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BDO Statsautoriseret revisionsaktieselskab
Vestre Ringgade 28
DK-8000 Aarhus C
CVR no. 20 22 26 70

WANZL NORDIC A/S

TOFTEGÅRDSVEJ 4, 8370 HADSTEN

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 10 April 2024

Bernhard Renzhofer

CVR NO. 37 75 25 17

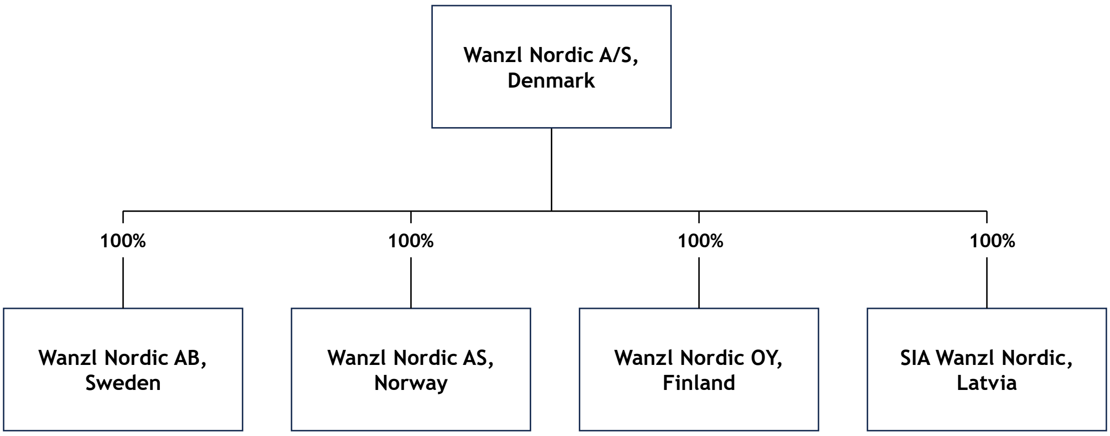
CONTENTS

COMPANY DETAILS

Company	Wanzl Nordic A/S Toftegårdsvej 4 8370 Hadsten	
	Telephone: Website: E-mail:	+45 87 61 22 00 www.wanzl.com/da_DK info.dk@wanzl.com
	CVR No.: Established: Municipality: Financial Year:	37 75 25 17 29 December 1965 Favrskov 1 January - 31 December
Board of Directors	Andreas Ruben Starzmann, chairman Bernhard Renzhofer, vice-chairman Karl Alexander Kienle Henriette Træholt Lars Karstenskov Andersen	
Executive Board	Robert Barciszewski	
Auditor	BDO Statsautoriseret revisionsaktieselskab Vestre Ringgade 28 8000 Aarhus C	
General Meeting	The Annual General Meeting is held on 10 April 2024, at the company's address.	

GROUP STRUCTURE

The Wanzl Group consists of the following companies:



Wanzl Nordic's focus lies with the following three customer groups within the retail trade:

- Food Retail, which comprises all customers within the groceries trade, including the convenience segment
- Specialist Trade, which comprises "heavier" specialist trade customers, including DIY shops, etc.
- Fashion & Lifestyle, which comprises the finer specialist trade, including clothing chains, etc.

As a common denominator for all customer segments, the Wanzl Nordic Group's core competence is to supply complete shopfitting solutions where Wanzl Nordic offers to take responsibility for the entire process - from concept development, design and project management to production, delivery and installation of customised shopfitting solutions as well as after-sale service.

Wanzl Nordic A/S
The Parent Company Wanzl Nordic A/S has, for many years, been among the most important players within the Food Retail and Specialist Trade on the Danish market and in recent years also had a platform within Fashion & Lifestyle. Wanzl Nordic A/S primarily co-operates with the major chains in Denmark and has, over the past years, become a turnkey supplier to the retail trade for the purpose of shop openings. Wanzl Nordic supplies both shopfitting equipment produced by the Group's factories in Denmark and Latvia as well as sourced products and supplementary equipment such as entrance systems, shopping trolleys, lightning, checkouts, etc. purchased from various business partners.

Production in Denmark comprises metal production as well as wood production and handles all tasks right from production of prototypes or single units to production of major production batches on the Company's production lines.

Wanzl Nordic AB
Wanzl Nordic AB provides the Swedish retail trade with shopfitting and shopfitting solutions. The company is capable of handling the entire shopfitting process for the customers and markets itself towards the three customer segments on the Swedish market.

GROUP STRUCTURE

Wanzl Nordic AS
Wanzl Nordic AS services the Norwegian retail trade with shopfitting and shopfitting equipment. The company is capable of handling the entire shopfitting process for its customers, and the company markets itself towards all three customer segments on the Norwegian market.

Wanzl Nordic Oy
Wanzl Nordic Oy markets shopfitting solutions and equipment for the total Finnish retail industry and handles the entire shopfitting process for the customers, and the company markets itself towards all three customer segments on the Finnish market.

SIA Wanzl Nordic
SIA Wanzl Nordic, the Group's production company in Latvia, has in the recent years, carried out investments in production facilities and equipment, so that today the company produces finalised items to the other group companies.

Products manufactured in Denmark and Latvia are sold through all the Group's entities.

The Wanzl Nordic Group is part of the Wanzl Group.

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Wanzl Nordic A/S 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.

Hadsten, Denmark, 10 April 2024

Executive Board

Robert Barciszewski

Board of Directors

Andreas Ruben Starzmann Chairman	Bernhard Renzhofer Vice-chairman	Karl Alexander Kienle
Henriette Træholt	Lars Karstenskov Andersen	

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Wanzl Nordic A/S

Opinion

We have audited the Consolidated Financial Statements and the Annual Financial Statements of the Company of Wanzl Nordic A/S 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:

- 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

Aarhus, 10 April 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Thomas Nørgaard Christensen
State Authorised Public Accountant
MNE no. mne40048

FINANCIAL HIGHLIGHTS OF THE GROUP

	2023 DKK millions	2022 DKK millions	2021 DKK millions	2020 DKK millions	2019 DKK millions
Income statement					
Net revenue	757	843	678	547	525
Gross profit/loss	208	203	109	117	102
Operating profit/loss of main activities	47	36	-24	17	-1
Financial income and expenses, net	-5	-7	-1	1	-1
Profit/loss for the year before tax	43	29	-25	18	-2
Profit/loss for the year	33	21	-20	12	-2
Balance sheet					
Total assets	340	367	449	258	259
Equity	157	124	102	121	109
Cash flows					
Cash flows from operating activities	98	81	-152	32	17
Cash flows from investing activities	-3	-3	2	-5	-18
Cash flows from financing activities	-62	-72	174	-4	-5
Total cash flows	33	6	24	23	-6
Investment in property, plant and equipment	-3	-3	-6	-6	-20
Average number of full-time employees	**324**	**351**	**373**	**374**	**376**
Key ratios					
Gross margin	27.5	24.1	16.1	21.4	19.4
Operating margin	6.2	4.3	-3.8	3.9	0.0
Return on equity	23.6	18.4	-17.9	10.4	-1.8
EBITDA margin	7.7	5.6	-1.8	5.9	2.8
Solvency ratio	46.3	33.9	22.3	46.9	42.3

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

Gross margin: $\frac{\text{Gross profit x 100}}{\text{Net revenue}}$

Operating margin: $\frac{\text{Operating profit/loss x 100}}{\text{Net revenue}}$

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

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

EBITDA margin $\frac{\text{EBITDA x 100}}{\text{Revenue}}$

Operating review

Outlook

Global economies are partly impacted by different regional conflicts such as Russia's invasion of Ukraine, the conflict between Hamas and Israel and the unrest in the Red Sea area, which all together are creating increased market volatility as to among other cost prices and delivery reliability.

