



MIE5 Holding 10 ApS

Gammeltorv 18
1457 Copenhagen K
CVR No. 42336726

Annual report 2023

The Annual General Meeting adopted the annual report on 01.07.2024

Jakob Vestergaard Jensen
Chairman of the General Meeting

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Entity details

Entity

MIE5 Holding 10 ApS

Gammeltorv 18

1457 Copenhagen K

Business Registration No.: 42336726

Registered office: Copenhagen

Financial year: 01.01.2023 - 31.12.2023

Executive Board

Kristoffer Møller Pedersen

Mads Peter Hytteballe Andersen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management on the annual report

The Executive Board has today considered and approved the annual report of MIE5 Holding 10 ApS for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

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

Copenhagen, 01.07.2024

Executive Board

Kristoffer Møller Pedersen

Mads Peter Hytteballe Andersen

Independent auditor's report

To the shareholders of MIE5 Holding 10 ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of MIE5 Holding 10 ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the parent financial statements

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

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity 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 financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in

Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and parent financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Entity'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 parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Entity'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 parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements 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 the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the 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 parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 01.07.2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Michael Bach

State Authorised Public Accountant
Identification No (MNE) mne19691

Chris Middelhede

State Authorised Public Accountant
Identification No (MNE) mne45823

Management commentary

Financial highlights

	2023	2022	2021
	DKK'000	DKK'000	DKK'000
Key figures			
Revenue	437,247	470,399	167,403
Gross profit/loss	119,060	85,800	15,112
Operating profit/loss	23,520	5,354	4,252
Net financials	(17,292)	(2,266)	159
Profit/loss for the year	14,998	10,935	4,411
Profit for the year excl. minority interests	7,436	5,386	5,182
Balance sheet total	709,751	723,046	750,338
Investments in property, plant and equipment	20,949	16,614	453,809
Equity	392,519	389,611	366,587
Equity excl. minority interests	197,204	195,842	187,130
Ratios			
Gross margin (%)	27.23	18.24	9.03
Net margin (%)	3.43	2.32	2.63
Equity ratio (%)	27.78	27.09	24.94

MIE5 Holding 10 ApS acquired the majority of Genan Holding A/S as of 14 October 2021. The operating activity in 2021 covers only 2½ months.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):

Gross profit/loss * 100

Revenue

Net margin (%):

Profit/loss for the year * 100

Revenue

Equity ratio (%):

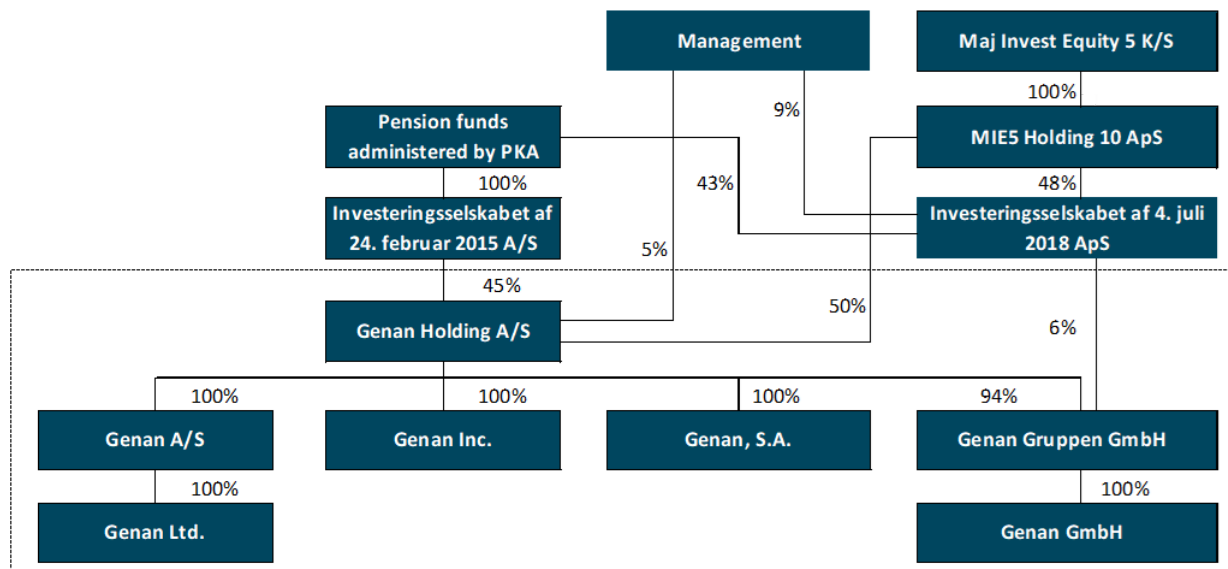
Equity excl. minority interests * 100

Balance sheet total

Primary activities

The activity of MIE5 Holding 10 ApS Group is ownership of Genan Group which main activity is production and sale of rubber powder, granulates and pellets manufactured through the recycling of tyres and activities closely connected hereto.

