specialized tools and generators for the energy sector. The customers are primarily based in Denmark, but solutions and products sold is used globally. It is our experience that at the moment main interest of our customers within the ESG area is keeping zero accident statistics and energy consumption.

Our vision for the entire group is to contribute responsibly to the green transition in the energy sector to ensure sustainable and modern energy for all.

Governance
The Board of Directors is ultimately responsible for the HYTOR Group sustainability work. The Operating Management team is responsible for the strategic decisions, planning and executing sustainable activities and goals throughout the group.

MANAGEMENT COMMENTARY

Corporate Social and Sustainability report (continued)

Policies
The following policies have been developed within the HYTOR Group:

- Code of Conduct
  - Covering; compliance with laws and regulations, Environment, Health and Safety, Work Practice, Ethics and Suppliers
- Set of values
- Health, Safety and Working Environment
- Environment
- Education and personal development
- Improvement suggestions
- Corporate social responsibility

Code of conduct
Our code of conduct is based on UN Global compact 10 principals regarding human rights, labour, environment and anticorruption.

Respect for and compliance with law has the highest priority for the group. Complying with various legal and regulatory framework that apply in the jurisdictions where the group operates makes the group protect its integrity and reputation.

The integrated Code of Conduct is a set of rules and policies having the purpose to assist employees in the daily decision making. It holds guidelines for how to behave in relation to colleagues, customers, suppliers, the authorities, and stakeholders when performing work in the HYTOR name.

The Code of Conduct applies to all entities and employees in HYTOR Group and Subsidiaries to HYTOR Group. The Code of Conduct of conduct is well integrated and to ensure that all employees are familiar with what underlies in the Code of Conduct all new employees are taken through a full onboarding process from The HSEQ manager. It is the individual Managers responsibility to oversee that Code of Conduct is adhered within their respective team.

Failure to comply with the Code of Conduct can result in damaging the reputation of employees and the group as well as to legal and regulatory sanctions. Severe misconduct may lead to a reprimand, fine or dismissal.

Set of values
To support the Code of Conduct and group vision plus to ensure that the company culture is aligned a 'Set of Values' is implemented. The 'Set of Values' sets the standard for how we operate daily and holds four cornerstones; we create value and commit, we are a team, we practice integrity, honesty and respect and we are proactive and innovative. The purpose of the 'Set of Value' is to assist employees as to how we desire to be perceived by our colleagues, customers, suppliers, what we wish to contribute to and with and how we operate daily. Each cornerstone is comprehensively explained individually.

To ensure implementation new employees are obliged to sign off to our 'Set of Values* upon employment and the values are both used and visible in daily communication.

Health, Safety and Working Environment
Our biggest resource is our employees, and this is therefore also our biggest risk. It is our highest priority to ensure and maintain a safe and healthy working environment. If we fail to do so, we run a risk of accidents and illness which would not only affect the individual negatively but will also have an impact on our operation and ability to succeed with our business. We are continuously having focus on making it easy for our employees to do the right thing in a safe manner.

MANAGEMENT COMMENTARY

Corporate Social and Sustainability report (continued)

To comply with safety within work with chemicals we have an implemented policy for work with chemicals and we have implemented a software for complying with legal requirements and secure safe work around chemicals. We invest in economic conditions for all employees. Further we have a policy and procedure to continuously evaluate the individual workspace for all employees. We are working committed to secure our employees involvement in safe workspace we record near-miss incidents to avoid accidents.

Ensuring well-being encompasses more than just preventing injury and ensure safety, it extends to treating each other with respect and fostering optimal conditions for success.

We monitor work happiness monthly and conduct quarterly 1:1 talks for Managers and employees to maintain a focused approach and create a forum for pinpointing any issues that require attention.

All initiatives are managed through our ISO 45001 certification securing systematic focus and continuous improvements provides a system for preventive actions. In addition, our method includes a forum that supports psychological work environment.

Environment
Complying with all environmental laws, and regulations we strive to lower our impact on the environment. Dedicated to the ESG principals we involve and dedicate ourselves to be an environmentally friendly business partner.