As a consequence of the above, the realization of revenue and profit before tax targets is subject to increased uncertainty. Management is on an ongoing basis keeping track of and evaluating development and based on that identifying relevant initiatives and measures.

Overall, the order book of Wanzl Nordic Group at the beginning of 2024 was at a satisfactory level, which, together with market opportunities and structural improvements carried out or initiated, provides the basis for the outlook for 2024.

Management expects to report positive results for 2024.

Market conditions and financial performance

The nature and level of activity of the retail trade sector is influenced by the impacts created by the regional conflicts referred to above as well as factors such as internet shopping. The Wanzl Nordic Group's customer base, which includes the largest retail chains in the Nordic countries, are influenced by this as well, but they are better positioned to navigate these factors then minor chains and the individual shops.

Revenue

Revenue for 2023 came in at DKK 756,7million, accounting for a decrease of 10,2% on revenue for 2022 of DKK 842,9 million. Revenue for 2023 for the Group as a whole was expected to be within the range of DKK 750-800 million and hence 2023 revenue did meet expectations on an overall level.

In the Parent Company, Wanzl Nordic A/S, revenue for 2023 came in at DKK 570,3 million, corresponding to a decrease in revenue of 13,8% compared to revenue for 2022.

2023 revenue levels realized in Denmark and Finland anyhow exceeded expectations, while Norway and Sweden did not meet expectations and are considered unsatisfactory. To counter this, several initiatives were launched during the year including a restructuring of the Norwegian organization.

The expectation for the financial year 2024 is a revenue on Wanzl Nordic Group level in the range of DKK 650-700 million.

Earnings

Profit before tax reached DKK 42,6 million compared to a result of DKK 28,9 million in 2022. 2023 earnings are positively impacted by the ability of the group to navigate the market volatility encountered parred with strict cost control and saving measures.

The profit before tax of the Parent Company, Wanzl Nordic A/S (Denmark), amounted to DKK 43,7 million compared to a result of DKK 29,5 million in 2022.

Overall, the Wanzl Nordic Group did expect a 2023 result which would at least be matching the 2022 result, and hence actual earnings exceeded the targets set for 2023, The positive result generated in 2023 is considered satisfactory.

Based on current developments and plans for 2024, then the Group expects to report a profit before tax in 2024 in the range of DKK 4-20 million.

Operating review (continued)

Cash flows and balance sheet

Cash flows from operating activities were positive at DKK 98,3 million in 2023, compared to a positive impact of DKK 81,5 million in 2022. The positive development is linked to a significant decrease in inventory levels and the financial profit generated in 2023.

During 2023 the Wanzl Nordic Group fulfilled all obligations linked to the debt positions of the Group and even managed to repay part of debt position, which was not due yet, resulting in a significant reduction in the balance of the interest bearing debt. Hence interest bearing debt amounted to DKK 73,0 million end of 2022, compared to DKK 135,2 million end of 2021.

Another significant reduction in the balance of interest-bearing debt is planned in 2024, and the Wanzl Nordic Group is confident that all obligations linked to current debt positions will be met in 2024 as well.

Operating review

Cash flows from investing activities for the year amounted to DKK 2,7 million, reflecting those investments in new assets is exceeding the disposal of assets.

Total cash flow after financing activities including impact from repayment of loans amounted to DKK 33,8 million.

The Wanzl Nordic Group's balance sheet total reached DKK 339,9 million at 31 December 2023 against DKK 367,3 million last year. The decrease was primarily attributable to reduced inventories and debt positions.

Equity stood at DKK 157,2 million at 31 December 2023, equivalent to a solvency ratio of 46,5 % as against a solvency ratio of 33,9 % at 31 December 2022.

Daily operational management is focused around the development in key financial aspects. Efforts aiming at introducing overall non-financial KPI's have anyhow been initiated, and the first non-financial KPI's are expected to be introduced in 2024.

Production, investments and quality

It is the Wanzl Nordic Group's objective that the name, Wanzl Nordic, both, in terms of products and services and on all markets and within all areas, is to be associated with innovative design, excellent service and good quality. Quality management is a key element in reaching these goals, why we have commenced the work as to building up a management system around our key processes. Furthermore, we have initiated work aiming at achieving an actual quality management certification together with other sister companies in the Wanzl Group, at some future point of time.

Production being in Denmark and Latvia, supports the Group's flexibility, and at the same time the operating risk posed by only one production facility has been reduced.

Intellectual capital and organisation

Competent staff members are the most important asset for the strategic development of the Group, and Wanzl Nordic has continuous focus on strengthening and developing the organization as well as the individuals.

A new shared HR-system Sympa was launched in Wanzl Nordic in 2023, In January it was launched in Denmark and during the following month until July the other 4 countries in the Wanzl Nordic Group also had the system implemented. To have the HR-system implemented is a huge step in relation to our HR development, as we now can handle all employee master data, contracts and HR-procedures within the same, unified system for all our countries. And at the same time, we are sure that we are 100% GDPR compliant in an easier handled way than before.

Operating review (continued)

The first part of the roll-out was focused on registration of employee master data and all relevant employee related documents, such as employment contracts, appendixes for salary or other employment terms, job descriptions etc. So now we have all data in one, secured system. Managers have access to their own employee's data and the employee him/herself has access to his/her own data. This is a huge improvement of our processes and eases up a lot of work in personnel administration, enabling us to focus even more on development of our intellectual capital and organization.

In 2023 we also started up a few extra HR-processes to be run from Sympa apart from the master-data part of the HR-system. These parts related to on- and offboarding, where we also handle all processes in relation to ordering of IT equipment etc. In 2024 we intend to continue the work and roll out additional areas of the HR-system, such as for example system based and supported templates for appraisal interviews etc.

Late 2023 we also finished preparations to use a module linked to Sympa HR-system called Recrutee/Career Hub. This module allows us to organize and publish our own recruitment processes and as the system is linked to Sympa, then when a candidate is selected for employment, his/her data is already known and can be transferred directly into Sympa. Another new system which we took into use in 2023 was the electronical signature system Scrive, which we also have linked to Sympa processes. This system gives us the possibility to send all kind of documents for signature in a secured system. This process is GDPR safe as documents are send within a secured system and it eases up the administrative work and we avoid sending documents via e-mail etc. So far Scrive has been implemented for Denmark as the largest entity. In 2024 we will start working on the implementation in the other Nordic countries.

All in all the implementation of Sympa and related systems have started our "journey" towards a much more modern, flexible and effective way of working with administrative tasks, enabling us us to free up more time, to focus even more on people and culture development work.