Group structure as per 31 December 2023:



On October 14 2021, Maj Invest Equity 5 K/S via MIE5 Holding 10 ApS acquired the majority of shares from PKA (or more precisely: from the pension funds administered by PKA). Genan Group is thus ultimately owned by Maj Invest Equity 5 K/S as majority shareholder and pension funds administered by PKA as minority shareholders.

The Group operates six tyre recycling plants around the globe: one in Denmark, three in Germany, one in Portugal and one in the USA. In total, the Group employs approx. 320 employees worldwide. Total production capacity is more than 400,000 tonnes of end-of-life tyres (ELT), equivalent to a maximum output of approx. 295,000 tonnes of rubber products, 60,000 tonnes of steel and 45,000 tonnes of textile fibres.

Development in activities and finances

The net result for the year was DKK 15 million, and the equity excluding minorities hereafter amounts to DKK 197.2 million, equalling an equity ratio of 27.1%.

Revenue developed negatively in 2023, showing a 7% decrease. This was a result of a negative development in the sale of rubber products, and a decrease in both steel volume and steel prices in comparison with 2022. Despite the negative impact on revenue, gross margin increased from 18.2 in 2022 to 27.2 in 2023. This because of both lower energy costs, higher sales prices and lower freight costs – in relation to overland transportation as well as sea freight.

As in previous years, the result for the year was impacted by exchange rate adjustments, primarily in relation to USD; contrary to impact in 2022, impact in 2023 was negative. A re-evaluation of the deferred tax asset was made in 2023, resulting in a positive impact on tax of DKK 10.8 million.

Management considers the result to be satisfactory compared to a very challenging 2022 and in the light of the lower sales.

The strategic focus of the Genan-group is to continue to optimise and develop core business, i.e. the production and sale of recycled ELT rubber products. Besides this business area, the group will continue to focus on the development of refined products (custom products and alternative areas of application) which, when developed, are expected to bring the group in a positive direction. However, focus will primarily be on products closely related to the core competences of the group, which is granulate production. The development of custom products and new areas of application is progressing as planned and will continue in the years to come.

The parent company has no real operating activities besides being the holding company.

Profit/loss for the year in relation to expected developments

In 2023, both EBIT and net result ended as expected. However, the path leading to these results differed from what we expected – with lower top line, lower production costs, higher financing costs and a tax income.

Outlook

The outlook for 2024 is growth in both top line and net result. The 2024 budget shows an EBITDA in line with the years prior to the extraordinarily difficult 2022. Net result is budgeted to be in the high end compared to the years prior to 2022, given that land sales are expected in 2024. Although the visibility in the market is higher than at the same time last year, there is still a global recession risk that may have negative impact in 2024.

Research and development activities

Product development is an important element in the strategy of the Genan group. This goes for the applications of existing products as well as for the development of new, value-added products based on rubber granulate and rubber powder. The development of these value-added products is time-consuming in both the development phase and the market penetration phase – but in the long run, such value-added products are expected to bring the group in a positive direction. In 2023, these activities developed in a very positive direction – especially with regard to products made of textile fibres. Textile fibres from end-of-life tyres have already proven to have excellent thermal and sound insulation properties compared to e.g. stone wool and mineral wool, and in 2023, the first commercial products from textile fibres were introduced to the market – although revenue from these products is still very limited.

Statutory report on corporate social responsibility

In a Danish context, Corporate Social Responsibility (CSR) is defined in section 99a of the Danish Financial Statements Act, according to which large companies are required to provide a non-financial statement accounting for environmental considerations, including the company's efforts to reduce the climate impact of company activities, social responsibility, working conditions as well as considerations in relation to the respect for human rights and the prevention of bribery and corruption.

Genan has based its CSR Policy on – and supports – all 17 Sustainable Development Goals of the UN to transform the world. Genan's core business concept is mainly focused on the endeavours to reach goal no. 12 (to ensure sustainable consumption and sustainable production patterns) as well as goal no. 13 (to take urgent action to combat climate change and its impacts).

In 2023, Genan successfully qualified for the following ISO certifications at global level:

450001:2018 – Occupational Safety

50001:2018 – Energy

14001:2015 – Environment

9001:2015 – Quality

The Genan CSR Policy can be found on the group website: www.genan.com.

