Well-built for well-being

Consolis Annual Report 2023

CONSOLIS

Well-built for well-being

Welcome to Consolis, a European leader in precast concrete solutions for the building and utilities sectors.

We provide architects, construction companies and community builders with smart, sustainable, and highly engineered precast elements. These enable the creation of beautiful homes, offices, universities, hospitals, stadiums, shopping centers, airports and infrastructure that will serve local communities for centuries to come.

Well-built for well-being; that is our purpose.
We believe in responsible industry leadership, and we are committed to taking the lead in the sustainable transformation of our industry. With deeds – not just words.

Contents

This is Consolis

Consolis today

Consolis is a leader in precast concrete products and solutions for the building and utilities sectors, with operations in Europe, North Africa, and Asia.

We accelerate the construction industry's transition towards carbon neutrality by providing low-carbon precast concrete solutions.

Driven by our purpose "well-built for well-being", we lead the way in building more sustainable communities through collaborative innovation and deep local expertise.

1,044
Net sales, million euro

67.4
Adjusted EBITDA

66%
Cash conversion

Seventeen countries

We operate in 17 countries where we deliver smart, precast concrete building elements with a long-life and reconfigurable design. Making more out of less, we contribute to a reduced CO_2 footprint and a more sustainable world. And we always do this in close and transparent collaboration with customers, suppliers, partners, and colleagues.

Significant events

In the beginning of 2024, Consolis announced a comprehensive recapitalization transaction strengthening the Consolis Group's financial position. More information can be found on page 101.

A word from our CEO

We are building a better future

In the challenging year 2023, a resilient and decisive Consolis continued to deliver on its strategy to transform the industry and meet the market with the sustainable solutions that are increasingly in demand. Net-zero precast concrete will be a crucial material for building a sustainable future.

Turbulent geopolitical and economic developments resulted in high inflation and steadily increasing interest rates in 2023. This in turn led to a slowdown in residential construction in many European countries, due to a lack of consumer confidence. Some parts of Consolis' business experienced a substantial decline, while the non-residential market was hardly affected at all. In a typical year residential construction represents 30 percent of our sales. However, in 2023, this figure decreased significantly, representing only 10 percent of our sales, which impacted the Group's overall performance.

We responded with a strong focus on cutting costs in the markets where residential construction makes up a large share of Consolis' business, as well as centrally within Group functions. Some plants were closed temporarily and some closed for good. Consolis' financial results for 2023 reflect our ability to build a resilient business. We started the year with a secure supply chain that we had managed to renew after the outbreak of the war in Ukraine. Faced with inflationary pressure that began already in 2022, we also successfully transitioned from a fixed to a variable pricing model. Along with our cost-cutting measures, this enabled us to achieve reasonable margins for 2023.

Focus on our strategy

Our true strength is the continued focus on delivering on our strategy even in demanding market conditions. We continued building close relations with our customers, creating excellent teams, working locally while leveraging our strengths as a Group, and are diligently moving towards a net-zero concrete industry.

Our shared set of values is another critical factor for our success. Even in the face of economic challenges, we kept our focus on safety, increasing the number of safety inspections carried out in 2023 and reducing the number of recorded accidents and incidents.

I am particularly proud of our continued fast pace in developing the Consolis Green Spine Line®, our products with reduced carbon emissions now available in six markets. Harsh economic times are not discouraging us, quite the opposite. Consolis has been doubling down on the efforts to meet the market with decarbonized solutions once it turns around, as it no doubt will, considering the underlying structural demand for new housing in the Nordics and Europe at large and all the advantages offered by precast concrete solutions. Low-carbon solutions are already proving to be attractive to customers and have now become a natural part of our offer. The Green Spine Line® share of our produced volume rose from 9 percent in 2022 to some 30 percent in 2023.

Leading the transformation

Our efforts to make the precast concrete industry climate neutral have only just begun. In 2023, we made our ambitions clear by adopting a roadmap to net-zero emissions and set targets to be approved by the Science Based Targets initiative in 2024. In every investment that Consolis makes, we aim to improve our sustainability performance. The new plant we are building in the Netherlands is one example. We are working internally and together with customers, suppliers, researchers, and climate tech pioneers, to find ways to reduce CO_2 emissions. For example, we are trying out ways to reduce the use of, or replace cement, and we are sourcing steel with a smaller CO_2 footprint, as well as adapting our designs and transport solutions to make them more CO_2 efficient.

Looking ahead to 2024, the challenges for the residential construction industry may remain. However, I know that Consolis is well-prepared to handle these challenges. We will persist with our long-term efforts to take advantage of favorable trends in the precast industry, meet the growing demand for sustainable construction, and cater to pent-up demand for housing.

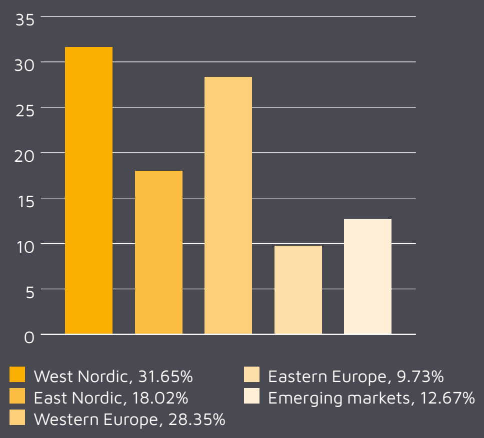
"I am particularly proud of our continued fast pace in developing the Consolis Green Spine Line®, our products with reduced carbon emissions now available in six markets."

I would like to thank all our employees, customers, investors, and other stakeholders for your contributions to enabling us to lead the sustainable transformation of our industry. Your efforts and support have been vital to our success, and we couldn't have done it without you.

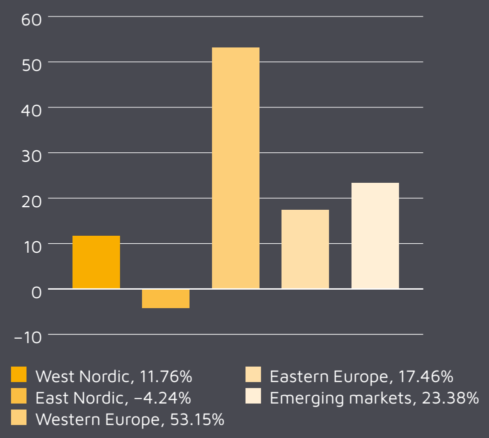
Mikael Stöhr, CEO Consolis

The year in brief

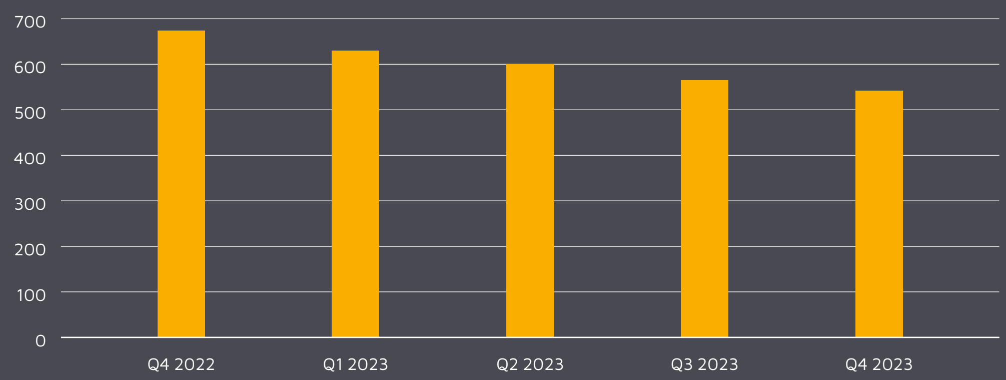
Net sales by segment 2023



Segment share of adjusted EBITDA FY2023



Order Book (kEUR)



Highlights

Accelerated ramp-up of the Consolis Green Spine Line®
Despite the challenging market conditions in 2023, Consolis continued its commitment and dedication towards the Green Spine Line® product range. Production of Green Spine Line® certified products increased by more than 125 percent to 985,000 tons, making up approximately 30 percent of Consolis' total precast production, up from circa 9 percent in 2022.

This translates into a CO_2 reduction of some 33,000 tons, up 175 percent, from 12,000 tons the previous year. Not only did the production of Green Spine Line® products increase in 2023, but two additional markets certified their product ranges, strengthening Consolis' offer and commitment as a transformation leader in sustainable precast concrete production.

Green Spine Line® in 2023

985,000
tons of certified low CO_2 products

~30%
of Consolis, total produced volume

33,000
tons of CO_2 direct savings

Turbulent markets
2023 presented a turbulent and changing market climate across all five segments. However, the impact on Consolis has varied, primarily due to the different levels of exposure towards residential and non-residential across the Group.

Transactions
During 2023, as a measure to counter the weaker precast markets in Europe and to increase resilience for the Group, a sell-leaseback transaction was executed in Denmark, bringing Consolis EUR 12 million of liquidity. In addition, in the first week of 2024, an additional sell-leaseback transaction was closed in the Netherlands, bringing in some EUR 30 million of liquidity.

Actions for resilience
In response to the challenging market, Consolis has adjusted its cost structure and optimized its footprint, primarily so in the Nordic markets. The 2023 restructuring program totaled EUR 11.4 million. In addition, running operational adjustments have been made across all markets.

Market turnaround
The 2023 market can be summarized as being reserved and hesitant, resulting in a slow and low order intake throughout much of the year. The market conditions appeared to have stabilized somewhat towards the year end, suggesting a challenging but less volatile 2024.

The world we operate in

In a dynamic global economy, Consolis operates amidst geopolitical shifts, economic fluctuations, and industry trends. As we reflect on the past year we observe a gradual recovery from the pandemic alongside challenges posed by geopolitical tensions and rising cost of living. Despite these obstacles, the global economy demonstrates resilience, albeit with varying growth rates across regions, impacting Consolis operations in its 17 markets.

Below are some examples of how Consolis navigated these challenges and acted on opportunities to reinforce its position in the market. From adapting to a dynamic economy to pioneering sustainable solutions for urbanization, Consolis remains committed to leading the sustainable transformation of our industry in an ever-evolving global landscape.

Resilient global economy bouncing back

The global economy is slowly coming back from the effects of the COVID-19 pandemic, the war in Ukraine and the rising cost of living.

Despite challenges in the energy, oil and food markets caused by geopolitical instability, as well as global monetary tightening to combat high inflation levels, the global economy has managed to maintain its resilience. Although there has been a slowdown, the economy has not come to a complete halt.

While the global economy is progressing, its growth remains slow and uneven, which has resulted in increasing disparities across the world. Consolis, like many other companies, is affected by the reduced pace of the markets caused by the monetary tightening. It has become clear that our markets and segments are not all affected uniformly by the slowdown, given our operations in 17 local markets and a product portfolio that caters to various building types and utilities.