We have identified a need to lift especially the IT competence levels among our blue-collar workers. Hence in spring 2023 we arranged a basic IT-course of 10 x 3 hours duration in corporation with the same official Danish education Centre (Randers HF & VUC), which is supporting our Danish language trainings. Before training the school made a screening of the participants, to ensure the education could be adjusted to the level of the participants. The level was quite different, varying from zero IT-competences to quite experienced users. Hence, it was a demanding task for the tutor to adjust the training material. 17 employees participated the training.

We are happy to see a growing interest among our blue collars to develop their skills and competences within their field of experience, and to take courses which have more modules ex. within the warehouse area. This is totally in line with the wish from the company, as we want to support development of competences. This will benefit both the company and the employees. From January 2024 the administration of the IKUF (Industrial Competence development Fond) will change from local to central administration. As a result of this the employees within the CLA for blue collars, and white collars under Danish Industry, will get access to an increased funding for training.

In the spring af 2023, Wanzl Nordic arranged leadership training for the Nordic Leadership Team (14 people). This training took place in a two-day workshop in March with an external facilitator. The training was among other aiming at increasing the knowledge sharing and utilization of competences and synergies across borders.

Development activities

The development activities in the Wanzl Nordic Group, which includes product development, are primarily done in the R&D departments in Denmark and in Sweden. In addition to the development of our standard product range, a lot of development engagements are typically undertaken in cooperation with the customers in accordance with their increasing need for individualized and unique shopfitting solutions.

Furthermore, all Wanzl Nordic entities participate in ad hoc development work with suppliers of goods for resale to customize the Group's products in the Nordic countries to the relevant customers.

Special risks

Operating risks

Earnings of the Wanzl Nordic Group are sensitive to the development in the prices of the Group's raw materials, primarily steel and wood. To counter this risk, Wanzl Nordic's trading agreements with major customers contain a provisa for the development in steel prices. Based on international indexes, Wanzl Nordic regularly adjusts its prices towards the customers in the case of unforeseen developments in the prices of several raw materials.

Financial risks

The Wanzl Nordic Group is exposed to movements in the exchange rates of SEK and NOK, and to a certain extent, interest rate fluctuations, since part of the Group's interest-bearing debt is floating-rate debt.

Based on the nature and extent of the above exchange rate risk, then it has been and remains to be the policy of the Company to accept the above exchange rate risk, and hence exchange rate risks are not hedged via financial instruments.

As to debt positions then it is the Policy of the Company to perform an assessment of the optimal choice between floating-rate and fixed rate options at the time of the inception of the individual debt positions. Minimum on an annual base the Company is reassessing its current debt structure and determining whether changes are required or appropriate.

Events after the balance sheet date

No material events have occurred after the balance sheet date considerably affecting the consolidated financial statements and parent company financial statement for 2024.

Corporate social responsibility, ref. the Danish Financial Statements Act, section 99a

In addition to acting decently and responsibly in its own name, the Wanzl Nordic Group intends to encourage suppliers and other business partners to engage in decent and responsible behavior.

Wanzl Nordic wants to serve as an active and committed entity in the local community, from where the Group runs its business, and on its domestic and foreign markets.

Being a player in the global community, Wanzl Nordic has therefore decided to operate in accordance with the UN Global Compact and follows the "Code af Conduct" of the Wanzl Group, setting out the ethical guidelines and values on which the Group's conduct is based, including the Group's position on human rights, employee rights, environment, and anti-corruption. When starting to work in Wanzl Nordic, all new employees of Wanzl Nordic Group must formally acknowledge that they comply with the Code of Conduct by signing it.

By means of various policies, Wanzl Nordic has defined its position on the responsibility that the Wanzl Nordi Group and its employees have for its community and the markets on which the Wanzl Nordic

(continued)
Group operates.

In association with Wanzl's Code of Conduct, which is available on the website of Wanzl Nordic, a number of policies have been prepared and implemented - policies which the Wanzl Nordic Group - together with the Wanzl Group - internally finds it important to comply with, in order to meet customer expectations and needs and to ensure the well-being of its employees. Everything must take place in a way allowing Wanzl Nordic to conduct business with a minimum of environmental impact. Policies have been worked out for Environment, Purchasing, Market behavior and HR. Wanzl Nordic has moreover focus on the gender diversity of Management.

The following sections describe policy/targets, actions and results regarding:

- Market Behaviour including collaboration with suppliers, human rights and Anti-corruption
- Environment and climate
- HR including working environment/health.

Market behaviour

The Wanzl Nordic' Group policy for proper market behavior describes how the Group's employees are to act when in the market, including in problematic situations and moral dilemmas. The policy is in line with the corporate policies of the Wanzl Group. It has overall been decided that:

It is the policy of Wanzl Nordic

- that the Wanzl Nordic Group and its employees are always to comply with local legislation and act in a professional manner towards business partners, including customers and suppliers,
- that no bribery, in any form whatsoever, is acceptable, and that entertainment is only acceptable as part of common courtesy,
- that Wanzl Nordic is not to act in an anti-competitive way in the market and is not to enter into price or market agreements with competitors,
- that Wanzl Nordic is not to tolerate or contribute to any money laundering, and
- that Wanzl Nordic is not to violate any human rights and is not to accept any compulsion, exploitation, or child labor.

We are not aware of any breaches of Wanzl Nordic market policy in 2023.

Code of Conduct - including collaboration with suppliers, human rights and Anti-corruption

Being part of the Wanzl Group, Wanzl Nordic follows the Code of Conduct of the Wanzl Group. The Code of Conduct refers to the responsibility of the Group - both with the individual company and with the individual person - when the Group acts and behaves in the countries and on the markets where Wanzl Nordic is present and does business.

Wanzl Nordic wants to send a message to its customers, suppliers and employees, authorities and local communities about the ethical values, on which the Wanzl Nordic Group is based.

Each day the companies and employees are faced with challenges and difficult choices as a natural part of conducting business. These choices and day-to-day decisions are to be based on the Wanzl Nordic Group's joint ethics as set out in Wanzl's Code of Conduct.

(continued)
Wanzl Nordic strives to ensure that its business relies on a respect and compliance with the UN's Global Compact's ten principles within human rights, employee rights, environment and anti-corruption. Accordingly, these ten principles are addressed in Wanzl's Code of Conduct. Based on the clear stand point which has been taken by the Wanzl Group as to human rights and anti-corruption, and which is being communicated to our internal and external stakeholders, then it is the ambition of the Group to avoid instances of non-compliance in that respect.

To ensure compliance with the policies against anti-corruption and bribery, suppliers at Wanzl Nordic Group must, prior to initiating the business relationship, sign Wanzl's "Code of Conduct" and thereby confirm that as a minimum they will live up to the requirements set out therein.

The Code of Conduct of Wanzl for suppliers and business partners is available in several languages at Wanzl´s website: https: / /www.wanzl.com/da_DK/wanzl-inside/compliance

When Wanzl´s suppliers sign this "Code of Conduct", we assess the risks with regards to Environment, Anti-corruption and Human rights of our suppliers to be low. Further, the "Code of Conduct" is known in the organization, and Wanzl conducts its business accordingly. 87 suppliers are incorporated in evaluation tool Integrity Next that ensures frequent follow up on critical suppliers.
A Contract management system has been developed to ensure sufficient control and storage of all signed contracts, hereunder also the Non-disclosure, Quality and Purchase Agreements.