The CSR Policy contains information about policies for and activities and risks related to the following areas:

- Human rights and business ethics
- Staff and working conditions
- Social responsibility
- Environmental and climate-related considerations

Basic business model

Genan's basic business concept is to process a waste stream – end-of-life tyres – into new, valuable raw materials (secondary raw materials / raw materials from recycling), the quality of which is so high that they can substitute virgin rubber and steel.

When end-of-life tyres are processed into new rubber and steel by means of Genan technology, environmental and climate problems, which would otherwise arise, if tyres were deposited in landfills or incinerated, are avoided.

The whole raison d'être of Genan is thus completely and deeply rooted in the principles of sustainability and circular economy. When Genan produces secondary raw material in the form of rubber and steel, production of new rubber and steel – at rubber plantations and through iron ore mining – is avoided.

For many years, the deforestation of jungle and rain forest areas to make room for new rubber plantations, primarily in Asia, has been considered a big problem in relation to both loss of biodiversity and the reduction of CO₂ absorption from the atmosphere. Similarly, iron ore mining results in environmental problems with wastewater, slag as well as consumption of the limited resources of the planet. By reusing the raw materials from end-of-life tyres to substitute new rubber and steel, Genan thus contributes to the promotion of environmental responsibility and the furthering of environmentally and climate friendly technologies.

Environmental and climate-related considerations

Genan's policy

Genan shall continuously take initiative to the greatest responsibility possible in respect of climate and environment – and take a precautionary approach in these matters. Taking its own business interests into account, Genan bears a global responsibility to disseminate technological expertise and knowhow about the optimum, environmental recycling of end-of-life tyres – thus furthering global, circular economy. Genan is committed to continuously assessing its climate-related and environmental footprint, using the most renowned research as well as independent peer review of results. Genan is transparent in relation to environmental and climate-related matters. As Genan processes a waste stream (end-of-life tyres), Genan has furthermore committed itself not to export waste in the form of unprocessed tyres.

Implementation

Genan is in continuous and transparent dialogue with authorities, NGOs and business partners concerning environmental and climate-related issues. Genan initiates quality research – and in 2020, Genan published a comprehensive and peer reviewed LCA study. In this study, the climate and environmental footprint of the company was analysed in relation to 16 different impact categories – including global warming, where a conservative approach has ascertained that for each tonne of tyres recycled instead of incinerated, the climate is

spared the emission of minimum 700 kg of CO₂ equivalents. The six Genan factories thus have the capacity to reduce annual CO₂ emission to the atmosphere by minimum 280,000 tonnes of CO₂.

In addition to this, Genan made a comprehensive carbon footprint cradle-to-gate study in 2021 – verified by an independent, scientific third party. This cradle-to-gate study analyses the carbon footprint of the output fractions from the Genan plants for use in the customers' own carbon footprint calculations, when they substitute virgin materials with recycled products from Genan. With this study, Genan increased transparency in relation to environmental impact.

The carbon footprint cradle-to-gate study shows that the recycling processes at Genan make up the majority of the total cradle-to-gate footprint. Transport processes are responsible for less than 10% of the total, and sales packaging accounts for the remaining around 5% of the carbon footprint.

In the continuous effort to improve our climate footprint, Genan works purposefully to protect the environment, and we strive to make environmentally friendly choices in our day-to-day operations. As part of producing as environmentally friendly as possible, all Genan's factories have implemented the ISO 14001 Environmental Management System. Central elements of ISO 14001 are to produce in an environmentally sound manner and to ensure a continuous improvement of the environmental impact. In addition, from 2021 onwards, the ISO 50001 Energy Management System has been implemented at all Genan's factories – as part of the ongoing energy optimisation of production processes. Key elements in this are to screen possible energy optimisation projects and continuously implement these.

Risks

Running a process industry will inevitably involve environmental impact, as such industry is energy-consuming.

Furthermore, there is a negative impact on CO₂ emissions resulting from the transportation of materials – both raw material to the factories and finished products to the customers.

Results and future expectations

In 2023, Genan established a GHG baseline based on 2022 emissions. Furthermore, Genan signed up for Science Based Targets initiative (SBTi) SME, committing to an emissions reduction of 42% in 2030, based on the 2022 baseline.

Emissions for 2023 have not yet been calculated – but will be presented in a separate ESG report later in 2024. It is, however, evident that Genan has been able to reduce energy consumption per tonne of granulate produced in the granulate production from 2022 to 2023 – despite producing 3% more granulate in 2023 than in 2022. Especially the US plant has been able to make some remarkable reductions in energy consumption – mainly because of steadier production but also through energy optimisation projects.