Battling inflation

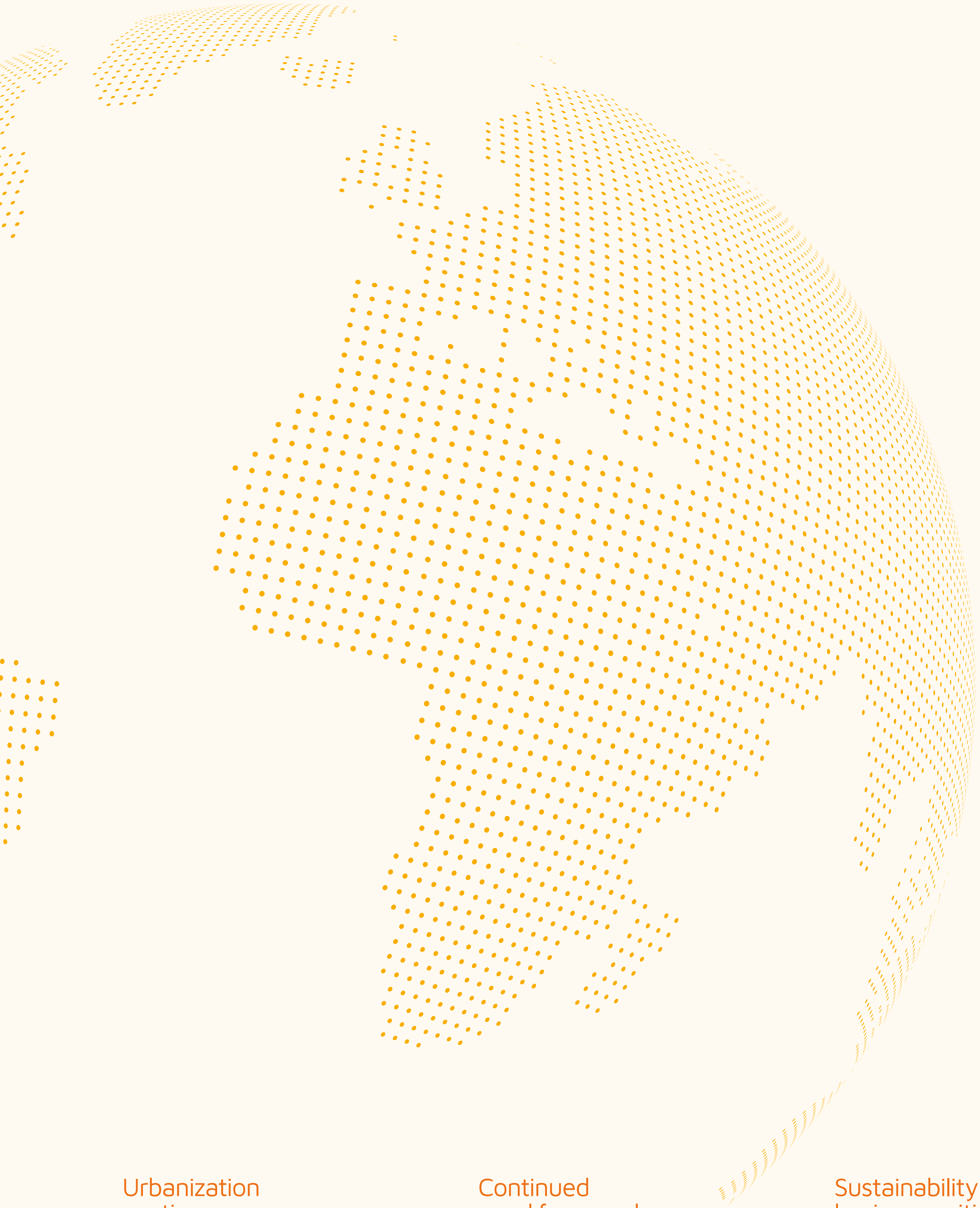
Many countries are experiencing the effects of tight monetary policies, which are impacting the global economy and causing inflation. This is resulting in constricted credit conditions that are affecting housing markets and investments, particularly in countries where households have adjustable-rate mortgages or limited savings. Although bankruptcies have remained historically low, they increased in 2023 due to these conditions. Central banks are expected to reach the peak of their monetary tightening cycles soon. As a result of these constricted credit conditions and tighter monetary policies, many construction projects especially in the higher interest-rate-exposed residential sector have been postponed.

Consolis, like many other businesses, had to adapt to the high interest rate environment in 2023, which has resulted in decisions connected to cost control and adjustments to lower production levels while ensuring a scalable setup to meet future demand.

Opportunities despite predicted downturn

It is expected that new construction investments will show diverse trends in the coming years. Non-residential investments are estimated to grow but at a slower pace. This sector's momentum is primarily fueled by public sector endeavors. On the other hand, the forecast for new residential investments is less optimistic, with projected reductions in the coming years affecting Nordic countries particularly hard. The projections highlight the dynamic and varied landscape of new construction activities.

Consolis has faced challenges such as reductions in residential construction demand, but opportunities still exist across different segments of the construction industry by staying competitive in tendering activities.



Urbanization continues

Urbanization is a global trend that is expected to continue in the foreseeable future. As more people move to cities, there is an increasing demand for new and innovative building solutions.

Consolis, which specializes in designing, producing, and assembling precast concrete elements, is well-positioned to meet this demand.

Despite the constantly changing urban landscape, Consolis remains committed to constructing smarter, more efficient buildings that contribute to the development of sustainable and resilient cities.

Continued need for speed

Speed is crucial in the construction sector, especially for property developers who want to complete projects faster and increase revenue. This is even more important in high-interest markets, where there are shorter lead times for starting projects. Consolis is a leading European provider of precast concrete solutions that excels in meeting the demand for faster construction without compromising on safety or quality.

Sustainability is increasingly business-critical

The importance of prioritizing sustainability is set to increase in the coming years. Heightened regulations and a growing preference among consumers for more sustainable choices will make it imperative for companies to take responsibility. At Consolis, we not only welcome this trend, but we also strategically anticipate it for our business growth. In 2022, we joined the Science Based Targets initiative (SBTi), and we aim to be ready with the second step of the process in early 2024. This step involves developing emissions reduction targets in line with SBTi's net zero criteria. We are committed to developing and producing more carbon-reduced elements and we are rolling out our Green Spine Line® certified products in new markets.

A strategy for a sustainable future

To fulfill our strategic ambitions, we are constantly focusing on our four pillars: Customer, Team, Local and Climate.

Customer

With a customer-centric mindset, and a deep understanding of customer needs and urban planning, Consolis builds stronger relationships and best-in-class customer satisfaction. We believe our customers benefit from the collective competence of our 17 local markets – and from our ability to significantly reduce our customers' CO_2 emissions.

Team

Consolis' success is built by people. We house the best leaders and experts, invest in our employees, and provide opportunities for individuals and teams to grow. When our people thrive, our business will flourish. We believe that strong values and motivated employees drive long-term success.

Force Team of the Month

The Consolis Force Team of the Month initiative highlights our strategy and values, acknowledging exceptional team efforts. Monthly, local teams exemplifying our strategy and values are honored as the Force Team of the Month in their markets. Annually, each market nominates a team for the Consolis Force Team of the Year Award.

In recent years, Consolis has been strategically restructured to focus on our core business – a building materials company that provides precast concrete solutions to the building and utilities sectors. In these market segments Consolis is a strong leader, and simply put, our strategy is to keep growing on our 17 markets by being best in class. That means that we always strive to produce and deliver the best precast concrete products on the planet, both in terms of product quality and service delivery. Furthermore, we are moving the entire industry towards a more sustainable future by substantially lowering the CO_2 emissions caused by our operations. We are determined to lead the way towards a future where precast concrete is a net-zero building material.

Local

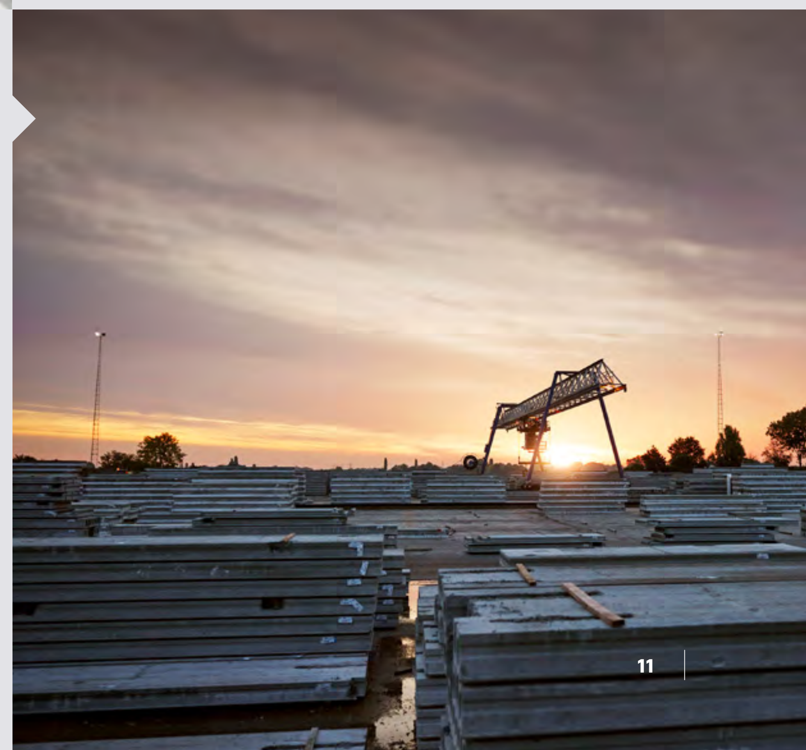
Our motto for doing business is: For locals, by locals. By knowing our communities, we understand how design, trade, manufacturing, and assembly should work to add value in each local market. And by using our strength as a Group, we can ensure that our broad knowledge and expertise deliver added value to our local communities.

Climate

We are making the construction industry's environmental challenges our core business. Consolis actively seeks out partnerships to find new ways of minimizing our environmental impact, and we have established industry-leading ambitions for reducing the CO_2 emissions of our products and operations. At Consolis, we believe that concrete can and will become climate neutral.

Consolis joins SBTi

Consolis has joined the Science Based Targets initiative, enabling businesses to set ambitious emissions reduction targets aligned with climate science. We are committed to near-term company-wide reductions with SBTi, with targets set for submission in 2024.



Our business model

Consolis designs, produces, and assembles prefabricated concrete solutions for customers in the building and utilities sector. Enabled by our shared values, strategy, and the strength of being a Group, we deliver value to customers through precast concrete solutions that are versatile, efficient, and have a lower environmental impact than traditional cast in-situ solutions.

Well-built for well-being

Our values, strategy, and Group enable us
Consolis has a collaborative, safe, friendly, and results-oriented corporate culture based on shared values throughout the Group. This supports our strategy captured in the four pillars Customer, Team, Local, and Climate. As a Group sharing the same culture and strategy, we can optimize processes in each country, while at the same time scaling the effects of innovation, enhancing safety, and strengthening our business development across all markets. We also share best practices, lean manufacturing advances, and sustainable innovations.

Excellence in design
An excellent design process is the prerequisite for quality, sustainability, and customer satisfaction. Preferably, Consolis is involved from early on in the building process, working closely together with our customers. This lets us leverage our design capabilities and optimize the design to deliver full value to customers, who can enjoy higher efficiency, excellent product quality, and efficient assembly. For the best possible customer outcome, Consolis has local design offices in each market. They are complemented by specialized design centers in a few locations in Europe.

Controlled and precise production
Compared to non-precast solutions, our production in a controlled industrial environment enables a more precise process with high efficiency, better quality, increased safety, and optimized use of raw materials. Offering our customers the best of two worlds, we can tailor our production to local needs and demand through local operations and production in each market, while also leveraging our size by spreading best practices, knowledge and innovations across markets. Local sourcing is also combined with coordinated purchasing to leverage purchasing power.

Expert assembly
Consolis can also support customers in the final step, assembling their precast concrete elements into a standing structure. This lets customers benefit from our expertise in the resource efficient and speedy assembly of the manufactured precast elements. They can also rest assured that products are professionally installed in full accordance with local regulations. The end-results of our common efforts are homes, offices, other buildings, utilities, and infrastructure well-built for well-being in sustainable societies that will evolve and improve for centuries to come.

Five benefits of Consolis' precast solutions

Safety

Our precast concrete elements are produced in a controlled industrial environment, which means that safety provisions can be designed into the entire delivery process. It also means that the amount of more hazardous on-site construction work is reduced.

Sustainability

Customers today are looking for ways to reduce their environmental impact. The controlled production environment and short production time of our precast products make it possible to optimize the use of raw materials, increase circularity, minimize waste, and reduce energy consumption. Our most sustainable products are found in the Consolis Green Spine Line® (see page 49).

High quality

A controlled industrial environment enables quality control in every stage of the production process and allows the use of better materials. The elimination of on-site weather factors and subcontractor delays are other factors that contribute to higher overall quality.

Optimized labor force

Customers can shorten the build time of any project compared to other options by using Consolis' precast concrete solutions. Streamlining on-site operations with our help, they can reduce their labor costs, as well as the added risk of delays being caused by a lack of skilled construction site labor, since this is often a scarce resource in today's market.

Efficiency

Customers can save time, energy, waste, and overall costs on-site with our products. The precast construction process is predictable, fast, and provides good cost control. This allows for efficient project logistics and enables the integration of electrical, communications, and mechanical systems into precast elements before they arrive on site.