The most notable environmental impact stem from energy consumption, use of steel in sourced components and products and shipping of purchased and sold products.

While our main direct impact on the environment is our energy consumption for the operation of our facilities and production, we actively contribute to emission reduction by having well integrated responsible behaviour minimizing the consumption to an absolution minimum. We support electrical drivel cars and offer charging stations to both employees and guests, thus we plan to install solar power in 2024. Our vision is to rely sole on renewable for energy consumption by the year 2030.

We support the circular economy by offering a wide range of our products and solutions a rental item, thus we sort our waste and manage it responsibly by circulate as much as possible. Further we support and prioritize sustainable partnerships whenever we have the chance.

As a supplier to the energy sector with solutions primarily to the wind power sector and also the trending sustainable energy production such as hydrogen, ammonia etc. we supply to major OEMs, production facilities, energy companies, utilities and service providers.

Ongoing monitoring ensures a balance between increased production and reduced energy consumption, we are committed to identify new actions for new actions for further reduction of energy consumption.

Our fucus for 2024 and going forward is strengthening partnerships with suppliers with a clear ambitious vision and action plan to contribute to a more sustainable world.

All initiatives are managed through our ISO 14001 certification securing systematic focus and continuous improvements provides a system for preventive actions.

Strategic Priorities
We have continuous focus on contributing to a more sustainable world and by setting strategic priorities within the scope of the sustainable objectives we ensure ongoing improvements in partnerships, our consumption, and our production.

MANAGEMENT COMMENTARY

Corporate Social and Sustainability report (continued)

Our strategic priorities are:
- Energy consumption; striving to make use of energy from renewable sources.
- Continued product development for lower climate impact.
- Increase the recycle rate of our waste – reusable waste min 75%.
- Keeping a zero-accident policy.
- Ensure diversity in our organization.
- Contribute to our local community through charity, partnerships, and sponsorships.
- Incorporating underprivileged communities.
- Work satisfaction and enjoyment.

Education and personal development
Ongoing education, upgrading of skills and personal development increases the company's ability to continuously seek new possibilities, increases productivity and organizational flexibility.

Continuous development of skills is primarily achieved by ongoing learning in the day-to-day work through peer-to-peer training.

We have no obligation to embark on education, however the company's philosophy is to always embrace any employees desire to upgrade competences and skills through education. As a company we provide extensive support for individual education being within the line of work for individual employee and for the benefit of both personal development and the development of the company. Plan for education is discussed during the 1:1 talks between the employee and the manager.

Improvement suggestions
We harness our team's collective intelligence and experience to drive continued improvement. We value every employee's unique insight and encourage them to voice suggestions for enhancing profitability, productivity, organization, and well-being.

We foster an environment where all team members, regardless of position or department, feel empowered to share ideas. Through open communication and collaboration, we aim to unlock new growth opportunities.

Whether it is streamlining processes adopting new technologies, refining structures, or supporting employee's well-being, we welcome suggestions from all corners of our organization.

An online feedback functionality visible to all employees through our intranet named "ideas for improvements" makes it possible for all employees to share their ideas for improvements at any time. A committee of employees and management representatives evaluate incoming ideas for improvements every quarter and evaluate which ideas are to be further processed in the company. Ideas which are in line with the criteria for improvements are rewarded directly to the employee with the suggestion improvement (idea).

Suggestion for improvements – our "ideas for improvements" functionality must aim to:
- Share ideas openly and provide a megaphone for all employees no matter the function or position in the company.
- Encourage to collaborate across teams.
- Actively participate in improvements initiative.
- Provide constructive feedback.
- Recognize and reward contributions.

By embracing a culture of continuous improvement and encouraging active participation from all employees, we can collectively improve our company forward and achieve our goals.

Social accountability
We will persist in upholding our code of conduct and have doubled the staff in HSEQ in order to keep full track of any changes in relevant legislation in order to ensure continuous compliance.