Besides agreeing on the terms and conditions with new suppliers in signed contracts, a financial evaluation is being done through available tools in the specific countries. For example, Coface is being used for suppliers in Poland.
Suppliers in China and Vietnam is being validated by the Wanzl Asia Pacific Sourcing office in Shanghai based on the same Wanzl Group requirements and in corporation with Wanzl Nordic.

Risk management is being handled through several channels. As minimum quarterly business review meetings is taking place with critical suppliers where proactive risk management is on the agenda. Furthermore 60 suppliers has been incorporated into Supply Chain Risk Management tool (RiskMethods) that can identify potential risks, hereunder also compliance related violations and can ensure proactive measures to be taken by the Commodity lead to avoid any risks to Wanzl.

Environment and climate

Environmental and climate impacts are on everybody's lips. Based on the nature and structure of the operations of the Group, then it our assessment that no single topic is having an unusual magnitude or is constituting a significant risk to the Group. Furthermore, then it is the assessment of the group that all material topics have been addressed by the current activities of the Group.

The Wanzl Nordic Group is anyhow considering the environment and climate agenda as an important key topic together with our corporate social responsibility, why the Group is having an ambition to constantly raise the bar as to its efforts. Linked to that then we have initiated efforts together with our parent company in respect to creating a new common strategy to be rolled out in all entities.

From a risk perspective, the most important environmental and climate risks are considered to be the disposal of scrapped materials. Wanzl Nordic sorts out disposals into metal, wood and other products, and with this we consider the risk low.

Environmental improvements in our own product throughout 2023 include:

- The change to pure polyester and low temperature curing powder coating on our biggest consumed paint type in both DK and LV
- The change of chemicals in out pretreatment plant to reduce temperature and waste water
- Creating a climate accounting three years back using KlimaKompasset (DI KlimaKlar)

(continued)
The Wanzl Nordic Group commits itself to comply with all applicable legislation and regulations and implements the required standards, procedures, contingency measures and control systems to ensure that the companies are run in a safe manner. Wanzl Nordic keeps track with all substances and chemicals used at its factories, and in cooperation with its suppliers, the different products are regularly assessed to identify more environmentally and climate friendly products.

The Wanzl Nordic Group has an ongoing focus on optimizing its consumption of materials and its environmental impact, both through the choice of materials and through reduction in process scrapping and waste.

As part of the Group's efforts in respect to the new CSRD reporting requirements, we have identified a need to redefine and refine some of our structures, processes, measurement points and targets. These efforts are still in the initial phases but will lead to revised measurements and targets as to among other process scrapping and waste as well as energy consumption.

Human rights and social and staff matters

Wanzl Nordic has continuous focus on human rights both in relation to the co-operation with suppliers and its employees in the individual companies. Reference is made to the section on the Wanzl Code of Conduct for details about Wanzl Nordic's requirements regarding protection of human rights, the purpose of which is to avoid such risks as for example child labor.

Reference is made to the below sections for details about Wanzl Nordic's position on social and staff matters, including protection of employees' health and safety.

Working environment/health

Wanzl Nordic considers it as an important and ongoing task to protect its employees against accidents at work and occupational deceases, ensure a sound working environment in all the Wanzl Nordic Group's entities, and as a minimum, comply with the legal requirements applying in this field.

Our work environment organization holds regular meetings where they focus on the most important risks, and within the available frames, plan and execute improvements. Through this focus on risk assessment, the risk is considered relatively low.

Wanzl Nordic commits itself to contribute actively and proactively to improvements and development of the companies' layouts, procedures, processes, standards, and products, so that the preconditions are in place for all employees to work in a safe and healthy environment. Wanzl Nordic is of the opinion that the employees must be involved so that sound and lasting solutions can be implemented, and at the same time all employees are expected to take responsibility and learn from their own experiences as well as the experiences of others. Wanzl Nordic continuously targets zero accidents, and a lot of work goes into this ambition.

The Wanzl Group strives to ensure that all employees are treated in a proper and consistent manner based on a joint personnel policy and common values to ensure we also work with our work-life culture In 2023 the Wanzl Group globally implemented a new set of common Wanzl Values. All parts of the group will implement these locally. In Wanzl Nordic we had workshops in each country with our employees. This in order to involve the employees and to get a common understanding of the values, "what are they", "what do we mean by them" and most important "how do we live them in daily life". In the workshops we had dialogue and input from all employees giving their view on "how does good look", what should be our common behaviour and also "what do we not want" – so in this way we have got a set of common "rules of engagement", which we going forward can use among ourselves to continue to remember and to live the good behavior etc.

In 2023 an updated alcohol policy was implemented. The policy now also includes a part relating to drugs, as it is clear, that in our community in general, this is increasingly a challenge, why it is needed that we are also ready to deal with such issues, if they arise.

Late 2023 we conducted a job-satisfaction survey in Wanzl Nordic Group. To do so, we implemented a

(continued)
new, electronical platform - GAIS, which we can use across borders., Hence for the first time we are able to make the same survey for all our employees in the Nordic Group, and afterwards we are able to work with the results across borders and in the Nordic functions. 68 % of all employees participated and the overall score of job-satisfaction was 67 %. There are quite different results for the individual teams and also the response rate is quite different from team to team, as is quite normal in these kinds of surveys. Now the managers together with their teams have started to explore the team results and to define which area, they will start to focus on. In GAIS there is an action center in which all managers can define targets and follow up, and we can share across functions, enabling us to learn from each other. While working with our culture and job-satisfaction will be a “never-ending” journey, as culture and job-satisfaction is something we will keep focus on and then the efforts and targets will change over time, then the targeted efforts which have been initiated in respect to our recent GAIS survey are expected to lead to an improved job satisfaction score in our next GAIS Survey, and to further embed a culture where we do not accept violations such as bullying or sexual harassment, in our workplace. A specific target as to the development in our job-satisfaction score still needs to be worked out.

GAIS is based on a Danish, research-based and valid model for what is important for the job satisfaction. The GAIS measures 7 factors (balance, mastery, meaning, colleagues, co-determination, leadership and results). Together, these 7 factors make up the overall job satisfaction. When answering the GAIS measurement, participants must select a value on a scale from 0-10 for each question.

This score can also be multiplied by 10, so it is called:

Score from 0-49: Expression of dissatisfaction
Scores from 50-79: Expression of medium satisfaction
Scores from 80-100: Expression of high or very high satisfaction

Wanzl Nordic's overall job satisfaction in the 5 countries that belong to Wanzl Nordic is 67. The overall job satisfaction for Wanzl Nodic Denmark is 68. The benchmark for the average Danish employee's job satisfaction is 72.

We expect that the work we are doing on job satisfaction will contribute to an increase in the general well-being among employees and reduce sickness absence. Just as the work will minimize the staff turnover.

Reference is moreover made to the section on intellectual Property and Organization.

Social responsibility

The Parent Company in Denmark has laid down a policy on the employment of refugees, and in interaction with Favrskov Municipality, the Company had employed four refugees at the end of 2023.

The Group strives to offer training within the Group's professional areas and will set up apprenticeships as required.

Reference is moreover made to the section on intellectual Property and Organization.