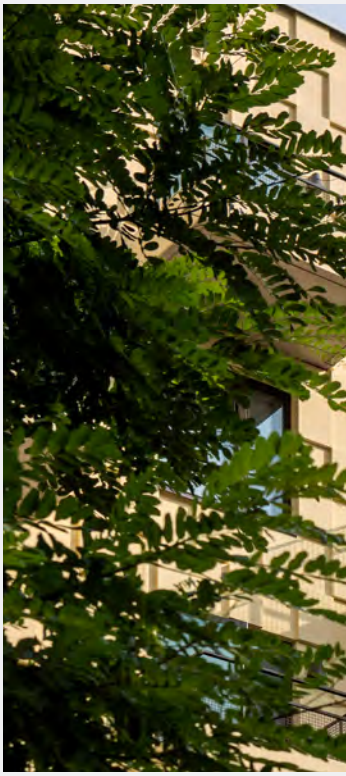
Building sustainable societies one precast element at a time

Consolis provides smart, sustainable, and highly engineered precast concrete solutions to the building, construction and utilities sectors. We collaborate closely with architects, construction companies, and community builders to develop residential buildings, non-residential buildings, and other infrastructure that will serve communities for generations to come.

We lean on strong execution skills and a century of building experience. Across our 17 local markets, and depending on the preference of our customers, Consolis' business offer varies from delivering single precast elements to taking on full-scope building projects that include assembly.

The solutions we offer
Consolis' solutions include precast hollow core slabs, facades, walls, roof beams, structural beams, columns, and stairs – all the fundamental sections that together create the spine of a building. We also manufacture other custom-made concrete elements designed in close cooperation with our customers. In 2022, we introduced our Green Spine Line®, providing products optimized to be the best option to reduce our customers' environmental footprint. These products offer at least 15 percent lower CO_2 emissions compared to relevant local precast industry standards. Today, the Green Spine Line® includes hollow cores, walls, columns, and beams.

Design, production, and assembly
We design our solutions for durability, resource optimization, and sustainability – and take the production and assembly into account from the very beginning. Our goal is to deliver the best precast concrete solutions on the planet, and we recognize that our 17 local markets each cater to different customer needs. Being best in class therefore includes being able to differentiate and design our products according to the needs of each market. That is why Consolis is organized with design offices in each local market and with supporting specialized design centers in Europe. We believe that the unique mix of local and specialized design expertise is very efficient when it comes to meeting the expectations of customers and society. Many of our customers also take advantage of our service offering. This could for example mean partnering to design custom structural elements or unique facades. Consolis can also help assemble the elements on-site as we in some markets can take on whole or parts of construction contracts – either on our own or by partnering with other construction companies or builders. This way, customers can make use of our century-long expertise in the resource-efficient, fast, and safe handling and assembly of manufactured precast elements.



The buildings we develop

Precast concrete construction has several advantages over traditional cast in-situ solutions as well as compared to most other building materials. Consolis designs, produces, and assembles elements for a wide range of buildings, all with their specific prerequisites. We divide our structural systems into two application areas: **Residential buildings** and **Non-residential buildings**.

Residential buildings

Precast concrete elements offer very attractive qualities for residential buildings. In terms of fire resistance, acoustic insulation, flexibility in layout, durability, and maintenance, precast concrete is a superior choice. Moreover, precast elements make for a fast project execution, which is becoming increasingly important to customers everywhere. Consolis has a long experience of delivering residential buildings.

Haga Boulevard Residential building
Situated in Stockholm, Sweden.
Inaugurated 2023.

Non-residential buildings

The use of precast concrete elements brings speed, safety, cost-efficiency, and sustainability to any architectural vision. To enhance the building process, we have created building systems and concepts that enable our customers to have a smoother construction process. This is complemented by the Consolis Green Spine Line®, which enables customers to further reduce the environmental footprint of a building project. We provide precast solutions for a range of non-residential buildings. Learn more on the following pages.

PIR, office building, Norway
Award winning office design,
inaugurated 2022 in Ålesund.

Logistic centers
There are standard as well as tailored solutions for logistics centers. The strength of precast concrete elements, combined with specific design features, allows for flexible and open floor plans and wall solutions that can be easily adapted to the needs of any business. A fast construction phase also brings economic benefits, such as the fact that interior finishing can begin sooner.

Logistic center in Spain (Below). Located in Nafe area, in Spain.

Sports and entertainment arenas
Coping with crowd logistics and dynamic loads requires a high degree of flexibility in structural design, which precast concrete elements handle well. Arenas and entertainment centers often require complex design solutions. With a focus on technology and quality, Consolis precast arenas offer architects and general contractors room for creativity with maximum flexibility of use and design.

Cambuur Stadion, Leeuwarden (Above)
Located in the Netherlands.

Office buildings
Several requirements are placed on modern office buildings, one of which is flexibility, as many office buildings must be adaptable to future functions. Large spans with few interior columns and walls allow for easily changeable floor plans, which is made possible by the use of Concolis precast solutions.

Office building, Stockholm, Sweden (Left)
Located in Sweden.

Parking garages
Precast parking garages and parking structures are often the preferred choice for architects and developers, thanks to the superior speed of construction and the attractive life cycle costs. Consolis offers standard solutions with excellent parking ratio, layout flexibility and different architectural options such as inlays and many different textures and colorings.

Parking garage Lund, Sweden (Above)
Interior detail facilitating visibility.

Public buildings
Schools, firestations, hospitals, nursing homes, and kindergartens all require good energy efficiency, ventilation, hygiene, and acoustics. Consolis' building system for all types of community buildings is well suited for the high demands placed on these buildings. Minimal cold bridges, good U-values, and high air-tightness not only contribute to efficient energy performance, but also ensure that the strict hygiene requirements of the buildings are being met.

Fire, Police and Boarder Guard Station in Kiviõli, Estonia
Inaugurated in 2022.

Enabling innovation

As a European leader in precast concrete solutions for the building and utilities sector, Consolis has taken on the task to help achieve a sustainable precast construction business. Working as an enabler for innovation at industry scale, we are contributing to the wider sustainable transformation of society.

A unique position

The controlled production environment of precast concrete elements already makes efficient use of raw materials, and labor and reduces energy consumption compared to traditional solutions. It also enables the implementation of new material and design solutions leading to a reduced carbon footprint, of products such as hollow core slabs and walls, and optimizing production generally. This is key to both making our industry more sustainable and ensuring Consolis' own future business success by delivering what the market demands.

As a large, multinational actor and leader in an industry where the vast majority of companies are small or medium-sized, Consolis has an important role to play in innovation. We are involved in the entire chain, from selecting materials for the mix of the concrete, through designing and casting prefabricated concrete elements, and on to assembly on site. This position provides us with a unique opportunity to initiate and support collaboration that will speed up the development and adoption of new solutions with lower carbon emissions ad reduced environmental impact.

Consolis is actively promoting and accelerating the decarbonization of precast concrete. Specifically, we are looking at alternative binders and clinkers that can reduce or replace the use of cement and a more efficient design process that would reduce the materials used. Partnering up with others in our ecosystem, we can try out different innovations in our controlled production environment and possibly convert them to commercial use faster.

Enabler and facilitator

Innovation is usually quite a long process, where the seeds of results that we are reaping today were often sown many years ago. Realizing that speed is of the essence in the race to zero CO_2 emissions, Consolis works as an active enabler of innovation at industry scale, pushing to make new methods and technologies commercially viable faster. Keeping our ear to the ground all over Europe, through our unbeatable networks among both customers and suppliers, we can find the most promising ideas and new solutions being developed. By contributing with our expertise and long experience of materials and performance and by opening up our manufacturing facilities for testing we believe we can speed up the development towards net-zero precast concrete and accelerate the projects that make a significant impact.

Acting as facilitators, we invest in collaboration with climate-tech pioneers, academia, customers, and suppliers, enabling promising innovations to be tried out in a real setting at local testbeds. We can then scale up new solutions that work in practice, getting our customers involved, realizing the innovative solutions at industry scale and eventually bringing them globally to market across the Group. All this is done with great insight into the impact of regulations, standards, and policies. The potential to decarbonize global concrete production is 70–80 percent, based on already existing technologies, to realize these gains, the industry needs to work together.

As a way to follow up on the outcome of the innovation we are fostering, Consolis monitors and reports on the share of our products that score a low climate impact according to their Environmental Product Declaration (EPD).

Concrete results

Consolis aims to optimize its design and manufacturing processes by adopting and developing existing technologies and standards and involving stakeholders at an early stage. This approach allows Consolis to achieve efficiency gains and reduce carbon emissions in its products and systems.

During 2023, some 30 percent (9) of Consolis total produced volumes was Green Spine Line®. This equals some 1.0 million tons (0.4) of certified products with a direct saving of over 33,000 tons of CO_2 (12,000) when compared to regular precast concrete.

Innovation initiatives and results

- **Consolis Green Spine Line® low carbon elements** were used in the construction of a student housing building in Tampere, Finland, resulting in a 30 percent reduction in emissions for the frame and facade. This project was done in partnership with the construction company NCC, Finland.
- Consolis in Finland, Sweden and the Netherlands are part of the EU-funded **ReCreate project**, which focuses on exploring ways to facilitate the deconstruction and reuse of precast concrete elements in new construction projects.
- The concepts **Design for Deconstruction** has been extensively tested by the Group. Consolis in Norway has recently disassembled hollow cores, refurbished them, and will reuse them in a new building. Similar projects have also been carried out in the Netherlands.
- Consolis is partnering with European climate tech pioneers for innovative net-zero precast solution projects.
- **Recent initiatives and results**:
  - Successful validation of the industrial potential of manufacturing hollow core slabs using alternative binders that require significantly less cement. This has resulted in emissions that are up to 75 percent lower than traditional precast hollow-core slabs. The Hyrylä facility team in Finland collaborated with the climate tech company Betolar to carry out this project.
  - Reduction of carbon footprint without compromising performance thanks to carbon removal technologies through mineralization processes. This project is carried out in collaboration with CarbonCure Technologies in Spain.
  - Different calcination techniques and methods are being explored to find alternatives to cement as a binder in the concrete mix. Two Dutch independent research and knowledge institutes, TNO and ASCEM, are involved in this exploration, focusing on calcinated clay and industrial ashes. In Sweden, discussions are being held with the decarbonization innovator SaltX to explore green energy calcination.
  - Consolis is also a partner of BETCRETE 3.0, a Swedish collaboration initiative, to formulate an implementation plan for the industrial transition towards carbon-neutral cement and concrete industries through new techniques and innovation.

Concrete is hard to replace

Although other materials, like wood or steel, can be used alone or together in some building frames, concrete remains hard to replace in most cases. Its raw materials are found everywhere, it can be flexibly shaped into any form, and it is robust and resilient in most environments, recyclable, and reusable. In addition, concrete is a durable material with a long lifecycle. Decarbonizing concrete is crucial to sustainable development.


VERTEX
BEST
PETZL


GYM

Case
The Beehive, Solna, Sweden

Bikupan "The Beehive" parking garage is located outside Stockholm, in the bustling business and entertainment district near the Mall of Scandinavia and Friends Arena. The 10-story round garage with room for 530 cars is uniquely designed to resemble a golden beehive and is at the center of a circular bridge road, adjacent to a railway.

The building was planned to be built as a steel frame until the customer opted for Consolis' precast concrete frame instead.

The Bikupan project was run in a particularly well-planned and structured manner, despite the special challenges that existed both in terms of location and design.

"Consolis has extensive expertise in complex constructions and is always reliable in delivery, which is why we felt more than confident in choosing the solution with the prefabricated concrete frame for Bikupan," says Per Lindgren, Project Director, Fabegé.

Case
Large logistic warehouse, near Madrid, Spain

The Logistics Center in Illescas (Toledo), represents Consolis' dedication and commitment to lead the sustainable transformation of the building industry.

The entire building structure is made from Consolis low-carbon Green Spine Line® solutions.

In collaboration with our customer, Montepino, the largest logistics developer in Spain, one of the top ten in Europe, specializing in built-to-suit (BTS) projects, we are taking significant steps towards a more sustainable construction industry in Spain.