Corporate Social and Sustainability report (continued)

An internal task force has been appointed in the Supply Management organisation to set new standards for partnerships with suppliers focusing on active contribution to a sustainable world ensuring that suppliers are aligned and are dedicated to contributing to our vision on creating more sustainable energy for all.

Representation of gender, religious orientation, and ethics

The primary criteria for recruiting or appointing new employees is competencies and personality. We focus on providing equal conditions regardless of religion, ethics origin or gender, therefore this is considered in the selection process when recruiting however never compromising competencies and personality.

One crucial aspect to consider is that within the industry we operate in, leadership positions across all levels are predominantly held by men. This dynamic can pose a challenge during recruitment processes when aiming to select the most qualified candidates while also promoting diversity and inclusion for the underrepresented gender.

In writing moment the management team is equal divided between men and female and both genders are represented in our board of directors.

Data ethics policy

We recognize and acknowledge the various opportunities and uncertainties associated with the utilization of digital tools. To uphold best practices in data management and comply with the General Data Protection Regulation (GDPR), we have communicated our expectations and requirements to our employees upon employment. Confidentiality obligations are part of our staff manual and covers knowhow related to the employment also covering products, systems and data also applicable after the employment has come to an end. Our current data landscape is relatively uncomplicated, as we do not utilize complex technologies. Consequently, we have not deemed it necessary to establish a separate policy specifically addressing data ethics. Nonetheless, we consistently evaluate ethical considerations in our data handling processes to safeguard the rights and expectations of both our employees and customers.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	Group 2023 DKK '000	Group 2022 DKK '000	Parent Company 2023 DKK '000	Parent Company 2022 DKK '000
GROSS PROFIT		**122,916**	**85,157**	**533**	**550**
Staff costs	1	-76,270	-54,038	-1,167	-1,000
Depreciation, amortisation and impairment losses for tangible and intangible assets		-16,721	-12,528	0	0
Other operating expenses		-999	-269	0	0
Fair value adjustment of investment properties		-1,000	0	0	0
OPERATING PROFIT		**27,926**	**18,322**	**-634**	**-450**
Income from investments in subsidiaries		0	0	13,877	9,051
Other financial income	2	336	370	1,501	952
Impairment of asset investments		-400	0	0	0
Other financial expenses	3	-4,262	-3,309	-41	-11
PROFIT BEFORE TAX		**23,600**	**15,383**	**14,703**	**9,542**
Tax on profit/loss for the year	4	-5,727	-4,217	-182	-171
PROFIT FOR THE YEAR	5	**17,873**	**11,166**	**14,521**	**9,371**