Gender quota for Wanzl Nordic's Management, ref. the Danish Financial Statements Act, section 99b

Gender distribution within Management

	2023
Number of members of the supreme management body	0
Under-represented gender, share in % of the supreme management body	0%
Number of people at other management levels	13
Under-represented gender, share in % at other management levels	31%

Target figures for the supreme management body

	2023
Target figures in % for the supreme management body	33%
Year, in which the target figures are expected to be met	2025

Status of meeting the target figures set for the supreme management body

It is the opinion of Wanzl that all jobs in the Group are to be occupied by the candidates best qualified, including also positions at the top managerial levels. In addition to this, Wanzl strives to secure diversity and equal opportunities for both genders, in all parts of the Group's organization, including Management.

In line with the above, it would also be the company's goal to increase the gender diversity in the Board of Directors, should a relevant opportunity occur. The target is one female board member within 4 years and thereby no underrepresented gender in the Board by the end of 2026. At the end of FY 2023 the Board of directors had 3 members, all of whom were males.

Target figures for other management levels

	2023
Target figures in % for the other management levels	40%
Year, in which the target fig-ures are expected to be met	2025

Policy for other management levels

In the Wanzl Nordic Leadership team, there are 4 females and 9 males.

Over the past years, there has been a positive trend towards the present target of 40% female representation, by recruiting more female managers in different management levels. So Wanzl Nordic strives to continue this trend by focusing on the activities stated in our policy for increasing the share of the underrepresented gender in the company, e.g., ensuring that job postings address both genders, including that they are written in a gender-neutral language. It is the intention to start including diversity in general in the gender diversity policy within the next financial year.

Data ethics, ref. the Danish Financial Statements Act, section 99d

Data ethics is an ethical dimension of the relationship between technology and the citizen as to fundamental rights, legal certainty, and fundamental social values that technological development gives rise to.

Wanzl Nordic has persistent focus on protecting the data of its employees as well as customers, suppliers, and all other collaboration partners. Protection of the data of individuals is anchored in the Group's GDPR policy. The requirements for responsible behavior set out in Wanzl's Code of Conduct also apply to data protection and compliance with the UN Universal Declaration of Human Rights.

Management is not aware of disputable behavior in Wanzl Nordic about data ethics. Following the evaluation of the need for a more general analysis as to further policy requirements and measures regarding data ethics, an IT superuser group has been established with the purpose of assisting the IT department in the implementation of new features and changes in the ERP system. Moreover, an GDPR working group is presently working on setting up a GDPR section in the company's IPW management system, which will facilitate the GDPR work and at the same time make it more visible to the employees.
Furthermore, Wanzl Nordic has started working with the data ethics besides GDPR, where we in a structured way, will identify the data and formalize the actions needed for how to handle these data ongoing.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

		Group		Parent Company	
	Note	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000
NET REVENUE	1	**756,670**	**842,846**	**570,271**	**661,677**
Production costs	2	-548,637	-640,237	-412,517	-507,702
GROSS PROFIT/LOSS		**208,033**	**202,609**	**157,754**	**153,975**
Sales and distribution costs	2	-106,264	-128,600	-69,272	-91,299
Administrative expenses	2, 3	-59,479	-43,844	-46,665	-32,451
OPERATING PROFIT		**42,290**	**30,165**	**41,817**	**30,225**
Other operating income		7,779	7,165	7,778	7,165
Other operating expenses		-2,624	-1,685	-2,626	-2,029
OPERATING PROFIT		**47,445**	**35,645**	**46,969**	**35,361**
Other financial income	4	1,489	983	3,167	1,731
Other financial expenses	5	-6,309	-7,778	-6,448	-7,545
PROFIT BEFORE TAX		**42,625**	**28,850**	**43,688**	**29,547**
Tax on profit/loss for the year	6	-9,395	-8,037	-9,294	-5,898
PROFIT FOR THE YEAR	7	**33,230**	**20,813**	**34,394**	**23,649**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	Group 2023 DKK '000	Group 2022 DKK '000	Parent Company 2023 DKK '000	Parent Company 2022 DKK '000
Land and buildings		50,133	53,595	43,114	45,276
Production plant and machinery		21,467	25,843	19,372	22,373
Other plant, fixtures and equipment		502	875	78	401
Leasehold improvements		571	718	570	718
Property, plant and equipment	8	**72,673**	**81,031**	**63,134**	**68,768**
Investments in subsidiaries		0	0	70,225	63,295
Derivative financial instruments	9	1,373	2,266	1,373	2,266
Financial non-current assets	10	**1,373**	**2,266**	**71,598**	**65,561**
NON-CURRENT ASSETS		**74,046**	**83,297**	**134,732**	**134,329**
Expenses for raw materials and consumables		5,425	20,777	1,291	14,984
Work in progress		2,261	4,350	1,912	2,664
Finished goods and goods for resale		105,604	162,165	77,264	124,148
Inventories		**113,290**	**187,292**	**80,467**	**141,796**
Trade receivables		89,724	67,579	51,334	49,577
Receivables from group enterprises		0	3,331	52,448	55,695
Deferred tax assets	11	1,359	1,404	0	0
Other receivables		4,761	1,290	3,625	1,492
Corporation tax receivable		556	550	0	0
Prepayments	12	1,608	1,776	1,746	1,544
Receivables		**98,008**	**75,930**	**109,153**	**108,308**
Cash and cash equivalents		**54,531**	**20,745**	**32,606**	**7**
CURRENT ASSETS		**265,829**	**283,967**	**222,226**	**250,111**
ASSETS		**339,875**	**367,264**	**356,958**	**384,440**

BDO

BALANCE SHEET AT 31 DECEMBER

		Group		Parent Company	
EQUITY AND LIABILITIES	**Note**	**2023** DKK '000	**2022** DKK '000	**2023** DKK '000	**2022** DKK '000
Share Capital	13	15,400	15,400	15,400	15,400
Retained earnings		141,830	108,931	185,276	151,579
EQUITY		**157,230**	**124,331**	**200,676**	**166,979**
Provision for deferred tax	14	5,081	5,449	3,140	3,460
Other provisions	15	26,275	8,951	20,026	8,872
PROVISIONS		**31,356**	**14,400**	**23,166**	**12,332**
Debt to mortgage credit institution		17,112	19,216	17,112	19,216
Bank debt		415	0	415	0
Lease liabilities		0	2,303	0	2,303
Payables to group enterprises		0	52,080	0	52,080
Other non-current liabilities		10,088	10,219	10,088	10,219
Non-current liabilities	16	**27,615**	**83,818**	**27,615**	**83,818**
Debt to mortgage credit institution		1,745	2,575	1,745	2,575
Bank debt		400	1,334	400	1,334
Lease liabilities		2,304	1,262	2,303	1,262
Trade payables		35,123	52,097	23,016	39,471
Debt to Group companies		54,095	61,358	58,257	60,567
Corporation tax payable		9,656	2,113	9,652	2,109
Other liabilities		20,351	23,976	10,128	13,993
Current liabilities		**123,674**	**144,715**	**105,501**	**121,311**
LIABILITIES		**151,289**	**228,533**	**133,116**	**205,129**
EQUITY AND LIABILITIES		**339,875**	**367,264**	**356,958**	**384,440**

Contingencies etc.	17
Charges and securities	18
Related parties	19
Significant events after the end of the financial year	20