"It is essential to us to work with suppliers who share our commitment to sustainability and Consolis Green Spine Line® products help us to move towards a net zero carbon design.

We have successfully reduced the carbon footprint of this building, thanks to Consolis Green Spine Line® products. Additionally, our LEED (Leadership in Energy and Environmental Design) certification score has been enhanced, a crucial part of Montepino's strategy. This enables us to add value to our future tenants by contributing to their sustainability goals," says Alejandro López, Architect from Montepino.

Case
Head Office Danske Bank, Copenhagen Denmark

Consolis has provided both precast elements and our expertise to Danske Bank's new headquarters; an office building that accommodates more than 4,000 employees.

The building is certified as LEED Gold v4, the second highest level on the LEED scale for sustainable construction. Consolis has supplied precast elements such as hollow core slabs, solid slabs, columns (especially round ones), beams, and walls. In terms of design, Consolis was involved early on in this large and complex project. Digital tools completed the good cooperation between the involved parties and resulted in an efficient workflow from planning to assembly.

"Consolis can deliver the entire package for a complicated construction, from design to the delivery of elements. They have a very competent design department, which provides us with great assistance as a customer. There has been good dialogue throughout the process, and Consolis has stood by their responsibility in a complex project," says Project Manager Andreas Meisner Rasmussen from the General Contractor Per Aarsleff A/S.

Case

Cutting-edge production plant in Sátoraljaújhely, Hungary

Consolis has delivered the full scope of local services: design, production, and assembly to construct the modern Festo production plant with connected facilities.

"This was another successful cooperation, thanks to the Consolis team. Consolis has become one of our major supply partners. Their teams are committed and highly skilled and assist us right from the tendering phase of our projects by providing well-elaborated and up-to-date bid documents, which significantly contribute to our success in tenders. Moreover, it ensures on-time and top-notch quality execution of the projects," says Sándor Bodnár, Managing Director of the General Contractor Weinberg 93 Építő Kft.

Our Markets

By knowing our communities, we have a natural understanding of what works in that particular part of the world. An understanding of the needs of our customers, and the needs of all the people who are going to use the workplaces, schools and homes we are creating. Our operations are often based in smaller communities and by employing close to 7,500 experts in 17 countries, we contribute to keep these areas flourishing.

West Nordic

"Our strategic focus on cost control and organizational renewal has positioned us for a future of sustainable growth and innovation."

Stefan Ohlsson
Managing Director,
Sweden

"In a challenging year characterized by a significant market downturn, we adeptly balanced short-term adjustments while maintaining momentum in reducing carbon emissions."

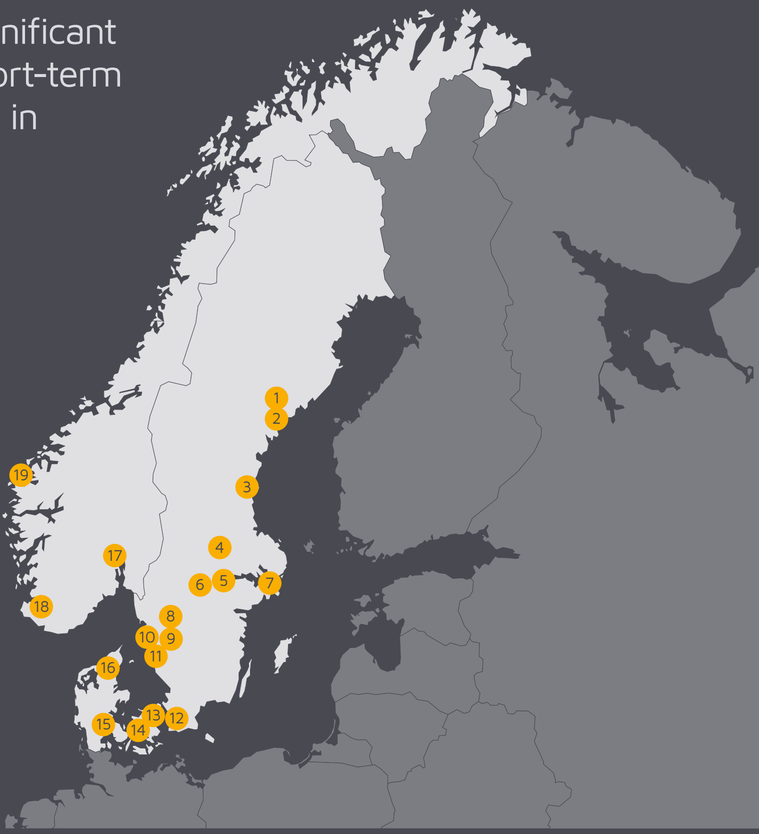
Jesper Knudsen
Managing Director,
Denmark

Locations in West Nordic

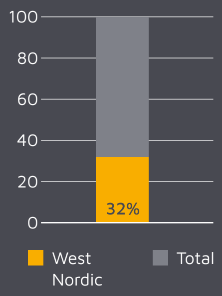
Sweden
1 .... Långviksmon
2 .... Örnsköldsvik
3 .... Hudiksvall
4 .... Norberg
5 .... Kungsör
6 .... Örebro
7 .... Stockholm
8 .... Herrljunga
9 .... Borås
10 .... Göteborg
11 .... Veddige
12 .... Malmö

Denmark
13 .... Hedehusene
14 .... Vemmelev
15 .... Kolding
16 .... Aalborg

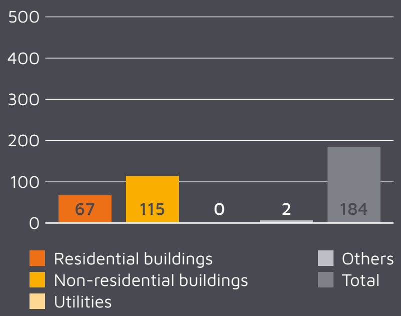
Norway
17 .... Hönefoss
18 .... Skurve, Ålgård
19 .... Hjörungavåg



Segment share of net sales



Income by significant revenue streams, million euros



Total number of employees (FTE) 2023

1,536

West Nordic's year in brief

The year was characterized by a significant decline in the market for residential buildings due to rising inflation, the increase in material costs and high interest rates. Cost control was the focus in all three countries. In Sweden, a comprehensive restructuring program was initiated, which included the closure of one factory and the mothballing of another. A regional reorganization was carried out, which decentralized business operations.

The West Nordic market is entering 2024 with a notably lower order backlog than last year, but the measures taken during the year are expected to have a positive effect. Nevertheless, the year will be challenging, as we expect a weaker local market environment due to the standstill in the residential building market.

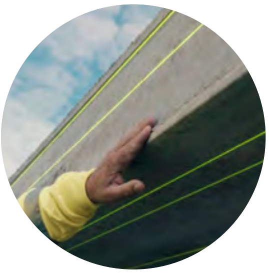
Business offering

Products
Hollow cores, structural elements, walls, facades, and stairs.

Services
Design, production, and assembly.

Types of buildings
Non-residential buildings including offices, industrial and logistic structures, and residential buildings.

Highlights of the year



Norway launched Green Spine Line® hollow cores
In the fourth quarter Norway launched its first Green Spine Line® product, namely hollow core slabs with 53 percent lower CO_2 emissions compared to local industry standards.

Guiding customers in environmental sustainability
Consolis organized seminars in Denmark for its customers and partners. The seminars aimed to raise awareness of the importance of sustainability in the construction industry. An important topic was Environmental Product Declarations (EPDs) and Life Cycle Assessments, which were discussed with representatives of the Danish construction industry.

New cooperation agreement with NCC on Green Spine Line® products
A new cooperation agreement between NCC, one of the leading construction companies in the Nordic countries, and Consolis in Sweden states that Green Spine Line® elements will always be offered as an alternative in future construction projects. This promotes the use of decarbonized building materials in all projects.

In addition, Consolis in Sweden and NCC will jointly expand their cooperation in the development of products with a lower environmental footprint.

Sustainability

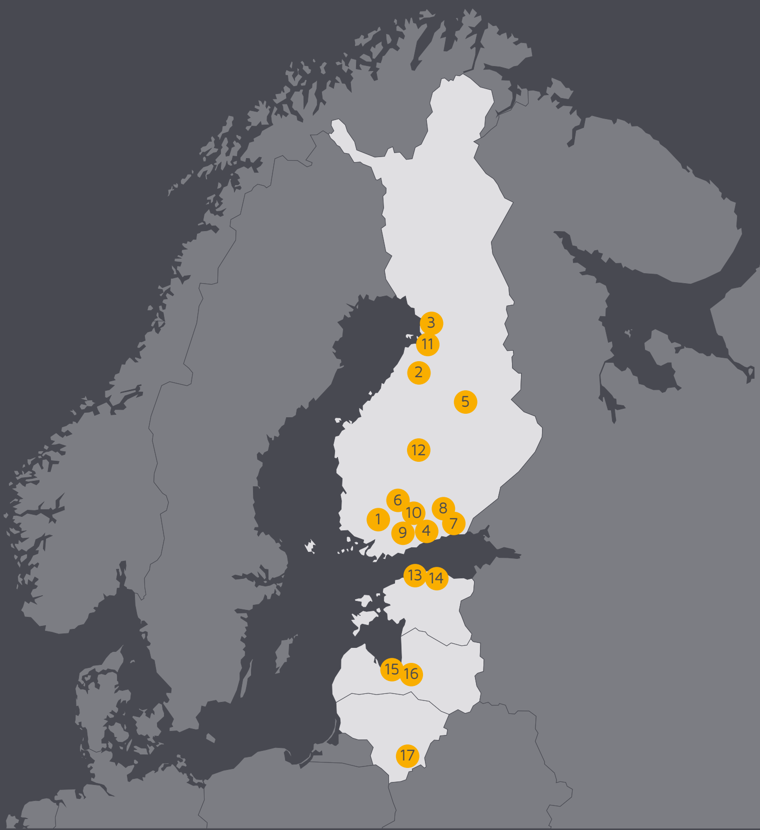
The demand for products with lower CO_2 emissions is on the rise in the West Nordic. In 2023, we have strengthened our offer of low-carbon solutions, while at the same time steering our own operations in a more sustainable direction. Here are some of the steps we took during the year.

- In Sweden, additional wall products were Green Spine Line® certified with up to 20 percent lower carbon emissions. Product development is on-going to lower the carbon emissions from other products, both by adapting the concrete mix and by reducing the use of reinforcement.
- Reusing hardened waste by crushing it and adding it to the concrete mix is now up to full speed in the sites of Veddige and Kungsör.
- In Denmark, the Green Spine Line® product portfolio grew by adding a Green Spine Line® wall product with up to 26 percent lower carbon emissions. The Green Spine Line® hollow core was adapted and has up to 31% reduction in carbon emissions compared to industry average.
- LED lighting was installed in the factory in Aalborg, saving 195 kWh in wattage. In addition, the heating pipes were insulated, and heated curing times were shortened, resulting in a 34 percent reduction in natural gas consumption per ton of concrete in Aalborg in 2022 compared to 2021. From 2022 a fully operational water filtrating system is in place at all plants along with rainwater harvesting.
- Several product development initiatives are underway in Norway to replace the cement component with other secondary cementitious materials. A partnership has been entered into with a customer to develop circular precast solutions, namely the reuse of hollow core slabs from an office building in Oslo. Connection details were developed to enable easier disassembly and reassembly.

East Nordic

"Construction market slow down dominated the year. Positive development in safety and sustainability matters."