BDO

BALANCE SHEET AT 31 DECEMBER

		Group		Parent Company	
ASSETS	**Note**	**2023** DKK '000	**2022** DKK '000	**2023** DKK '000	**2022** DKK '000
Acquired concessions, patents, licences, trademarks and similar rights		249	515	0	0
Goodwill		29,849	32,528	0	0
Intangible assets	6	**30,098**	**33,043**	**0**	**0**
Land and buildings		45,689	46,317	0	0
Other plant, fixtures and equipment		22,074	24,349	0	0
Leasehold improvements		524	619	0	0
Investment properties		7,516	8,516	0	0
Property, plant and equipment	7	**75,803**	**79,801**	**0**	**0**
Investments in subsidiaries		0	0	57,649	48,988
Rent deposit and other receivables		404	357	252	357
Financial non-current assets	8	**404**	**357**	**57,901**	**49,345**
NON-CURRENT ASSETS		**106,305**	**113,201**	**57,901**	**49,345**
Expenses for raw materials and consumables		2,456	2,993	0	0
Work in progress		162	368	0	0
Finished goods and goods for resale		25,931	29,824	732	1,075
Inventories		**28,549**	**33,185**	**732**	**1,075**
Trade receivables		56,810	55,085	0	0
Contract work in progress	9	7,235	12,087	0	0
Receivables from group enterprises		0	0	23,003	29,439
Other receivables		216	678	87	87
Corporation tax receivable		0	0	5,713	3,194
Prepayments	10	2,582	3,029	0	89
Receivables		**66,843**	**70,879**	**28,803**	**32,809**
Other securities and equity investments	11	6,805	0	6,805	0
Current investments		**6,805**	**0**	**6,805**	**0**
Cash and cash equivalents		**2,614**	**1,113**	**967**	**0**
CURRENT ASSETS		**104,811**	**105,177**	**37,307**	**33,884**
ASSETS		**211,116**	**218,378**	**95,208**	**83,229**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	Group 2023 DKK '000	Group 2022 DKK '000	Parent Company 2023 DKK '000	Parent Company 2022 DKK '000
Share Capital	12	125	125	125	125
Reserve for net revaluation under the equity method		0	0	30,797	22,136
Retained earnings		83,957	74,437	53,160	52,300
Proposed dividend		5,000	3,000	5,000	3,000
Minority shareholders		15,910	13,224	0	0
EQUITY		**104,992**	**90,786**	**89,082**	**77,561**
Provision for deferred tax	13	2,738	2,884	0	0
Other provisions	14	1,324	790	0	0
PROVISIONS		**4,062**	**3,674**	**0**	**0**
Debt to mortgage credit institution		24,963	26,641	0	0
Bank debt		2,000	3,500	0	0
Frozen holiday pay		3,839	4,493	0	0
Non-current liabilities	15	**30,802**	**34,634**	**0**	**0**
Debt to mortgage credit institution		1,736	1,752	0	0
Bank debt		29,305	51,693	0	2,238
Contract work in progress	9	1,658	4,083	0	0
Prepayments from customers		0	1,250	0	0
Trade payables		15,267	15,455	0	0
Debt to associated enterprises		40	40	0	0
Corporation tax payable		4,851	2,395	4,939	2,395
Other liabilities		18,403	12,616	1,187	1,035
Current liabilities		**71,260**	**89,284**	**6,126**	**5,668**
LIABILITIES		**102,062**	**123,918**	**6,126**	**5,668**
EQUITY AND LIABILITIES		**211,116**	**218,378**	**95,208**	**83,229**

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EQUITY

	Group				
	Share Capital	Retained earnings	Proposed dividend	Minority shareholders	Total
Equity at 1 January 2023	125	74,437	3,000	13,224	90,786
Proposed profit allocation, see note 5		9,520	5,000	3,353	17,873
Transactions with owners					
Dividend paid			-3,000	-667	-3,667
Equity at 31 December 2023	**125**	**83,957**	**5,000**	**15,910**	**104,992**

	Parent Company				
	Share Capital	Reserve for net revaluati-on under the equity method	Retained earnings	Proposed dividend	Total
Equity at 1 January 2023	125	22,136	52,300	3,000	77,561
Proposed profit allocation, jf. note 5		8,661	860	5,000	14,521
Transactions with owners					
Dividend paid				-3,000	-3,000
Equity at 31 December 2023	**125**	**30,797**	**53,160**	**5,000**	**89,082**

CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER

	Group	
	2023 DKK '000	2022 DKK '000
Profit/loss for the year	17,873	11,166
Depreciation and amortisation, reversed	16,721	12,528
Reversed realization gains/loss	554	-163
Impairment of asset investments, reversed	400	0
Fair value adjustment, reversed	1,000	0
Adjustment of other financial income	110	0
Tax on profit/loss, reversed	5,727	4,218
Other adjustments	77	0
Corporation tax paid	-3,417	-1,980
Change in inventories	4,635	9,004
Change in receivables (ex tax)	4,036	-18,299
Change in other provisions	534	-964
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)	1,944	-3,389
CASH FLOWS FROM OPERATING ACTIVITY	**50,194**	**12,121**
Purchase of intangible assets	-266	-262
Purchase of property, plant and equipment	-13,166	-26,937
Sale of property, plant and equipment	1,330	462
Purchase of financial assets	-47	0
Acquisition of enterprises	0	-32,500
Minority interests at aquisition of enterprises	0	8,210
Other cash flows from investing activities	-6,695	87
CASH FLOWS FROM INVESTING ACTIVITY	**-18,844**	**-50,940**
Loans raised	0	12,865
Repayments of loans etc.	-3,848	-1,295
Change in bank debt	-22,334	30,281
Dividends paid in the financial year	-3,667	-2,172
CASH FLOWS FROM FINANCING ACTIVITY	**-29,849**	**39,679**
CHANGE IN CASH AND CASH EQUIVALENTS	**1,501**	**860**
Cash and cash equivalents at 1. januar	1,113	253
CASH AND CASH EQUIVALENTS AT 31. DECEMBER	**2,614**	**1,113**
Cash and cash equivalents at 31 December comprise:		
Cash and cash equivalents	2,614	1,113
CASH AND CASH EQUIVALENTS	**2,614**	**1,113**