EQUITY

	Group		
	Share capital	Retained earnings	Total
Equity at 1 January 2023	15,400	108,931	124,331
Proposed profit allocation, see note 7		33,230	33,230
Other legal bindings			
Foreign exchange adjustments		366	366
Other adjustments to equity value		-893	-893
Tax on changes in equity		**196**	**196**
Equity at 31 December 2023	**15,400**	**141,830**	**157,230**

	Parent Company		
	Share capital	Retained earnings	Total
Equity at 1 January 2023	15,400	151,579	166,979
Proposed profit allocation, jf. note 7		34,394	34,394
Other legal bindings			
Other adjustments to equity value		-893	-893
Tax on changes in equity		**196**	**196**
Equity at 31 December 2023	**15,400**	**185,276**	**200,676**

CASH FLOW STATEMENT 1 JANUARY - 31 DECEMBER

	Group	
	2023 DKK '000	**2022** DKK '000
Profit/loss before tax for the year	42,625	28,849
Unrealised exchange gains, reversed	1,329	0
Other adjustments of non-cash operating items	0	4,087
Corporation tax paid	-228	-317
Change in inventories	74,002	62,777
Change in receivables (ex tax)	-25,448	18,307
Change in other provisions	17,324	79
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)	-19,688	-43,902
CASH FLOWS FROM OPERATING ACTIVITY	**98,279**	**81,457**
Purchase of property, plant and equipment	-3,308	-3,248
Sale of property, plant and equipment	587	10
CASH FLOWS FROM INVESTING ACTIVITY	**-2,721**	**-3,238**
Repayment of long-term debt	-5,237	-3,781
Intercompany loans	-56,012	-67,763
Change in bank debt	-523	0
CASH FLOWS FROM FINANCING ACTIVITY	**-61,772**	**-71,544**
CHANGE IN CASH AND CASH EQUIVALENTS	**33,786**	**6,675**
Cash and cash equivalents at 1. januar	20,745	14,070
CASH AND CASH EQUIVALENTS AT 31. DECEMBER	**54,531**	**20,745**
Cash and cash equivalents at 31 December comprise:		
Cash and cash equivalents	54,531	20,745
CASH AND CASH EQUIVALENTS	**54,531**	**20,745**

NOTES

	Group		Parent Company		
	2023 DKK '000	**2022** DKK '000	**2023** DKK '000	**2022** DKK '000	**Note**
Net revenue					1
Segment details (geography)					
DK	282,519	303,605	281,603	300,152	
EU / EEA	386,736	499,111	260,749	326,876	
Other	87,415	40,130	27,919	34,649	
	756,670	**842,846**	**570,271**	**661,677**	

In accordance with Section 96 of the Danish Financial Statements Act, the company is required to show segment information.

The company's activity with production and sale of shop fittings is not divided further in the internal reporting. As a result, segment information for category are left out.

Staff costs					2
Average number of full time employees	324	351	198	210	
Wages and salaries	140,925	132,290	109,808	99,316	
Pensions	11,614	12,357	8,675	7,870	
Social security costs	7,458	8,391	1,725	3,203	
	159,997	**153,038**	**120,208**	**110,389**	
Remuneration of Executive Board	3,011	2,011	3,011	2,011	
Remuneration of Board of Directors	86	80	86	80	
	3,097	**2,091**	**3,097**	**2,091**	

Fee to statutory auditor					3
Total fee					
BDO	781	591	333	330	
KPMG	0	378	0	179	
	781	**969**	**333**	**509**	
Specification of fee					
Statutory audit	466	492	245	245	
Tax consultancy	79	193	48	188	
Other services	236	284	40	76	
	781	**969**	**333**	**509**	

NOTES

	Group		Parent Company		Note
	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000	
Other financial income					4
Interest from group enterprises	0	0	2,407	1,089	
Other interest income	1,489	983	760	642	
	1,489	**983**	**3,167**	**1,731**	
Other financial expenses					5
Interest expenses to group enterprises	4,716	3,825	4,698	3,825	
Other interest expenses	1,593	3,953	1,750	3,720	
	6,309	**7,778**	**6,448**	**7,545**	
Tax on profit/loss for the year					6
Calculated tax on taxable income of the year	10,106	2,300	10,076	1,501	
Adjustment of tax in previous years	-462	0	-462	-63	
Adjustment of deferred tax	-249	5,737	-320	3,533	
Adjustment of deferred tax for previous years	0	0	0	927	
	9,395	**8,037**	**9,294**	**5,898**	
Proposed distribution of profit					7
Retained earnings	33,230	20,813	34,394	23,649	
	33,230	**20,813**	**34,394**	**23,649**	

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Note

Property, plant and equipment 8

	Group	
	Land and buildings	Production plant and machinery
Cost at 1 January 2023	133,362	161,342
Adjustment relating to previous years	0	65
Exchange adjustment at closing rate	-18	-46
Additions	719	1,947
Disposals	-1,839	-12,872
Cost at 31 December 2023	**132,224**	**150,436**
Depreciation and impairment losses at 1 January 2023	79,467	135,499
Adjustment relating to previous years	336	13
Exchange adjustment	-56	0
Reversal of depreciation of assets disposed of	-1,728	-12,409
Depreciation for the year	4,072	5,866
Depreciation and impairment losses at 31 December 2023	**82,091**	**128,969**
Carrying amount at 31 December 2023	**50,133**	**21,467**
Finance lease assets		1,610

	Group	
	Other plant, fixtures and equipment	Leasehold improvements
Cost at 1 January 2023	36,044	878
Adjustment relating to previous years	51	0
Exchange adjustment at closing rate	-31	0
Additions	253	389
Disposals	-10,304	0
Cost at 31 December 2023	**26,013**	**1,267**
Depreciation and impairment losses at 1 January 2023	35,169	160
Adjustment relating to previous years	52	0
Exchange adjustment	-34	0
Reversal of depreciation of assets disposed of	-10,291	0
Depreciation for the year	615	536
Depreciation and impairment losses at 31 December 2023	**25,511**	**696**
Carrying amount at 31 December 2023	**502**	**571**

BDO

NOTES

Note

Tangible fixed assets (continued) 8

	Parent Company	
	Land and buildings	Production plant and machinery
Cost at 1 January 2023	102,584	113,606
Adjustment relating to previous years	0	1,978
Additions	682	1,758
Disposals	-1,839	-12,702
Cost at 31 December 2023	**101,427**	**104,640**
Depreciation and impairment losses at 1 January 2023	57,308	91,232
Adjustment relating to previous years	0	1,978
Reversal of depreciation of assets disposed of	-1,728	-12,409
Depreciation for the year	2,733	4,467
Depreciation and impairment losses at 31 December 2023	**58,313**	**85,268**
Carrying amount at 31 December 2023	**43,114**	**19,372**

	Parent Company	
	Other plant, fixtures and equipment	Leasehold improvements
Cost at 1 January 2023	26,174	877
Adjustment relating to previous years	50	0
Additions	52	389
Disposals	-10,304	0
Cost at 31 December 2023	**15,972**	**1,266**
Depreciation and impairment losses at 1 January 2023	25,773	160
Adjustment relating to previous years	50	0
Reversal of depreciation of assets disposed of	-10,291	0
Depreciation for the year	362	536
Depreciation and impairment losses at 31 December 2023	**15,894**	**696**
Carrying amount at 31 December 2023	**78**	**570**

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Derivative financial instruments 9

As part of the hedging of recognised and unrecognised transactions, the Wanzl Group makes use of hedging instruments such as interest swaps. The Group's hedging instruments are equivalent to those of the Parent Company.