Hannu Tuukkala
Managing Director,
East Nordic



Locations in East Nordic

Finland

1 Forssa
2 Haapavesi
3 Haukipudas
4 Hyrylä
5 Iisalmi
6 Kangasala
7 Kotka
8 Nastola
9 Nummela
10 Nurmijärvi
11 Oulu/Korvenkylä
12 Uurainen

Estonia

13 Harku
14 Tamsalu

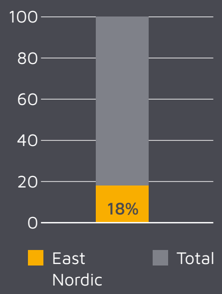
Latvia

15 Rumbula
16 Salaspils

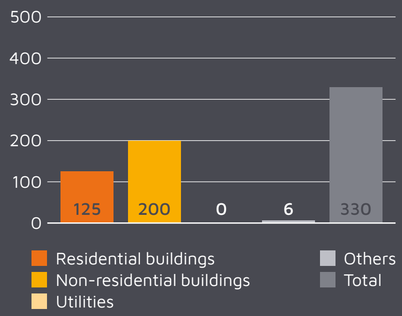
Lithuania

17 Trakai

Segment share of net sales



Income by significant revenue streams, million euros



Total number of employees (FTE) 2023

880

East Nordic's year in brief

The year 2023 brought various challenges, particularly in the market for residential buildings in Finland and the Baltics. At the beginning of the year, the market came to a standstill, which imposed significant restructuring measures, including the closure of one factory and the mothballing of several others. However, the market for non-residential construction remained stable, but lower volumes and tougher competition intensified. Throughout the year, we remained focused on developing our environmental and social sustainability initiatives while prioritizing the development of even stronger customer relationships. We expect the market to remain challenging in 2024.

Business offering

Products
Hollow cores, structural elements, walls, and facades.

Services
Project management, design, production and assembly.

Types of buildings
Residential buildings, public buildings, offices, industrial and logistics buildings.

Highlights of the year

Results from restructuring
The focus on cost-cutting and restructuring has been a primary activity throughout the year. We are now seeing the results of this work, as we have achieved a more stable financial balance.

Testing low-carbon concrete mixes
The Baltics region is facing a growing demand for more sustainable building materials. During the year we performed successful testing of new low carbon concrete mixes. The ambition is to launch new products with lower carbon emissions that will be certified according to the Consolis Green Spine Line® during 2024.

Strategic safety methods
Over the year, we have implemented the Visual Felt Leadership Safety Observations (VFLSO) method and worked more strategically with it. As a result, the safety culture has significantly improved. The Lost Time Injury Frequency went from 5.2 to 2.6 and Total Registered Injury Frequency rate dropped from 14.3 to 8.6. The VFLSO method is used daily to report unsafe behavior, which has raised awareness and helped reduce incidents and accidents. During our annual Health and Safety Week, training was provided to all levels of the company.

Sustainability

The regional market presented a rapidly growing demand for low carbon emissions in 2023. Consolis East Nordic has taken several steps to meet this demand and to develop our operations in a more sustainable direction: Here are some of the steps we have taken this year.

- Together with Betolar, a Finnish material technology company, we have validated the industrial potential of manufacturing hollow core slabs with significantly less cement, resulting in emissions up to 75 percent lower than traditional precast hollow core slabs. The tests will continue in 2024.
- The use of crushed concrete waste as an aggregate in the concrete mix has been implemented in several plants. The proportion was increased to 10 percent, which is the permitted amount according to the concrete mix standard.
- In Finland, we are involved in the EU Horizon 2020-funded international ReCreate project, which aims to reuse precast elements from buildings that were not originally intended for disassembly or reassembly. Together with Skanska, we are refurbishing disassembled hollow core slabs in order to reassemble them in a future project.
- Legal training was provided for sales and project management to improve contract and risk management.
- In the Baltics, tests were made to optimize concrete mixes by lowering the use of cement in order to reduce the CO_2 emissions.

Western Europe

"Despite market challenges, we accelerated sustainability goals towards a 50 percent CO_2 reduction by 2025, improved customer satisfaction initiatives, and achieved strong financial results collaboratively."

Herre Elsenga
Managing Director (acting),
Netherlands

"The down market scenario, the strong push from our team on delivering innovative sustainable solutions, hand in hand with our clients, allowed us to overcome the market challenges, resulting in a positive year."

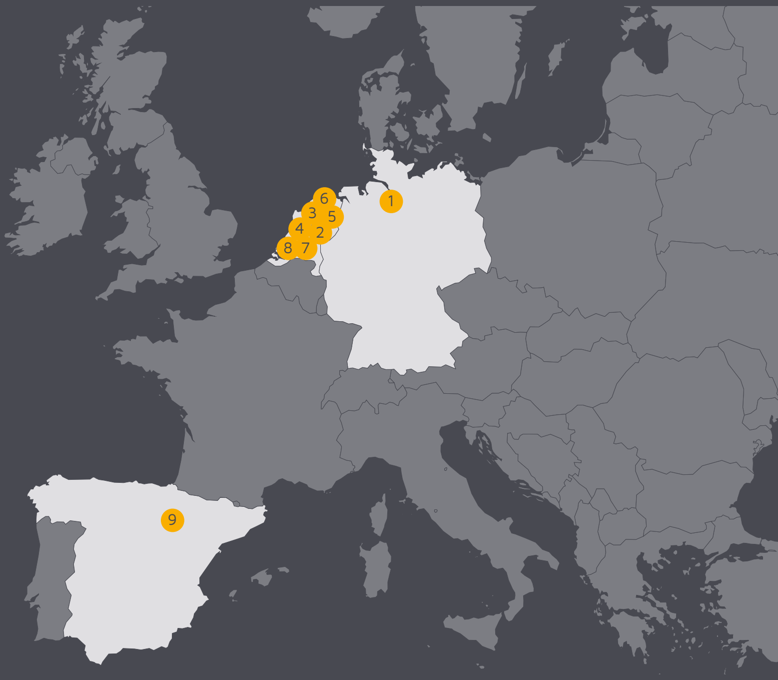
Marcelo Monteiro De Miranda
Managing Director,
Spain

Locations in Western Europe

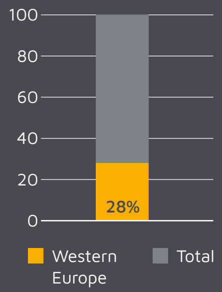
Germany
1 .... Schneverdingen

Spain
9 .... Tauste

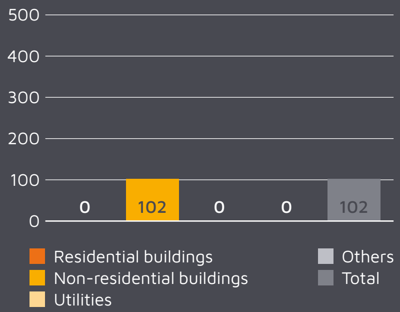
Netherlands
2 .... Huissen
3 .... Kampen
4 .... Oss
5 .... Schuilenburg
6 .... Drachten
7 .... Weurt
8 .... Koudekerk a/d Rijn



Segment share of net sales



Income by significant revenue streams, million euros



Total number of employees (FTE) 2023

1,055

Western Europe's year in brief

Despite a challenging market, Spain experienced strong growth in 2023. The Netherlands was faced with declining activity in residential market due to high interest rates and therefore focused on cost control, product development and sustainable industry leadership. The Spanish precast market declined by 30 percent, creating a tough environment which Consolis Spain successfully overcame and achieved sales growth of 7.8 percent. In the Netherlands, strict regulations and nitrogen emission laws posed challenges, but as a sustainability-focused market leader, we maintained our resilience. In spite of a forecasted construction sector decline, optimism prevails for collaboration with customers in promoting sustainable building practices using our precast solutions.

Business offering

Products
Hollow cores, structural elements, walls, facades, and stairs.

Services
Design, production, and assembly (Spain).

Types of buildings
Non-residential buildings including offices, industrial and logistic structures, and residential buildings.

Highlights of the year

A thicker hollow core challenges tradition and promotes sustainability
The Dutch team challenged the local practice on how to deal with heavy loads in the concrete structure. Traditionally, an extra layer of concrete is applied to the hollow core slabs at the builing site. Instead, a thicker, 50 cm, hollow core slab was developed. The new solution promotes a more efficient construction method and helps our customers to reduce the environmental footprint of their buildings.

Offering refurbished hollow core slabs
In the Netherlands, our business offer leans strongly on the sustainability of precast concrete elements and encouraging their reuse. To further support sustainability, Consolis Netherlands now offers a return certificate guaranteeing to take back hollow core slabs at the end of a building's lifespan. Furthermore, the local entity is actively promoting the market for demountable and remountable construction. At the end of the year, we introduced the offer of refurbished hollow core slabs with a guarantee.

Strong commitment to continuous improvements and productivity
During the year, there was a strong focus in Spain on enhancing productivity and quality, continuous development of processes, and equipment investments. Notable examples include the installation of a state-of-the-art stock system for walls and a revamped layout for the steel framing department. We also offered technical training to enhance skills. These initiatives align with our commitment to competitiveness and efficiency and reinforcing the collaborative relationship with our customers.

Sustainability

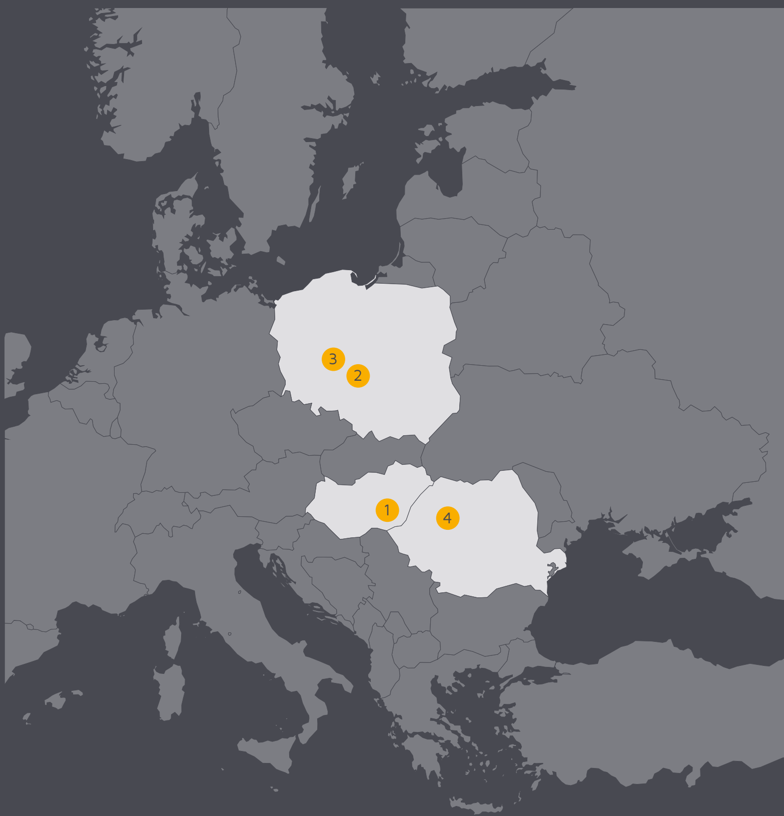
Several activities were underway to further reduce our carbon emissions in the West European market during the year.

- In the Netherlands, refurbished hollow core slabs are being supplied for the Upcycle Mall in Rotterdam, a structure where only reused or recycled building material is used. This project will result in valuable information on how to build with reused material going forward.
- The Netherlands is part of the EU-funded ReCreate project.
- Three of the Dutch factories were recertified by the Concrete Sustainability Council (CSC) for Responsibly Sourced Concrete, level Gold.
- In the Netherlands concrete mixes have been further optimized to reduce emissions. When producing products with less cement, heat is used to speed up the curing process. The Add Heat system utilized in all of our factories was optimized and implemented successfully.
- In Spain, we collaborated with our customer Montepino on a project to repurpose rejected precast elements and excess concrete. The goal was to create products like concrete blocks and elevating platforms from materials that would otherwise be wasted.
- We continued the partnership with CarbonCure Technologies, a climate tech company that provides a range of technologies to decrease and eliminate carbon dioxide emissions throughout the concrete manufacturing process. After successful testing, the technology has been implemented on a larger scale. This is a collaboration that will have the scientific backing of the Eduardo Torroja Institute of Construction Sciences (IETcc).
- In Spain the optimization of concrete mix designs continued, as did the development of Environmental Product Declarations (EPDs).
- Consolis Spain was awarded the "Aragón Circular" seal, which recognizes the efforts of companies from the Aragón region towards a circular economy.

Eastern Europe

"Despite facing a highly complex and challenging year, Hungary achieved exceptional results, culminating in its highest-ever backlog level by the end of 2023."