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	Group		Parent Company		
	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000	Note
Staff costs					1
Average number of full time employees	121	105	1	1	
Wages and salaries	66,196	46,618	0	0	
Pensions	8,988	6,557	1,167	1,000	
Social security costs	1,086	863	0	0	
	76,270	**54,038**	**1,167**	**1,000**	
Remuneration of Management and Board of Directors	2,937	2,388	0	0	
	2,937	**2,388**	**0**	**0**	
Other financial income					2
Interest income from group enterprises	0	0	1,194	925	
Other interest income	336	370	307	27	
	336	**370**	**1,501**	**952**	
Other financial expenses					3
Other interest expenses	4,262	3,309	41	11	
	4,262	**3,309**	**41**	**11**	
Tax on profit/loss for the year					4
Calculated tax on taxable income of the year	5,895	3,120	182	107	
Adjustment of tax in previous years	-22	64	0	64	
Adjustment of deferred tax	-146	1,033	0	0	
	5,727	**4,217**	**182**	**171**	
Proposed distribution of profit					5
Proposed dividend for the year	5,000	3,000	5,000	3,000	
Allocation to reserve for net revaluation under the equity method	0	0	8,661	9,048	
Retained earnings	9,520	6,372	860	-2,677	
Minoritetsinteressernes andel af dattervirksomheders resultat	3,353	1,794	0	0	
	17,873	**11,166**	**14,521**	**9,371**	

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Note

Intangible assets 6

	Group	
	Acquired concessions, patents, licences, trademarks and similar rights	Goodwill
Cost at 1 January 2023	4,799	59,641
Additions	266	0
Cost at 31 December 2023	**5,065**	**59,641**
Amortisation at 1 January 2023	4,284	27,113
Amortisation for the year	532	2,679
Amortisation at 31 December 2023	**4,816**	**29,792**
Carrying amount at 31 December 2023	**249**	**29,849**

Property, plant and equipment 7

	Group	
	Land and buildings	Other plant, fixtures and equipment
Cost at 1 January 2023	50,708	60,543
Additions	0	13,166
Disposals	0	-3,497
Cost at 31 December 2023	**50,708**	**70,212**
Depreciation and impairment losses at 1 January 2023	4,392	36,194
Reversal of depreciation of assets disposed of	0	-1,613
Depreciation for the year	627	13,557
Depreciation and impairment losses at 31 December 2023	**5,019**	**48,138**
Carrying amount at 31 December 2023	**45,689**	**22,074**

	Group	
	Leasehold improvements	Investment properties
Cost at 1 January 2023	667	8,000
Cost at 31 December 2023	**667**	**8,000**
Revaluation at 1 January 2023	0	516
Revaluation of the year	0	-1,000
Revaluation at 31 December 2023	**0**	**-484**
Depreciation and impairment losses at 1 January 2023	48	0
Depreciation for the year	95	0
Depreciation and impairment losses at 31 December 2023	**143**	**0**
Carrying amount at 31 December 2023	**524**	**7,516**

NOTES

Note

Tangible fixed assets (continued) 7

The carrying amount of property, plant and equipment includes investment property measured at fair value by the following amounts:

	Group
	Investment properties
Fair value at 31 December 2023	7,516
Value adjustment in the year recognised in the Income Statement	-1,000

The investment property comprises an industrial building located in Esbjerg. Investment property is measured at fair value, in accordance with accounting policies. The fair value is determined by applying the return-based model using the expected cash flow from the property. The return-rate used in the model is 8% in 2023. For further information please see description in accounting policies. An increase in the return-rate by 0.25% would reduce the fair value by 226 t.DKK.