Interest rate risks

The Group hedges interest rate risks by means of interest rate swaps whereby floating interest payments are converted into fixed interest payments. The hedged cash flows are expected to be realised and will affect results over the remaining term of the swap.

The interest rate swaps agreements have a total principal amount of 19 million DKK and remaining term of 2-13 years.

The hedging instuments impact the Balance Sheet, Income Statement and Equity as follows:

	Group
	Interest rate swaps
Fair value at 31 December 2023	
Assets	1,373
	1,373
Value adjustment in the year recognised in Equity	-893

	Parent Company
	Interest rate swaps
Fair value at 31 December 2023	
Assets	1,373
	1,373
Value adjustment in the year recognised in Equity	-893

Financial non-current assets 10

	Group
	Derivative financial instruments
Revaluation at 1 January 2023	2,266
Revaluation and impairment losses for the year	-893
Revaluation at 31 December 2023	**1,373**
Carrying amount at 31 December 2023	**1,373**

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Note

Fixed asset investments (continued) 10

	Parent Company	
	Investments in subsidiaries	Derivative financial instruments
Cost at 1 January 2023	63,295	0
Additions	6,930	0
Cost at 31 December 2023	**70,225**	**0**
Revaluation at 1 January 2023	0	2,266
Revaluation and impairment losses for the year	0	-893
Revaluation at 31 December 2023	**0**	**1,373**
Carrying amount at 31 December 2023	**70,225**	**1,373**

Investments in subsidiaries

Name and domicil	Ownership
Wanzl Nordic AB, Nässjö	100 %
Wanzl Nordic AS, Sandefjord	100 %
SIA Wanzl Nordic, Liepaja	100 %
Wanzl Nordic OY, Vantaa	100 %

Impairment tests have been performed for the Swedish, Finnish and Norwegian subsidiaries, which support the carrying amount of investments.

Deferred tax assets 11

Deferred tax assets arise primarily from tax loss carryforwards.

	Group		Parent Company	
	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000
Deferred tax assets, beginning of year	1,404	4,438	0	1,000
Deferred tax of the year, income statement	-45	-3,034	0	-1,000
Deferred tax assets 31 December 2023	**1,359**	**1,404**	**0**	**0**

The company's deferred tax assets are recognized in the balance sheet. The tax asset primarily relates to unused tax losses. The tax asset is recognized based on expectations of tax profits over the next few years, whereby the tax losses are fully expected to be utilized. The assessments are based on the company's budgets which are prepared in accordance with the company's normal budgeting procedures.

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Note

Prepayments 12

Prepayments include prepaid costs, primarily insurance and quotas that relate to the following year.

	2023 DKK '000	2022 DKK '000	
Share Capital			13
Allocation of share capital:			
Shares, 154,000 unit in the denomination of 100 DKK............	15,400	15,400	
	15,400	**15,400**	

Provision for deferred tax 14

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

	Group		Parent Company	
	2023 DKK '000	2022 DKK '000	2023 DKK '000	2022 DKK '000
Deferred tax, beginning of year......	5,449	1,860	3,460	0
Deferred tax of the year, income statement................................	-368	3,589	-320	3,460
Provision for deferred tax 31 December 2023........................	**5,081**	**5,449**	**3,140**	**3,460**

Other provisions					15
0-1 years................................	26,275	8,951	20,026	8,872	

Other Provisions consists of employee and other bonuses, legal obligations, restructurings etc.

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Long-term liabilities 16

	Group			
	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Debt to mortgage credit institution	18,857	1,745	11,645	21,791
Bank debt	815	400	0	1,334
Lease liabilities	2,303	2,303	0	7,130
Payables to group enterprises	44,700	44,700	0	112,647
Other non-current liabilities	10,249	161	8,861	10,236
	76,924	**49,309**	**20,506**	**153,138**

	Parent Company			
	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Debt to mortgage credit institution	18,857	1,745	11,645	21,791
Bank debt	815	400	0	1,334
Lease liabilities	2,303	2,303	0	3,565
Payables to group enterprises	44,700	44,700	0	112,647
Other non-current liabilities	10,249	161	8,861	10,236
	76,924	**49,309**	**20,506**	**149,573**

Contingencies etc. 17

Contingent liabilities

	Group		Parent Company	
	2023 DKK '000	**2022** DKK '000	**2023** DKK '000	**2022** DKK '000
Lessor				
Within 1 year	0	0	0	1,294
Between 1 and 5 years	0	0	0	485
After 5 years	0	0	0	0
	0	**0**	**0**	**1,779**
Lessee				
Within 1 year	14,236	13,590	8,474	7,819
Between 1 and 5 years	9,300	14,093	5,947	6,415
After 5 years	37	0	37	0
	23,573	**27,683**	**14,458**	**14,234**

Operating lease liabilities comprise of machinery for the Parent Company. Derived income is recognised as operating income.

Operating lease liabilities comprise lease of operating equipment (term of up to four years) and rent agreements with a term of up to three years.

NOTES

Note

Charges and securities 18

In addition to mortgage loans of DKK 1.7 million (2022: DKK 2.4 million) secured upon land and buildings and related property, plant and equipment with a carrying amount of DKK 43 million, the following assets have been provided as collateral for the Group's and the Parent Company's bank loans, etc.:

	Group		Parent Company	
	2023 DKK millions	2022 DKK millions	2023 DKK millions	2022 DKK millions
Mortgage deed registered to the mortgagor of DKK 52.6 million (2022: DKK 52.6 million) secured on property, plant and equipment with a carrying amount of:	43	45	43	45
Company charge of DKK 39.0 million (2022: DKK 39.0 million) secured on the Parent Company's assets (receivables, inventories, plant and machinery, fixtures and fittings, tools and equipment as well as assets under construction) with a carrying amount of:	152	214	152	214

A guarantee has been provided for bank loans of the subsidiary at a maximum of DKK 11.7 million.

Related parties 19

The Company's related parties include:

Controlling interest

Wanzl GmbH & Co. KGaA, Rudolf-Wanzl Strasse 4, 89340 Leipheim, Germany.

Wanzl GmbH & Co. KGaA holds the majority of the contributed capital in the Company.

Wanzl Nordic A/S is part of the consolidated financial statements of Wanzl GmbH & Co. KGaA, Leipheim Germany, which is the smallest and largest groups, respectively, in which the Company is included as a subsidiary.

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.

Significant events after the end of the financial year 20

No events have occurred after the balance sheet date to this date which may influence the evaluation of this annual report.

ACCOUNTING POLICIES

The Annual Report of Wanzl Nordic A/S for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for large-size enterprises in reporting class C.

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

Comparative figures
As a result of identified classification misstatements in prior year financial statements, changes have been made to the comparative figures.