Bogdan Bulgaria
Managing Director,
Eastern Europe



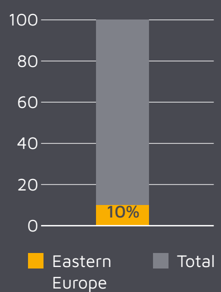
Locations in Eastern Europe

Hungary
1 .... Hódmezővásárhely

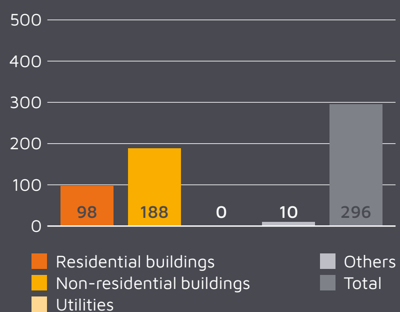
Romania
4 .... Turda

Poland
2 .... Gorzkowice
3 .... Ostrów Wielkopolski

Segment share of net sales



Income by significant revenue streams, million euros



Total number of employees (FTE) 2023

745

Eastern Europe's year in brief

2023 was a good year for Eastern Europe. In Romania, we had an exceptional order intake, as a result of our flexibility and close cooperation with our customers. In Hungary, order intake increased in the second half of the year, resulting in several projects driven by industrial growth in the country. Market activity in Poland was slightly lower, which was reflected in the order backlog.

Our total sales in Eastern Europe were stable in 2023. We are entering 2024 with a good order backlog, but are prepared for the coming year to be challenging, especially in the Polish market.

Business offering

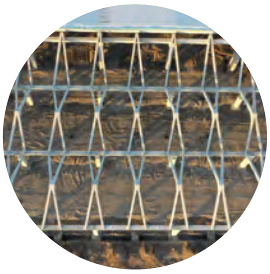
Products
Structural elements, walls, facades, hollow cores, stairs and several different floor elements.

Services
Full technical concept, from design, to production, delivery and assembly.

Types of buildings
Non-residential buildings: industrial and logistics halls, sport arenas, public and office buildings.

Highlights of the year

Good order pick-up in Hungary
In the second half of the year, sales took off in Hungary. The order intake with good margins secured, consisted of delivering precast concrete structures for several industrial iconic projects, from automotive to electrical batteries facilities or from chemical to pharmaceutical industrial buildings.



Strong performance in Romania
The market was strong throughout the year, and we managed to achieve a solid order intake with good margins. The varied mix of orders of different products and structures allowed optimized loading of the production unit, and, thanks to our talented teams with strong collaboration skills, our productivity figures have reached an all-time high.

Industrial projects ahead in Poland
Some outstanding industrial projects expected to start in Poland are keeping our optimism quite high there as well. In the context of a stretched economy, our order intake was not generous in 2023. However, our efforts to keep the costs under control allowed us to have a decent result at the end of the year.

Sustainability

During the year we have focused on several initiatives related to sustainability. Here are some of the initiatives of the past year.

- In Hungary and Romania, we tested cement with a lower CO_2 emissions with good results. Hence, we used some new concrete mixes in our products and were able to reduce CO_2 by 70 tons in the third quarter of the year.
- Photovoltaic systems were put into operation in Romania at the beginning of the year. The energy generated reduced the overall energy consumption at the site by 25 percent.
- In Poland, a permit was granted for the installation of photovoltaic systems, which are to be installed at the Gorzkowice site in early 2024.
- In Hungary, the ISO full package certificates were audited and renewed, while in Romania the environmental license was granted with an extended validity of 10 years.
- In Hungary, several employee seminars and activities were held during the year, highlighting the importance of well-being and building resilience for stress.

Emerging Markets

"Emerging Markets continues to secure margins and deliver results in a year impacted by inflation and devaluation."

Nermine Safraou
Managing Director,
Emerging Markets

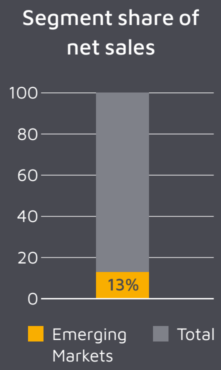
Factory locations Emerging Markets

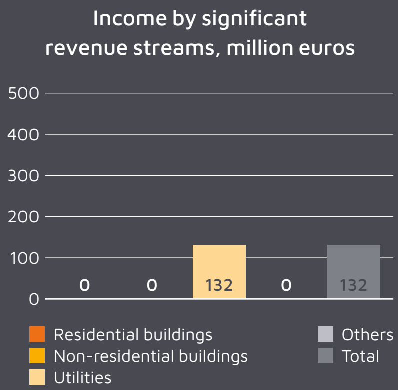
Egypt
1 .... X Ramaddan

France
2.................................... Conflans

Indonesia
3.. Jakarta

Tunisia
4............................ Bir M´Cherga
5................................ Borj Cedria
6.. Ghraba





Total number of employees (FTE) 2023

2,515

Emerging Markets' year in brief

The Emerging Markets have had a successful year. Tunisia took part in several tenders for major projects. In Egypt, the market was challenged by the devaluation of the currency but fruitful initiatives were taken in the second half of the year to secure margins in the order backlog. Production and deliveries also started for the prestigious new metro line project in Cairo. In Indonesia, the focus shifted during the year from large pipe projects for power plants to potable water supply projects. Due to the macroeconomic environment, we are expecting 2024 to be challenging, particularly in Egypt, and more stable in Tunisia.

Business offering

Products
Utilities operations such as pressure pipes used in water supply, irrigation and sewage systems, as well as in power stations

Services
Design, production, and civil works.

Specifics
Our high-pressure water pipes and systems transport potable, irrigation, and sewage water – as well as water for power plants cooling systems.

In Egypt and Indonesia, operations are structured as joint ventures with local partners. Civil works concern Tunisia and France only.

Highlights of the year

Delivery to the Cairo Metro
In July 2023, Consolis in Egypt (ECPC) finalized a contract with civil works contractors on behalf of the Egyptian National Authority for Tunnels (NAT) for the Cairo Metro Line 4. This new contract adds to ECPC's history as a trusted partner of NAT since 1993. The new metro line will span 19 kilometers and include 16 stations. ECPC will provide more than 6,600 concrete rings in the next two years for this tunnel.

Safety focus in Indonesia pays off
Indonesia has had its second year in a row with zero accidents thanks to to an intensified focus on safety matters. Safety discussions take precedence in daily production meetings. Safety concerns are now considered before production, especially for new or "extraordinary" parts. Regular briefings tailored to the local context were conducted and management intensified the focus on Visual Field Leadership Safety Observations (VFLSO).

Water tank construction a success
Tunisia faced a unique challenge in constructing two groundbreaking cylindrical drinking water storage tanks for a water treatment complex in the Sahel region. With a 10,000 m³ capacity, each tank featured a 42-meter diameter and a 16-meter-high roof of arched beams covered by tiles. BONNA's project managers opted for prefabrication to overcome complexities in construction and to ensure the safety of our employees. Collaborating across teams ensured a successful and efficient solution, highlighting the company's commitment to innovation and customer satisfaction.

Sustainability

During the year, activities were performed to align the Emerging Markets with Consolis' overall sustainability ambitions.

- In Egypt, we are developing concrete mixes that use a type of cement with a lower CO_2 emissions, thereby decreasing the environmental impact of our products. We are also increasing the use of self-compacting concrete, which induces lower vibrating time and therfore saves energy. Hardened waste concrete has been reused in an infrastructure project.
- In Indonesia, two rainwater tanks have been installed on the site to reduce water consumption. Collected rainwater can be used for cleaning facilities and equipment. A structured waste treatment handling area was also introduced to align it with our contractors' needs and facilitate handling of waste.
- Several sustainability initiatives are underway in Tunisia. We have set up waste separation zones at our sites and installed filters in out chimneys. To reduce water consumption, underground tanks have been installed to collect rainwater from the roofs of the workshops.

Our concrete Sustainable Promise

We are a strong force in our industry, and we are committed to taking the lead to influence and drive significant sustainability improvements.

By deeds, not just in words, our teams will show that improvements come from conscious decisions, shared knowledge, experience and collaboration with our suppliers and customers.

Together, we will reduce the environmental impact from our products and operations.

Environmental, economic and social impact

The Consolis sustainability framework

As a European market leader in precast solutions, Consolis has both a responsibility and an opportunity to achieve actual change. We aim to be a strong force for sustainability in our industry. When we talk about sustainability, we include a wide range of topics connected to our environmental, economic and social impact – throughout our value chain. These topics concern areas such as how we conduct business, how we care for our employees and the communities where we operate, and how we can inspire the industry by taking the lead towards net-zero emissions in our operations and our value chain.

Well-built for well-being is Consolis' purpose. It is a purpose built into our products and services, and it is also the basis for our approach to sustainability. Our aim is the well-being of the planet, our employees, and all the people using our products. We divide our efforts into three core areas: environment, people, and business ethics. These are areas where we can identify the greatest sustainability risks in our operations, and subsequently areas where our efforts can have the greatest positive impact.