Financial non-current assets 8

	Group
	Rent deposit and other receivables
Cost at 1 January 2023	357
Additions	159
Disposals	-112
Cost at 31 December 2023	**404**
Carrying amount at 31 December 2023	**404**

	Parent Company	
	Investments in subsidiaries	Rent deposit and other receivables
Cost at 1 January 2023	26,852	357
Disposals	0	-105
Cost at 31 December 2023	**26,852**	**252**
Revaluation at 1 January 2023	22,136	0
Dividend	-5,216	0
Profit/loss for the year	14,315	0
Revaluation at 31 December 2023	**31,235**	**0**
Amortisation of goodwill	438	0
Impairment losses and amortisation of goodwill at 31 December 2023	**438**	**0**
Carrying amount at 31 December 2023	**57,649**	**252**

NOTES

Note

Fixed asset investments (continued) 8
Investments in subsidiaries

Name and domicil	Ownership
HYTOR Group A/S, Esbjerg	100 %
Ejendomsselskabet 3 M ApS, Esbjerg	55 %
HYTOR Tools Solutions A/S , Esbjerg	100 %
HYTOR Tools Solutions Ltd , Essex	100 %
HYTOR Fluid Solutions A/S, Esbjerg	100 %
TS Tech Group A/S, Esbjerg	51 %
TS Tech A/S, Esbjerg	51 %
TS Tech Marine A/S, Esbjerg	40.80 %
EA Automatic A/S, Esbjerg	35.70 %

Investments in associates

Name and domicil	Ownership
A2X A/S, Esbjerg	33.3 %

	Group		Parent Company		Note
	2023 DKK '000	**2022** DKK '000	**2023** DKK '000	**2022** DKK '000	
Contract work in progress					9
Sales value of completed work	11,956	17,011	0	0	
Progress invoicing/advances received	-6,379	-9,006	0	0	
Contract work in progress, net	**5,577**	**8,005**	**0**	**0**	
Recognised as follows					
Contract work in progress (asset)	7,235	12,088	0	0	
Contract work in progress (liability)	-1,658	-4,083	0	0	
	5,577	**8,005**	**0**	**0**	
Prepayments					10
Costs	2,582	3,029	0	89	
	2,582	**3,029**	**0**	**89**	

Prepayments contains insurance etc. paid in advance.

NOTES

Note

Other securities and equity investments 11

The carrying amount of current investments includes securities measured at fair value by the following amounts:

	Group
	Securities
Fair value at 31 December 2023	6,805
Value adjustment in the year recognised in the Income Statement	110

	Parent Company
	Securities
Fair value at 31 December 2023	6,805
Value adjustment in the year recognised in the Income Statement	110

Share Capital 12

Allocation of share capital:		
Share capital, 125,000 unit in the denomination of 1 DKK	125	125
	125	**125**

Provision for deferred tax 13

The provision for deferred tax is related to differences between the carrying amount and tax value of securities, receivables, intangible and tangible fixed assets.

	Group		Parent Company	
	2023 DKK '000	**2022** DKK '000	**2023** DKK '000	**2022** DKK '000
Deferred tax, beginning of year	2,884	1,851	0	0
Deferred tax of the year, income statement	-146	1,033	0	0
Provision for deferred tax 31 December 2023	**2,738**	**2,884**	**0**	**0**

Other provisions 14

Other provisions comprise anticipated costs of non-recourse guarantee commitments etc.