In 2024, Genan will remain focused on reducing its environmental footprint by producing as energy-efficiently as possible and continue to implement energy optimisation projects in the production.

Unfortunately, plans to start producing with energy from Genan's own solar panels were stopped for construction engineering reasons; and ambitions to install solar plants at Genan's own premises were cancelled. Instead, Genan signed three Power Purchase Agreements (PPA) in Denmark in 2023, and the first supply of green energy was launched in September. The two other solar power PPAs are based on the principle of additionality and are not yet ready to produce – but are expected to start production during 2024. A major part of the 42% emission reduction to be effected by 2030 is based on green energy, and Genan will thus keep working on further

PPA agreements in both 2024 and the years to come.

Staff and working conditions

Genan's policy

Unlimited freedom of association is upheld at all Genan's factories, and each employee is free to choose his/her own affiliation.

Genan management recognises the right to collective bargaining with employees.

Genan has zero tolerance in relation to both forced labour and child labour – at Genan's own workplaces as well as at the workplaces of suppliers. Zero tolerance is furthermore shown in respect of discrimination on the basis of race, gender, religion or sexual orientation.

For both management and staff, workplace safety and the prevention of occupational injury have first priority. Genan's overall target is zero work-related accidents at all the workplaces of the company.

Implementation

Enforcement of policies about employee rights and discrimination is part of Genan's ongoing management development. A Code of Conduct has been implemented which both employees, customers and suppliers must comply with. Genan has furthermore set up a whistleblower scheme, through which confidential reporting can be made to an external law firm with expertise in whistleblower schemes. Reports can be submitted anonymously, should a whistleblower wish to do so. Not only employees but anyone associated with Genan may use this scheme – e.g. suppliers, customers and business associates. Throughout 2023, no violations of Genan's policies have been noted in relation to staff and working conditions – neither in daily operations nor through the whistleblower scheme.

Workplace safety is monitored through an extensive reporting system – at each individual workplace as well as at overall management level – where work-related accidents (no. of accidents per 1 million hours worked) categorised as TF1 or TF2 are registered in the same way as are monthly, financial results.

Risks

The main risks are related to work-related accidents and employees wearing down in physically demanding jobs.

Results and future expectations

2023 showed a very positive development in the number of work-related accidents. At year-end, no TF1 incidents (work-related accidents resulting in more than 24 hours of absence) had been registered at any of the Genan plants for the last 12 months. Moreover, the number of work-related accidents categorised as either TF1 or TF2 decreased from 15.1 in 2022 to merely 1.8 in 2023, which is the lowest level seen since Genan started reporting work-related accidents in 2015. The target for TF1/TF2 incidents was thus met. For 2024, the target is to stay at zero TF1 accidents and further reduce the number of TF1/TF2 incidents, although we acknowledge that it is difficult to avoid minor accidents completely. It is positive to see that the accidents we have seen recently were all minor accidents with limited injury.

Besides the above-mentioned focus on reducing the number of work-related accidents, Genan employees should enjoy a high level of well-being. Signs to the contrary should be taken seriously – and acted upon quickly. Therefore, Genan has in 2023 implemented a Staff Well-being policy and introduced the concept of anti-stress ambassadors at all plants. The task of anti-stress ambassadors is to detect and combat lack of well-being and stress among colleagues.

For 2024, the target is to reduce the number of employees indicating that they suffer from work-related stress.

Human rights and business ethics

Genan's policy

Genan supports and respects the protection of internationally proclaimed human rights – and in its daily operations, Genan ensures not to contribute to the violation of these rights.

Implementation

Respect for human rights is part of Genan's corporate culture – and is continuously discussed among management and employees. Through its choice of suppliers, Genan ensures only to work with business partners who share the company's values in this respect. Consequently, to qualify to supply to Genan, all suppliers are now required to confirm that they comply with Genan's Code of Conduct.

When receiving quotations from suppliers from high-risk areas, Genan always requests documentation of compliance with human rights. This is also an integral part of Genan's ISO 9001 quality management system, which is implemented at all factories. Similarly, when entering into such agreements, the Group COO is always involved.

Risks

Human rights violations are not considered to be a high-risk area for Genan, as there is only very limited sourcing from high-risk areas. Genan risks that either employees and/or suppliers fail to respect and comply with Genan's policy on human rights and business ethics. Apart from the fact that violation of human rights is totally unacceptable from a business ethics point of view, such violation could, at worst, also have legal and financial consequences for Genan.