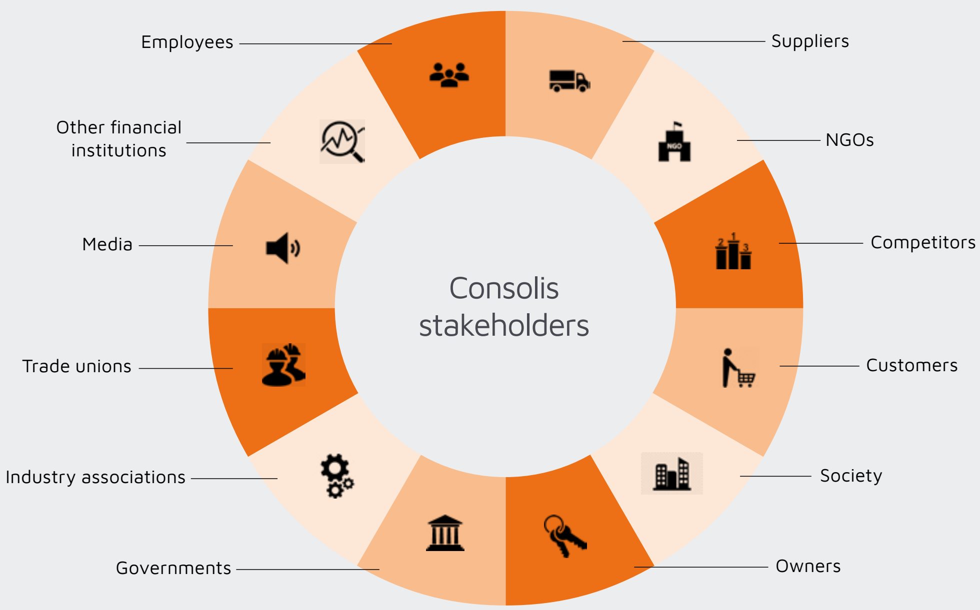


Figure 1
Consolis stakeholders

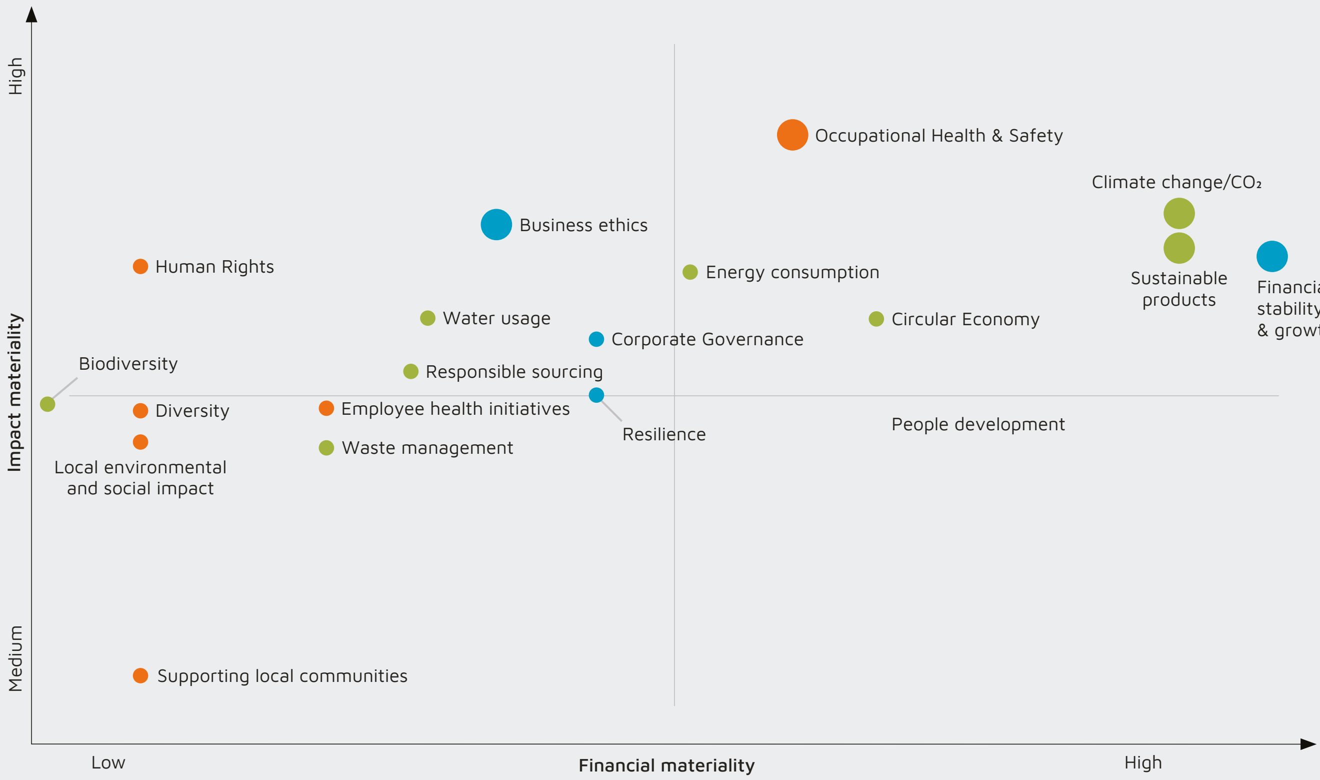


Figure 2
Material aspects for Consolis Group. (Impact materiality and financial materiality to be verified/ supplemented by Consolis own in-depth assessment).
Environment Business Social

Double materiality analysis

To calibrate our sustainability ambitions and maintain a close dialogue with our stakeholders, Consolis performs a biannual materiality analysis. The Group's stakeholders include customers in our local markets, employees across the Group, works council representatives, investors, ESG analysts, industry associations, environmental organizations, and Consolis' Board of Directors.

In 2021, Consolis Group conducted its first materiality analysis and established a sustainability framework. In 2023, as preparation for the Corporate Sustainability Reporting Directive (CSRD) requirements, Consolis Group updated the materiality analysis to the new double materiality standard, which assesses:

- Impact materiality (significant impacts that Consolis has on the economy, environment, or society or impacts that substantially influence the assessments and decisions of stakeholders)
- Financial materiality (significant impacts that society and the environment have on Consolis).

The result of the analysis helps us identify areas that have a strong impact on business success and enterprise value, as well as risks and opportunities.

Our business offering and operations

Precast concrete production is in itself a CO_2-reducing alternative compared to cast in-situ solutions, with up to 40 percent lower emissions.[1] By delivering high-quality flexible products for buildings that will stand for centuries, we add value to people's lives while reducing the long-term need for building materials. In that sense, we believe that by growing our business we contribute to a more sustainable industry. Consolis is active in 17 markets, with production sites in rural areas. This makes us an important employer in the communities where we operate, contributing to the development of the local economy.

But we want to do more. In fact, we need to do more. The construction industry accounts for a significant portion of global CO_2 emissions. And while we are taking important steps to decrease the carbon footprint of our products, we still have a substantial environmental impact. Being a large employer also makes us responsible for the health and well-being of our employees, a responsibility we take very seriously.

1) www.consolis.com/sustainability

Our ambitions for the future

The Consolis Executive Management Team has decided on four main ambitions for the years to come, that connect to the core areas of: environment, people, and business ethics (see page 107 for our triple bottom line), to ensure resilience and financial growth.

They are as follows:

- Deliver safe, sustainable, and high-quality products. Reducing emissions and maximizing lifespan will be key aspects when we design new products, as will the possibility to contribute to the circular economy.
- Minimize our environmental impact through the responsible use of raw materials, energy, and water. We will improve our waste management and ensure there are no harmful materials used in our production.
- Create and maintain safe, diverse, and dynamic workplaces where we ensure employee health and safety and engagement, and work together to generate value for our stakeholders and society.
- Work with responsible sourcing and business practices to secure human rights, acceptable labor practices, and good business ethics throughout our value chain.

Global initiatives and reporting standards

With the double materiality analysis results as our foundation, and with a clear focus on the areas where Consolis can make a difference, we have identified seven of the UN Sustainable Development Goals (SDG) to actively focus on. See more on page 107.

Consolis supports and acts in alignment with the principles of the UN Global Compact.

In 2022, Consolis joined the Science Based Targets initiative (SBTi) and in 2023, developed clear pathways and set targets aligned with SBTi, which will be submitted in 2024.

Consolis works in line with the Global Reporting Initiative (GRI) Standards. The report has been prepared in accordance with the GRI Standards and follows the reporting principles for defining report content for the reporting period of the year 2023. The report is not externally assured but will continously be prepared and published annually.

Environment

The demand for smart, cost-effective, and sustainable building solutions is increasing every day and at Consolis, we are committed to taking the lead in the environmental sustainability shift facing our industry. Our planet needs it and the market demands it.

Heading towards net-zero

Today, reducing CO_2 emissions must be at the top of every company's agenda. At Consolis, we are acting on the ongoing climate crisis with the conviction that precast concrete can become a net-zero emissions material. Being able to measure our impact in detail means that we can identify what to prioritize and thus enables large-scale change. In 2023 we implemented a new data consolidation tool throughout Consolis' business units to enable the measurement of our impact on key sustainability topics across our local markets. We measure our environmental performance within sustainable products and CO_2 reduction, circular economy, energy consumption, water use, waste management, responsible sourcing, and biodiversity.

To help limit climate change and participate in the transition to net-zero emissions, Consolis has the joined Science Based Targets initiative (SBTi). It is the world's first framework for corporate net-zero target setting in line with climate science and the Paris Agreement to limit global warming to 1.5 degrees. Based on the data collection we have implemented, we have established a baseline and have commited to targets for our scopes 1-3 emissions. We are increasing the scope of our data collection within scope 3 emissions (from our supply chain) to include not only emissions from binders and steel, but also aggregates, insulation, additives and admixtures used in concrete. We are introducing new indicators little by little, widening the scope of emissions that we track. Although these emissions are small compared to those caused by cement and steel, we strive to make our data as complete as possible. Consolis' science-based target proposal for emissions reduction will be sent to SBTi in 2024 for approval.

Six climate commitments

We have identified six key areas where Consolis can make the most positive impact on the climate and are committed to working diligently within all of them:

Our efforts in all these areas will accelerate the road to net-zero for ourselves, our customers, and the industry as a whole.

Read more

Consolis Environmental Sustainability Week

The annual Consolis Environmental Sustainability Week further strengthens the awareness and understanding of environmental topics among the the Group's employees. Engaging digital seminars and panels with internal and external speakers showcase successful projects and initiatives from Consolis' 17 markets.

In 2023, there were three times as many participants as the previous year, and increase in engagement through comments and reactions.

1. Customer partnerships

Based on an understanding of our customers' drivers, we tailor our offering to help them achieve their environmental goals with cost- and resource-efficient solutions. We include our customers in innovation initiatives together with partners, suppliers, climate-tech pioneers, and academia, creating collaborative environments to bring new ideas and methods from testing to large-scale commercial use.

Concrete is a material that is used in large quantities within the building industry and therefore the biggest emissions hotspot for most of Consolis' customers. Precast concrete is itself a CO_2-reducing alternative to in-situ concrete solutions, cutting emissions by up to 40 percent.[1)] Optimizing and developing our solutions further has a huge potential to add value for customers in their quest to reduce their carbon footprint. With our Green Spine Line® (see page 49) of certified, low-carbon products and solutions, which are often developed in collaboration with customers, the market gets a better overview of what possibilities we can offer. One example, from Sweden, is the agreement with our customer NCC, which states that Consolis will always offer Green Spine Line® elements as an alternative in future construction projects.

2. Smart design

During the design phase, we can significantly reduce a building's carbon footprint by using the right elements in the right places, while maintaining functional performance and quality. Consolis has hundreds of designers working at the local level. As a Group, we are working actively to untap the potential for smarter design by exchanging experiences and best practices between our different local teams. For instance, this is done during the annual Consolis Environmental Sustainability Week (see above).

Wherever it is possible, slim hollow core slabs and unreinforced walls can be used to optimize the design of buildings. In multistory buildings the load applied can vary from floor to floor, which makes it possible to change the cross-sections or concrete strength of precast products depending on the load applied and thereby gain a lot in emissions reduction. Hollow core slabs are especially important, as they have 50 percent less steel and 40 percent less reinforcement compared to floors cast in-situ[1)].

In some of the countries where we operate designers are putting new digital tools to use to design smarter. For example, you can integrate CO_2 emissions of concrete elements in your BIMs (Building Information Models), which lets the designer elaborate more easily with different options, seeing right away which impact they would have on emissions at the building level.

3. Responsible sourcing

The largest part of our products' climate impact is related to cement and steel, materials that we buy from suppliers. We select our suppliers carefully, always trying to source locally, to minimize transportation. Consolis aims to get Environmental Product Declarations (EPDs) for all products, most importantly from our cement and steel suppliers. EPDs make it possible to interpret and measure the climate impact of our suppliers' products. Most of our cement and reinforcement suppliers today have EPDs for the materials and products they supply us with.

In 2024, Consolis plans to introduce a new routine for assessing biodiversity in addition to social and environmental criteria for its cement and aggregate suppliers. While no extended assessments have been conducted, six global prestressed concrete wire and strand suppliers were evaluated in 2023, three of which were new to Consolis. In 2023, we also conducted assessments and confirmed that none of our operational sites are located in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas. No assessments of regular reinforcement were conducted in 2023. Consolis prioritized supplier evaluations for compliance with Ukraine sanctions. Assessments of regular reinforcement are scheduled for 2024.

1) consolis.com/sustainability

4. Industrial production

It is within our industrial production that Consolis can make the most important positive climate impact by producing low-carbon precast products with quality controls at every stage. Our aim is full transparency when it comes to the carbon and other environmental impact of our products in all markets. We require EPDs from all our key suppliers. In most markets we have developed EPDs, but we are still working on them for Eastern Europe and Emerging Markets. Poland is the next market in line for launching EPDs, an effort that we hope can be concluded in 2024.

The most important cause of CO_2 emissions in traditional concrete production is connected to the use of cement. Reducing or replacing cement is therefore a priority in our production development and we have several commercial and experimental projects in different markets. In the Nordic markets, we have used alternative recipes for many years. These include an increased proportion of secondary cementitious materials and reused concrete. The water-cement ratio has also been changed to reduce the amount of cement. Across our local markets, we are adding other secondary cementitious materials to the mix, such as flyash, a residual product from the energy industry, and slag, a residual product from the steel industry. Consolis is also experimenting with other binders, for example clay, bioashes, and husk ashes from rice and grain.

We are furthermore trying to find ways to build lighter and slimmer components that require less raw material while still maintaining quality standards. There is also great potential to make concrete supporting structures demountable at the end of a building's life, so they can then be reused in a new

building. This kind of circularity can reduce the use of primary raw materials and thus significantly reduce CO_2 emissions. Consolis is participating in three out of four country pilot projects within the EU Horizon 2020-funded international ReCreate project, which is aiming to reuse salvaged precast elements from buildings that were not initially designed for disassembly or reassembly. There are also ongoing internal circularity projects on our local markets, where buildings are designed and built with future reassembly in mind.

The precast production also makes it possible to optimize the use of raw materials and minimize waste generation and energy consumption. With the right routines in place, the waste being generated can be recycled. For example, crushed concrete can be used to make new concrete for new frames, walls, and façades. Our goal is to transform all of Consolis' production sites into zero-waste facilities. Several of our production sites already have a closed circular production system, where all waste material is processed and reused. The hardened concrete waste is crushed and obtained aggregate is reused for new concrete, the residue of fresh concrete and water is fully recycled, and the waste steel goes back to the steel producers.