The nature and effect of the changes is described below:

Group:
Reclassification of other operating expenses from administrative expenses of 82 (DKK '000).
Reclassification of other operating income from administrative expenses of 7,165 (DKK '000).
Reclassification of derivative financial instruments (assets) from other liabilities (liabilities) of 2,266 (DKK '000).
Reclassification of other provisions (liabilities) from other liabilities (liabilities) of 8,872 (DKK '000).
Reclassification of other non-current liabilities (liabilities) from other liabilities (liabilities) of 10,219 (DKK '000).

Parent Company:
Reclassification of other operating expenses from administrative expenses of 82 (DKK '000).
Reclassification of other operating income from administrative expenses of 7,165 (DKK '000).
Reclassification of derivative financial instruments (assets) from other liabilities (liabilities) of 2,266 (DKK '000).
Reclassification of other provisions (liabilities) from other liabilities (liabilities) of 8,872 (DKK '000).
Reclassification of other non-current liabilities (liabilities) from other liabilities (liabilities) of 10,219 (DKK '000).

Consolidated Financial Statements
The Consolidated Financial Statements include the Parent Company Wanzl Nordic A/S and the subsidiaries in which Wanzl Nordic A/S directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence.

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.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

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.

ACCOUNTING POLICIES

INCOME STATEMENT

Net revenue
Net revenue from the sale of goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

net revenue from the sale of goods where installation is a condition for major risks being considered transferred to the buyer is recognised as revenue when installation has been completed.

Net revenue from the sale of goods where delivery has been postponed upon the buyer's request is recognised as revenue when ownership of the goods has been transferred to the buyer.

Sale of services is generally recognised on the basis of a measurable degree of completion, using straight-line recognition of services delivered over time in a regular pattern. Where the degree of completion is not measurable or the sales value or the total costs of completion are uncertain, revenue is recognised by the amount that the enterprise as a maximum believes to have a right to claim and is expected to be received for services delivered at the Balance Sheet date.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

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 and conflict compensations, as well as salary refunds. Compensations are recognised when the income is estimated to be realisable.

Production costs
Production costs comprise the costs of manufacture and procurement paid to achieve the net revenue for the year, including costs of raw materials and consumables, wages and salaries, energy, maintenance, leasing and depreciation of production plant, and adjusted for changes in inventory of finished goods and work in progress.

Amortisation of capitalised development and research costs and the development costs that do not fulfil the criteria for capitalisation are also recognised in production costs.

Moreover, provisions for losses on contract work are recognised.

Distribution costs
The costs paid for the distribution of goods sold during the year and for sales campaigns, etc. carried out during the year are recognised in distribution costs. The cost of sales personnel, advertising and exhibition costs and amortisation of distribution and sales related assets are also recognised in distribution costs. Common losses on bad debts are also recognised.

Administrative expenses
Administrative expenses recognise costs incurred during the year regarding management and administration of the Group, inclusive of costs relating to the administrative staff, Executives, office premises, office expenses, etc., and related amortisation.

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.

ACCOUNTING POLICIES

Income from investments in subsidiaries
Dividend from subsidiaries is recognised in the financial year in which the dividend is declared. In connection with transfers, potential profits are recognised when the economic rights related to the sold equity interests are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

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.

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

Tangible fixed assets
Land and buildings, production plant and machinery, 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	20-40 years
Installations	5-10 years
Production plant and machinery	5-10 years
Other plant, fixtures and equipment	3-5 years
Leasehold improvements	5-10 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.

ACCOUNTING POLICIES

Lease contracts
Lease contracts relating to tangible fixed assets for which the Company bears all material risks and benefits attached to the ownership (finance lease, see IAS 17) are recognised as assets in the Balance Sheet. The assets are at the initial recognition measured at the lower of cost stated at fair value and the and present value of the future lease payments. The internal interest rate of the lease contract, or alternatively the Company's loan interest, is used as discounting factor when calculating the present value. Finance lease assets are hereafter treated as the Group's and the Company's other similar tangible fixed assets.

The capitalised residual lease liability is recognised in the Balance Sheet as a liability and the interest portion of the lease payment is recognised in the Income Statement over the contract period.

All other lease contracts are considered to be operating leases. Payments related to operating leases and other rental agreements are recognised in the Income Statement over the contract period. The Company's total liability relating to operating leases and rental agreements is disclosed as contingencies etc.

Financial non-current assets
Investments in subsidiaries are measured at cost. If the cost exceeds the net realisable value, this is written down to the lower value.

Other receivables are measured at amortised cost which usually corresponds to the nominal amount. The amount is written down to meet expected losses.

Impairment of fixed assets
The carrying amount of 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 cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct payroll cost and other direct and other indirect production costs include indirect materials and payroll and maintenance and depreciation of the machines, factory buildings and equipment used in the production process, the cost of factory administration and management and capitalised development costs relating to the products.

The net realisable value of inventories is stated at the expected sales price less direct completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price of the inventories.

ACCOUNTING POLICIES

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

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

Other provisions for liabilities
Other provisions for liabilities include the expected cost of employee and other bonuses, legal obligations, restructurings etc. and deferred tax.

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.

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.

ACCOUNTING POLICIES

Derivative financial instruments
Derivative financial instruments are initially recognised in the Balance Sheet at cost and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are recognised under receivables and payables, respectively.

Change in the fair value of derivative financial instruments classified as and complying with the criteria for hedging of the fair value of a recognised asset or a recognised liability is recognised in the Income Statement together with possible changes in the fair value of the hedged asset or the hedged liability.

Change in the fair value of derivative financial instruments related to hedging of future cash flows are recognised in Equity to the extent, that the conditions for this purpose are fulfilled. The value adjustments are recognised in a fair value reserve for hedging for accounting purposes until the hedged transaction is realised or the hedging ceases is adjusted downward. Upon realisation the accumulated value of the hedging instrument together with the hedged transaction is recognised in the Income Statement, unless the hedging transaction results in recognition of a non-financial asset or a non-financial liability. In this case, the amount is transferred from Equity to the cost price or carrying amount of this asset or liability.

Where a hedging is no longer effective, in part or in full, the accumulated value in Equity is transferred in full or proportionally to the financial income or expenses in the Income Statement. Changes in the fair value of derivative financial instruments which the Company might elect not to transfer to hedging for accounting purposes are also recognised here. Tax on the movements in the hedging reserve is recognised, which is transferred to tax in the Income Statement as the reserve is being dissolved.

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.

The Income Statements of foreign subsidiaries and associates fulfilling the concitions for being independent entities are translated at an average exchange rate for the month and the Balance Sheet items are translated at the rate of exchange on the Balance Sheet date. Exchange differences arising from translation of the equity of foreign subsidiaries at the beginning of the year to the rates of the Balance Sheet date and from translation of Income Statements from average rate to the rates of the Balance Sheet date are recognised directly in the equity.

Exchange adjustment of intercompany accounts with foreign subsidiaries that are deemed to be an addition to or deduction from the equity of independent subsidiaries are recognised directly in the equity.

Exchange rate differences recognised in Equity are accumulated in a fair value reserve for currency translation of foreign entities and are transferred to the Income Statement when object of the currency translation is realised or ends. An exception is exchange rate differences arising from translation of Equity interests, which are recognised at Equity value, where the whole value adjustment, including exchange rate differences, are included in the reserve for net valuation according to the Equity value method.

CASH FLOW STATEMENT

With reference to Section 86(4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.

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.