Results and future expectations

There have been no examples of criticisable circumstances in ongoing operations during 2023. In 2024, we will continue our efforts in relation to human rights – and endeavour to ensure that the positive picture for 2023 will be painted in 2024 as well. Furthermore, as mentioned above, a Code of Conduct has been implemented, and no suppliers should be able to supply to Genan without accepting Genan's Code of Conduct.

Anti-corruption

Genan's policy

Genan has zero tolerance in relation to any kind of corruption, extortion or bribery. This applies both ways in relation to both authorities, customers and suppliers.

Implementation

The policy of zero tolerance in relation to corrupt conduct has been communicated at all levels of the organisation – now also through Genan's Code of Conduct. Furthermore, Genan has implemented a "four-eyes-principle" which ensures that no purchases nor payments can be handled by one person only – but always involve at least two persons. In the same way, the extent to which sales staff can commit the company towards third parties has been determined. Violation of Genan's policy in relation to anti-corruption shall have consequences for the employment of the violator in question.

Genan has also implemented a whistleblower scheme handled by an external partner with reporting directly to the Group HR responsible unless the matter relates to her or the Group CEO. If the matter relates to the Group HR responsible or the Group CEO the reporting is directly to the Chairman of the Board.

Risks

Genan risks that either employees, suppliers or customers fail to comply with Genan's policy on anti-corruption.

Results and future expectations

In 2023, no violations were noted in relation to the zero-tolerance policy on corruption – neither in daily operations nor through the whistleblower scheme. In 2024, Genan will continue efforts in relation to anti-corruption, expecting no violations in 2024 either.

Statutory report on the underrepresented gender

The MIE5 Holding 10 policy contains target for the gender composition of the Executive Board. The Executive Board of MIE5 Holding 10 ApS consists of only 2 members. The company's policy is to secure diversity in the executive board as well as in the Group. If changes in the executive board will take place in the future, this will be taken in consideration, so a target of at least 40% will be met. At the moment this target is not met as both members are men.

	2023			2022		2021	
	Total	Share	Target	Total	Share	Total	Share
Executive Board	2	0%	*	2	0%	2	0%

*) The Executive Board of MIE5 Holding 10 ApS consists of only 2 members. If changes in the executive board will take place in the future, this will be taken in consideration, so a target of at least 40% will be met.

Statutory report on data ethics policy

The Group has implemented a policy on data ethics, which reflects the commitment to the responsible management of data – based on the principles of honesty, transparency and accountability. The Group adheres to these principles in addition to applicable legislation to ensure that employees, customers, suppliers and consumers feel safe when entrusting the group with their data.

The Group Data Ethics Policy can be found on the group website: www.genan.com.

With this year's reporting on our Data Ethics Policy, the Group complies with the requirements under section 99(d) of the Danish Financial Statements Act.

Events after the balance sheet date

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

Consolidated income statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Revenue	1	437,247	470,399
Production costs		(318,187)	(384,599)
Gross profit/loss		119,060	85,800
Distribution costs		(29,260)	(23,940)
Administrative expenses	2	(60,481)	(57,253)
Other operating income		0	747
Other operating expenses		(5,799)	0
Operating profit/loss		23,520	5,354
Other financial income		246	5,399
Other financial expenses		(17,538)	(7,665)
Profit/loss before tax		6,228	3,088
Tax on profit/loss for the year	5	8,770	7,847
Profit/loss for the year	6	14,998	10,935

Consolidated balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Acquired intangible assets		170	362
Goodwill		16,567	19,930
Intangible assets	7	16,737	20,292
Land and buildings		227,884	237,335
Plant and machinery		150,343	166,399
Other fixtures and fittings, tools and equipment		20,371	26,632
Property, plant and equipment in progress		11,279	9,280
Property, plant and equipment	8	409,877	439,646
Other investments		125	125
Financial assets	9	125	125
Fixed assets		426,739	460,063
Raw materials and consumables		13,885	20,492
Work in progress		2,554	2,183
Manufactured goods and goods for resale		115,738	96,293
Inventories		132,177	118,968
Trade receivables		62,079	51,694
Deferred tax	10	39,514	29,477
Other receivables		27,281	38,662
Tax receivable		1,432	1,411
Prepayments	11	831	0
Receivables		131,137	121,244
Cash		19,698	22,771
Current assets		283,012	262,983
Assets		709,751	723,046