NOTES

Note

Long-term liabilities 15

	Group			
	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Debt to mortgage credit institution...........	26,699	1,736	18,304	28,163
Bank debt..	3,500	1,500	0	5,000
Frozen holiday pay...............................	3,839	0	0	4,493
	34,038	**3,236**	**18,304**	**37,656**

Contingencies etc. 16

	Group		Parent Company	
	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000
Total liabilities under rental or lease agreements until maturity	9,807	8,687	0	0
	9,807	**8,687**	**0**	**0**

Joint liabilities
The Danish companies of the group is jointly and severally liable for tax on the group's jointly taxed income and for certain possible withholding taxes such as dividend tax and royalty tax, and for the joint registration of VAT.

Tax payable of the group's jointly taxed income amounts to DKK ('000) 4,851 at the Balance Sheet date.

Charges and securities 17

Mortgage debt is secured by way of mortgage on properties.

The carrying amount of mortgaged properties amounts to t.DKK 53,205.

Bank loans are secured by way of a deposited mortgage deed registered to the mortgagor on plant of t.DKK 1.950 nominal.

The carrying amount of mortgaged properties is t.DKK 45,689.

Bank debt is secured by way of mortgage of t.DKK 14,000 nominal (floating charge) registered goodwill, other fixtures and fittings, tools and equipment, inventories, trade receivables etc.

The carrying amount of mortgaged assets amounts to t.DKK 87,787.

The parent company has guaranteed the bank debt in HYTOR Group A/S and Ejendomsselskabet 3 M ApS. The bank debt at 31st December 2023 amounts to 20,857 t.DKK.

Note

Related parties **18**

Controlling interest
Mr. Niels Grening Langerhuus, managing director, is the principal shareholder.

Transactions with related parties
The Company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on common market conditions.

ACCOUNTING POLICIES

The Annual Report of GRENING HOLDING ApS for 2023 has been presented in accordance with the provisions of the Financial Statements Act for Danish medium-size enterprises in reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

Consolidated Financial Statements
The Consolidated Financial Statements include the Parent Company GRENING HOLDING ApS and the subsidiaries in which GRENING HOLDING ApS directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the Group structure.

The Consolidated Financial Statements consolidate the Financial Statements of the Parent Company and the subsidiaries by combining uniform accounts items. Intercompany income and expenses, shareholdings, intercompany accounts and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

Newly acquired or established enterprises within the Group are recognised in the Consolidated Financial statements from the date of takeover or establishment. Sold or wound-up enterprises are recognised in the Consolidated Income Statement up to the time of handover. Comparative figures are not adjusted for newly acquired, sold or wound-up enterprises.

The takeover date is the date on which the Group gains actual control over the acquired enterprise.

Acquired enterprises within the Group are recognised in the Consolidated Financial Statements according to the combination method, the combination being regarded as completed at the date of acquisition, and by using the carrying amounts of the assets and liabilities taken over.

Positive and negative differences between the acquisition value and the carrying amounts of taken over and identified assets and liabilities are recognised in equity upon acquisition. The difference from acquired entities is DKK ('000).

Transaction costs, incurred in connection with acquisition of businesses, are recognised in the income statement in the year when costs are incurred.

Equity interests in subsidiaries are set off by the proportional share of the subsidiaries' fair value of net assets and liabilities at the date of takeover.

Investments in associates are measured in the Balance Sheet at the proportional share of the equity value of the enterprises, calculated under the accounting policies of the Parent Company and eliminating proportionally any unrealised intercompany gains and losses. The proportional share of the results of the associates is recognised in the Income Statement after elimination of the proportional share of internal gains and losses.

Minority interests
The accounting items of the subsidiaries are recognised in full in the Consolidated Financial Statements. The minority interests' proportional share of the results and equity of the subsidiaries is stated as separate items in the allocation of profit/loss and equity, respectively.

ACCOUNTING POLICIES

INCOME STATEMENT

Net revenue
Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognisedin the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties andsales discounts and is measured at fair value of the consideration fixed.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion-method).

Changes in inventories of finished goods and goods in process
Changes in inventories of finished goods and goods in process comprise decrease or increase of inventories for the year as a result of costs of raw materials and consumables as well as staff costs. Additionally, normal impairment of inventories of finished goods is included.

Other operating income
Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets, operating loss as well as salary refunds. Compensations are recognised when the income is estimated to be realisable.