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		1,000	1,000
Translation reserve		(831)	0
Retained earnings		197,035	194,842
Equity belonging to Parent's shareholders		197,204	195,842
Equity belonging to minority interests		195,315	193,769
Equity		392,519	389,611
Mortgage debt		42,045	7,975
Bank loans		126,399	185,782
Non-current liabilities other than provisions	12	168,444	193,757
Current portion of non-current liabilities other than provisions	12	25,997	29,196
Bank loans		1,850	27,310
Prepayments received from customers		7,725	3,439
Trade payables		43,174	27,977
Payables to owners and management		8,909	0
Tax payable		3,380	0
Other payables		57,753	51,756
Current liabilities other than provisions		148,788	139,678
Liabilities other than provisions		317,232	333,435
Equity and liabilities		709,751	723,046
Staff costs	3		
Amortisation, depreciation and impairment losses	4		
Unrecognised rental and lease commitments	14		
Assets charged and collateral	15		
Non-arm's length related party transactions	16		
Group relations	17		
Subsidiaries	18		

Consolidated statement of changes in equity for 2023

	Contributed capital DKK'000	Translation reserve DKK'000	Retained earnings DKK'000	Equity belonging to Parent's shareholders DKK'000	Equity belonging to minority interests DKK'000
Equity beginning of year	1,000	0	194,842	195,842	193,769
Extraordinary dividend paid	0	0	(2,115)	(2,115)	(2,135)
Exchange rate adjustments	0	(7,840)	0	(7,840)	0
Other entries on equity	0	7,009	(3,128)	3,881	(3,881)
Profit/loss for the year	0	0	7,436	7,436	7,562
Equity end of year	1,000	(831)	197,035	197,204	195,315
					Total DKK'000
Equity beginning of year					389,611
Extraordinary dividend paid					(4,250)
Exchange rate adjustments					(7,840)
Other entries on equity					0
Profit/loss for the year					14,998
Equity end of year					392,519

Consolidated cash flow statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Operating profit/loss		23,520	5,354
Amortisation, depreciation and impairment losses		46,005	40,480
Working capital changes	13	6,554	(47,771)
Cash flow from ordinary operating activities		76,079	(1,937)
Financial income received		246	0
Financial expenses paid		(14,482)	(2,261)
Taxes refunded/(paid)		0	(2,480)
Cash flows from operating activities		61,843	(6,678)
Acquisition etc. of intangible assets		(215)	0
Acquisition etc. of property, plant and equipment		(20,949)	(16,614)
Sale of property, plant and equipment		2,726	774
Cash flows from investing activities		(18,438)	(15,840)
Free cash flows generated from operations and investments before financing		43,405	(22,518)
Loans raised		52,540	249,856
Repayments of loans etc.		(94,668)	(270,437)
Dividend paid		(4,250)	0
Cash capital increase		0	5,076
Cash flows from financing activities		(46,378)	(15,505)
Increase/decrease in cash and cash equivalents		(2,973)	(38,023)

Cash and cash equivalents beginning of year	22,771	59,944
Currency translation adjustments of cash and cash equivalents	(100)	850
Cash and cash equivalents end of year	19,698	22,771

Cash and cash equivalents at year-end are composed of:

Cash	19,698	22,771
Cash and cash equivalents end of year	19,698	22,771

Notes to consolidated financial statements

1 Revenue

	2023	2022
	DKK'000	DKK'000
Granulate	306,652	317,077
Rims	5,339	4,198
Steel and textile	81,427	95,273
Sales freight	26,515	23,901
Other	17,314	29,950
Total revenue by activity	437,247	470,399

2 Fees to the auditor appointed by the Annual General Meeting

	2023	2022
	DKK'000	DKK'000
Statutory audit services	914	1,019
Other assurance engagements	56	53
Tax services	776	681
Other services	68	474
	1,814	2,227

3 Staff costs

	2023	2022
	DKK'000	DKK'000
Wages and salaries	128,972	119,920
Pension costs	8,859	8,660
Other social security costs	14,695	13,164
Other staff costs	4,944	5,023
	157,470	146,767

Average number of full-time employees	313	322
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There have been no remuneration to Exucutive Board.

4 Depreciation, amortisation and impairment losses

	2023	2022
	DKK'000	DKK'000
Amortisation of intangible assets	3,770	3,716
Depreciation on property, plant and equipment	36,437	37,511
	40,207	41,227

5 Tax on profit/loss for the year

	2023	2022
	DKK'000	DKK'000
Current tax	3,375	130
Change in deferred tax	(10,037)	(7,977)
Adjustment concerning previous years	(2,108)	0
	(8,770)	(7,847)

The effective tax rate for the year is affected by the fact that not all deferred tax assets in the Group is recognized in the balance. The profit and loss for 2023 and 2022 is possibly affected by recognition of a deferred tax assets of DKK 10,8 million and DKK 11.5 million.

6 Proposed distribution of profit/loss

	2023	2022
	DKK'000	DKK'000
Retained earnings	7,436	5,386
Minority interests' share of profit/loss	7,562	5,549
	14,998	10,935

7 Intangible assets

	Acquired intangible assets	Goodwill
	DKK'000	DKK'000
Cost beginning of year	788	23,995
Additions	215	0
Cost end of year	1,003	23,995
Amortisation and impairment losses beginning of year	(426)	(4,065)
Amortisation for the year	(407)	(3,363)
Amortisation and impairment losses end of year	(833)	(7,428)
Carrying amount end of year	170	16,567

8 Property, plant and equipment

	Land and buildings DKK'000	Plant and machinery DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Property, plant and equipment in progress DKK'000
Cost beginning of year	260,768	203,778	36,674	9,280
Exchange rate adjustments	(9,331)	(7,285)	(214)	20
Transfers	19,739	14,287	(2,191)	0
Additions	2,655	13,248	3,067	1,979
Disposals	0	(33,869)	(487)	0
Cost end of year	273,831	190,159	36,849	11,279
Depreciation and impairment losses beginning of year	(23,433)	(37,379)	(10,042)	0
Exchange rate adjustments	5,561	4,280	124	0
Transfers	(19,359)	(11,356)	(1,120)	0
Depreciation for the year	(8,716)	(21,794)	(5,927)	0
Reversal regarding disposals	0	26,433	487	0
Depreciation and impairment losses end of year	(45,947)	(39,816)	(16,478)	0
Carrying amount end of year	227,884	150,343	20,371	11,279

This years transfers in both Cost and Depreciation is only a matter of presentation in the note for property, plant and equipment and has no impact on P&L or Equity.

9 Financial assets

	Other investments DKK'000
Cost beginning of year	125
Cost end of year	125
Carrying amount end of year	125

10 Deferred tax

	2023 DKK'000	2022 DKK'000
Property, plant and equipment	16,601	22,401
Tax losses carried forward	22,913	7,076
Deferred tax	39,514	29,477

	2023	2022
	DKK'000	DKK'000
Changes during the year		
Beginning of year	29,477	21,500
From acquisition	10,037	7,977
End of year	39,514	29,477

Deferred tax assets

Management has on a regularly basis evaluated the recognition and measurement of deferred tax assets. It's the management's assessment that the group's earnings support partial recognition of the deferred tax assets. The deferred tax assets is calculated and recognized based on expectations for realization within 3 years.

11 Prepayments

Prepayments include accrued contingents, insurances etc.

12 Non-current liabilities other than provisions

	Due within 12 months 2023 DKK'000	Due within 12 months 2022 DKK'000	Due after more than 12 months 2023 DKK'000
Mortgage debt	1,488	4,687	42,045
Bank loans	24,509	24,509	126,399
	25,997	29,196	168,444

There are no debt after 5 years.

13 Changes in working capital

	2023 DKK'000	2022 DKK'000
Increase/decrease in inventories	(13,209)	(12,775)
Increase/decrease in receivables	(2,891)	(796)
Increase/decrease in trade payables etc.	22,654	(34,200)
	6,554	(47,771)

14 Unrecognised rental and lease commitments

	2023 DKK'000	2022 DKK'000
Total liabilities under rental or lease agreements until maturity	2,659	1,838

15 Assets charged and collateral

Mortgage debt is secured by mortgages on properties. The mortgage also includes the production facilities and machines that belong to the property. The carrying amount of pledged assets amounts to 70.264 t.kr. per. 31.12.2023.

Bankdebt is secured by pledges in shares in Genan A/S nom. 26.250 t.DKK., shares in Genan Gruppen GmbH

nom. 1.504 t.EUR, shares in Genan Inc nom. 5 t.USD., and shares in Genan Holding A/S nom. 16.242 t.DKK.

The Group has issued guarantee statements to third parties amounting to 17.783 t.DKK.

16 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were identified during the financial year.

17 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

MIE5 Holding 10 ApS, CVR-nr: 42336726, København K.