Costs of raw materials and consumables
Raw materials and consumables comprises the costs of raw materials and consumables used to reach the revenue for the year. Additionally, decrease or increase of inventories of raw materials and consumables for the year is included, as well as normal impairment of inventories of raw materials and consumables.

Other external expenses
Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Group and the Parent Company's employees.

Other operating expenses
Other operating expenses include items of a secondary nature in relation to the Group’s and the Company’s activities. Losses from sale of intangible and tangible fixed assets are also included.

Income from investments in subsidiaries
The Income Statement of the Parent Company recognises the proportional share of the results of subsidiaries determined according to the Parent Company’s accounting policies and after full elimination of intercompany profits/losses and deduction of amortisation of goodwill. resulting from purchase price allocation at the date of acquisition, is recognised in the Parent Company’s Income Statement.

Profits from sale are recognized, if the economic rights related to the sold subsidiaries are transferred. However, not before the profit is realised or regarded as realisable. Moreover, realised losses besides impairments are recognised when they are demonstrated.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

ACCOUNTING POLICIES

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

BALANCE SHEET

Intangible fixed assets

Acquired goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over the expected useful life which is estimated to 10-20 years. The period of amortisation is determined based on an assessment of the acquired Company's position in the market and earnings profile, and the industry-specific conditions.

Acquired intellectual property rights are measured at cost less accumulated amortisation. Straight-line depreciation is made on the basis of estimated useful lives of the assets. The estimated useful lives of software are 3-7 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

Tangible fixed assets

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

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life
Buildings...	30-50 years
Other plant, fixtures and equipment...	2-7 years
Rental equipment...	2-7 years

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

Investment properties are initially recognised at cost, which comprise the purchase price and possible direct costs related to the properties. The investment properties are subsequently recognised at fair value corresponding to the market value of the properties. Changes in the fair market value are recognised in the Income Statement.

The fair value of investment properties is assessed by means of a return-based valuation model according to which the value is calculated on the basis of the returns from operating the investment properties and an individually determined requirement for returns.

ACCOUNTING POLICIES

Financial non-current assets
Investments in subsidiaries are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of measuring.

Investments in subsidiaries are measured in the Balance Sheet at the proportional share of the enterprises' carrying Equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses, and with addition of remaining additional values and goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement upon acquisition of the Equity interest. Where the negative goodwill is related to takeover of contingent liabilities, the negative goodwill is not recognised before the contingent liabilities are settled or cancelled.

Postive goodwill is amortized straight-lined over its estimated useful life, which is 10-20 years.

Net revaluation of investments in subsidiaries is transferred under equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Profit and loss at disposal of investments in subsidiaries are determined as the difference between the net selling price and the carrying amount of the disposed investment at the time of sale, including non-depreciated excess values and goodwill. Profit and loss are recognised in the Income Statement under income from investments.

Investments in subsidiaries with negative equity value are measured at DKK 0. Any receivables with these companies are written off, to the extent that the receivable is uncollectible from a specifically assessed indication of impairment. To the extent that the Parent Company has a legal or actual obligation to cover a negative balance which exceeds the receivable, the remainder is recognised under provisions for liabilities.

Impairment of fixed assets
The carrying amount of intangible fixed and tangible assets together with fixed assets, which are not measured at fair value,, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

ACCOUNTING POLICIES

Receivables
Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Contract work in progress
Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a contract in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet in receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts, and finance costs are recognised in the income statement as incurred.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Securities and investments
Securities and investments, recognised as current assets, comprise public quoted bonds, shares and other securities. Public quoted securities are measured at the market price.

Other provisions
Other provisions comprise anticipated costs of non-recourse guarantee commitments etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

ACCOUNTING POLICIES

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish Group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

ACCOUNTING POLICIES

CASH FLOW STATEMENT

The cash flow statement shows the Company's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:
Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:
Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:
Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:
Cash and cash equivalents include cash at bank and in hand and short-term securities, for which there is only negligible risk of changes in value, and which are readily negotiable for cash at bank and in hand.