18 Subsidiaries

	Registered in	Corporate form	Ownership %
Genan Holding A/S	Denmark	A/S	50.24
- Genan A/S	Denmark	A/S	100.00
- Genan Ltd.	England	Ltd.	100.00
- Genan Inc.	USA	Inc.	100.00
- Genan Gruppen GmbH	Germany	GmbH	93.99
- Genan GmbH	Germany	GmbH	100.00
- Genan, S.A.	Portugal	S.A.	100.00
Investeringsselskabet af 4. juli 2018 ApS	Denmark	ApS	48.26

Parent income statement for 2023

		2023	2022
	Notes	DKK'000	DKK'000
Administrative expenses		(207)	(214)
Operating profit/loss		(207)	(214)
Income from investments in group enterprises		0	(2,585)
Other financial expenses		(10)	(4)
Profit/loss before tax		(217)	(2,803)
Tax on profit/loss for the year	2	18	0
Profit/loss for the year	3	(199)	(2,803)

Parent balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Investments in group enterprises		175,689	175,689
Financial assets	4	175,689	175,689
Fixed assets		175,689	175,689
Other receivables		0	128
Joint taxation contribution receivable		18	0
Receivables		18	128
Cash		80	244
Current assets		98	372
Assets		175,787	176,061

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		1,000	1,000
Retained earnings		174,693	174,892
Equity		175,693	175,892
Trade payables		94	169
Current liabilities other than provisions		94	169
Liabilities other than provisions		94	169
Equity and liabilities		175,787	176,061
Staff costs	1		
Contingent liabilities	5		
Assets charged and collateral	6		
Related parties with controlling interest	7		
Non-arm's length related party transactions	8		

Parent statement of changes in equity for 2023

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	1,000	174,892	175,892
Profit/loss for the year	0	(199)	(199)
Equity end of year	1,000	174,693	175,693

Notes to parent financial statements

1 Staff costs

There have been no remuneration to Executive Board.

2 Tax on profit/loss for the year

	2023 DKK'000	2022 DKK'000
Current tax	(18)	0
	(18)	0

3 Proposed distribution of profit and loss

	2023 DKK'000	2022 DKK'000
Retained earnings	(199)	(2,803)
	(199)	(2,803)

4 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	175,689
Cost end of year	175,689
Carrying amount end of year	175,689

A specification of investments in subsidiaries is specified in the notes to the consolidated financial statements.

5 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these entities.

6 Assets charged and collateral

The company has provided guarantee of payment for the overall bank debt in Genan Holding A/S.

The total bank debt in Genan Holding A/S amounts 152.758 t.kr. per. 31.12.2023.

Shares in subsidiaries is provided for security of bank debt. Booked value of security amounts to DKK 175,689 t.kr. per 31.12.2023

7 Related parties with controlling interest

Maj Invest Equity 5 K/S, CVR-nr. 35441379, København K owns 100% of the shares in the Entity, thus exercising control.

8 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were identified during the financial year.

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (large).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the takeover date, with net assets having been calculated at fair value.

Business combinations

Newly acquired or newly established enterprises are recognised in the financial statements from the time of acquiring or establishing such enterprises. Divested or wound-up enterprises are recognised in the income statement up to the time of their divestment or winding-up.

The purchase method is applied at the acquisition of new enterprises, under which identifiable assets and liabilities of these enterprises are measured at fair value at the acquisition date. Provisions for costs of restructuring of the enterprise acquired are only made in so far as such restructuring was decided by the enterprise acquired prior to acquisition. Allowance is made for the tax effect of restatements.

Positive differences in amount (goodwill) between cost of the acquired share and fair value of the assets and liabilities taken over are recognised under intangible assets, and they are amortised systematically over the income statement based on an individual assessment of their useful lives. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful life is reassessed annually. Negative balances (negative goodwill) are recognised as income in the income statement.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

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 is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Production costs

Production costs comprise expenses incurred to earn revenue for the financial year.

Production costs comprise direct and indirect costs for raw materials and consumables, wages and salaries, rent and lease, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment included in the production process. In addition, the item includes ordinary writedown of inventories.

Distribution costs

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc., and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment involved in the distribution process.

Administrative expenses

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including loss from the sale of intangible assets and property, plant and equipment.

Income from investments in group enterprises

Income from investments in group enterprises comprises dividends etc. received from the individual group enterprises in the financial year.

Other financial income

Other financial income comprises interest income, exchange gains payables and transactions in foreign currencies, amortisation of financial assets, etc.

Other financial expenses

Other financial expenses comprise interest expenses, exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with all of its Danish group enterprises and other Danish consolidated companies. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For other amounts of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc. comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

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

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Buildings	10-50 years
Plant and machinery	3-30 years
Other fixtures and fittings, tools and equipment	3-20 years

Estimated useful lives and residual values are reassessed annually. Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Other investments

Other investments comprise listed securities which are measured at cost, and unlisted equity investments measured at the lower of cost and net realisable value.

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.

Receivables

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Joint taxation contributions payable or receivable

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in hand and bank deposits.

Minority interests

On initial recognition, minority interests are measured at the minority interests' share of the acquiree's net assets measured at fair value. No goodwill related to the minority interests' equity interests in the acquiree is recognised.

Mortgage debt

At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.