We are also making efforts to reduce water consumption at our production sites, for example by using recycled water for washing equipment and ready-mix concrete trucks at sites in Hungary and Romania, or using rainwater collected for the large roofs of our plants in Denmark, Indonesia and Tunisia. Read more on page 109.

To reduce energy usage, several initiatives have been taken within the Group. Examples of this include installing solar panels, performing energy audits, and optimization of the AddHeat tool, a solution for temperature and strength monitoring of precast concrete, used in several factories.

Examples of environmental efforts

- **In Sweden**, we are conducting tests to reduce the amount of cement used in concrete stairs and landings.
- **In Finland**, we are collaborating with the materials technology company Betolar on developing alternative binders to replace traditional clinker-based cement.
- **In Norway**, we are partnering with customers to develop circular precast solutions.
- **In Spain**, we work with CarbonCure Technologies to introduce recycled CO_2 into our precast concrete products, making it possible to reduce the amount of cement and therefore the carbon footprint, while in effect turning them into carbon sinks.
- **In Denmark**, we use AddHeat, a solution for intelligent temperature and strength monitoring of precast concrete that allows for both energy optimization and cement reduction.
- **In the Netherlands**, we cooperate with TNO, BTE/ASCEM and other partners to develop alternative binders and test concrete mixtures.

5. Green Spine Line®

Our efforts to take the lead in the sustainable transformation of our industry all lead to the Consolis Green Spine Line®. This is the name of our line of certified and sustainable precast products, solutions and methods that lower carbon emissions from 15 to over 50 percent compared to local industry standards. With Green Spine Line®, which was launched in 2022, we are taking concrete steps towards climate neutrality together with our customers.

The Consolis Green Spine Line® is both a product line and an internal certification system with strict criteria for products to qualify, covering market leadership, continuous improvement and customer significance (see box on page 50). We have developed and established the Green Spine Line® to avoid beingslowed down by the present lack of common standards on the global market. Our initiative serves as a push to innovate and put more low-carbon products on the market, while at the same time making it easier for our customers to find the right products to improve their carbon footprint here and now.

The products are developed in several different ways, such as recipe optimization or by making components more material efficient. In 2023, Norway became the sixth country to offer Green Spine Line® products on the local market, along with Finland, Sweden, Denmark, the Netherlands, and Spain. Green Spine Line® products (see product list in separate box) accounted for some 30 percent of the total volume that Consolis sold in 2023. This share is bound to grow as more products are in the works both in existing and new markets. Our plan is to keep expanding the Green Spine Line® in a majority of our markets.

Criteria for Green Spine Line®

For a product to be included in Consolis Green Spine Line®, the following criteria must all be met:

- **Market leadership**: Products and solutions should have at least 15 percent lower CO_2 emissions compared to precast industry standard in the market where they are sold. In effect, many products have much lower emissions than this, up to more than 50 percent.
- **Continuous improvement**: There must be a clear plan and local commitment to further reduce CO_2 emissions of the components over time. We must preserve the advantage over industry standards.
- **Customer significance**: The products and solutions must have the commercial power to make a significant impact on our customers' respective journeys to reduce carbon emissions. There should be no one-offs.

Green Spine Line® products (so far)

- **Green Spine Line® hollow cores** with 17–50 percent lower CO_2 emissions depending on the market's industry average. Available in Finland, Sweden, Denmark, the Netherlands, and Norway.
- **Green Spine Line® walls** with 17–44 percent lower CO_2 emissions depending on the market's industry average. Available in Finland, Spain, Denmark and Sweden.
- **Green Spine Line® structural elements** which were updated in 2023, resulting in a doubling of the reduction in CO_2 emissions to 30 percent. These columns and beams are available in Spain.

6. Sustainable buildings

The envisioned end-result for Consolis is sustainable buildings and utilities built by our customers for the future. Recent examples include:

- In Tampere, Finland, NCC is building a nine-floor student housing building with 67 apartments using Green Spine Line® low-carbon concrete elements that cut frame emissions by 30 percent.
- In Stockholm, Sweden, Consolis is working with customers AF Bygg and ByggVesta on Hestur, a full-scale residential project to test and find innovative, cost-effective ways to build sustainably and reduce carbon emissions. Consolis is delivering walls cast with husk ashes and low-carbon products from the Green Spine Line® to the building with 220 rental and student apartments.
- The largest Finnish construction company, YIT, is planning to test new, low-carbon hollow core slabs being developed by Consolis together with Betolar.

Results overview

Our relative scope 1 and 2 emissions, along with major scope 3 emissions per ton of production, have experienced a commendable 3 percent decrease. This reduction is attributed to several factors:

- Reduction in the utilization of regular type CEM I cement with high clinker content.
- Increased incorporation of blended cements.
- Greater utilization of secondary cementitious materials.
- Decreased reliance on reinforcement materials.

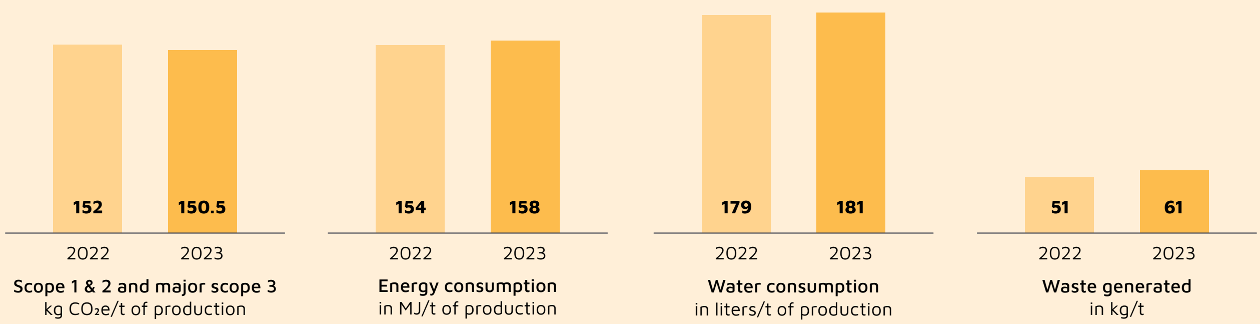
Despite the implementation of numerous energy efficiency initiatives, our relative energy consumption has seen a marginal 2 percent increase. This rise is predominantly due to the optimization of concrete mixes, that require additional energy for activation (curing). The optimized concrete mixes feature a reduced proportion of regular CEM I type cement and a greater proportion of blended cements and secondary cementitious materials.

Our relative water withdrawal has experienced a minor increase.

Our relative waste generation has surged by 19 percent. This increase can be attributed to:

- Adaptation of certain factories to produce diverse types, sometimes more complex products, in response to fluctuations in residential building volumes. Expanded testing and innovation activities, such as concrete testing with injected CO_2 and experimentation with various prestressing steel types.
- Ongoing data maturity processes in some markets.

Environmental indicators 2023



People

Just like our products form the backbone of buildings and infrastructure, our employees form the backbone of Consolis. Their knowledge about design, assembly, sustainability, and precast concrete solutions is what allows us to create value for customers and societies across all the markets where we are active. Our people shape the Group as bearers of our collective experience, competence, and know-how, as well as of our shared values and purpose. Caring for their good health and well-being is crucial for everything we do, our success and our sustainability.

Our values

Based on a careful analysis engaging the entire organization in our 17 markets, Consolis has formulated three shared values capturing how we are to work and interact with each other, our customers, suppliers, and partners. They form the core in our culture.

Safe and friendly

We have a safe culture where people can achieve their full potential. We put health and safety first.

We communicate in an open and friendly way where we are attentive and listen to others. We believe in helping each other grow and learn by giving and accepting honest and constructive feedback. We treat each other in a fair, equal and respectful way. We are loyal to each other and to our customers.

Collaborative

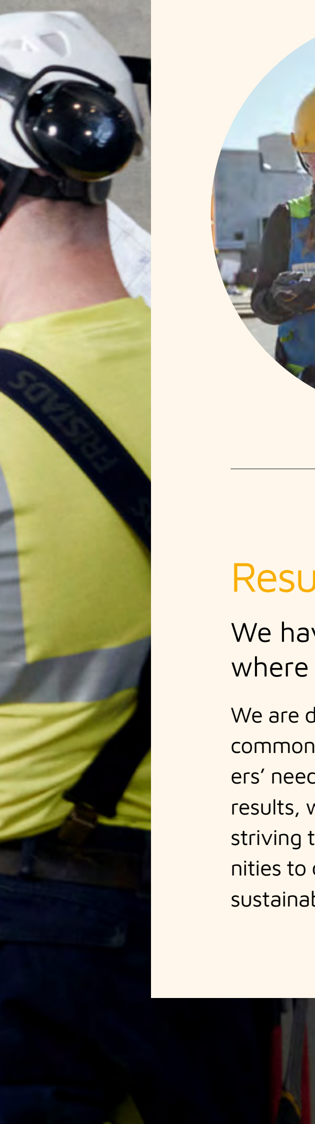
We have a sharing culture where we help each other to become stronger as a Group.

We apply "we thinking" over "they thinking", interact with an open mind and embrace different points of view. We involve each other to ensure good collaboration with colleagues and customers. We innovate and evolve together. To achieve this, we mix skills, knowledge, and backgrounds. We celebrate achievements by others, the team and the whole Group. We bring energy, ownership, and personal commitment to what we do.

Results-oriented

We have an action-oriented culture, where we focus on getting things done.

We are driven by deeds, not just words, exceeding individual and common goals. We proactively focus on and respond to our customers' needs and take pride in keeping promises. In order to achieve results, we identify what needs to get done and in what steps. In striving to contribute to something bigger, we seek new opportunities to create value for the company and put effort into creating sustainable solutions, both for our customers and our planet.



Values in focus

As a Group operating in an increasingly competitive market, a critical factor for the long-term success of Consolis is that we are all being guided by a shared set of values in our everyday work. We need a corporate culture promoting favorable behaviors that let us achieve our business goals while supporting our customers and the market in the best possible way.

Our common values, which were originally identified and established in 2021, are an essential part of all Group-related communication and a support to our business strategy with its four pillars: Customer, Team, Local, and Climate. During 2023, the implementation of the values at all levels of the Group was taken to the next phase. Across local organizations, our values have been embedded in HR processes such as performance management, talent management, succession planning, and recruitment.

The business support of the central HR function is a great advantage locally and one of the strengths that comes with Consolis being a Group. Whereas implementation is done locally, the HR staff out in our various locations does not have to develop their own processes and activities. Instead, resources and competences are pooled to develop common concepts for developing the Group as a whole. This increases speed and agility, while maintaining the capacity to deliver at the local level.

When following up the performance of individuals, we now include their behavior at work in light of our common values and discuss whether they align with them. We also underscore the importance of adhering to Consolis' values in the processes for developing talent and identifying future leaders within our operations. Furthermore, the ability to collaborate in a result-oriented, safe and friendly culture is a factor when we are recruiting to the teams working at the local level. As anyone can grasp, safety and collaboration are very real issues when moving around extremely heavy precast concrete elements in factories and on building sites.

To underline the importance of our values for building a culture for success, they were added in 2023 as a new criterium for nominating teams in our Group-wide initiative Consolis Force Team of the Month (see page 55). Looking ahead to 2024, we plan to roll out more initiatives to drive home the importance of our shared values in the entire organization. At the end of the day, our continuous efforts to shape a culture that will make Consolis stronger and better translate into value for customers seeking to build a reliable, high-quality and sustainable supply chain.

Consolis triple bottom line, ESG target areas, specifically highlight the important focus areas: Health and Safety, Employee Engagement, Diversity and Inclusion, Business Ethics, and Governance. The focus in 2023 has been on quality work securing that our Key Performance Indicators (KPIs) are correct. A new business intelligence tool has been developed to this end. For 2024, we have set goals covering all these different areas to continue monitoring progress.

Employee engagement and well-being

Although Consolis' business has continued to grow in certain markets, in others, 2023 has been a year characterized by harsher economic realities. Developments have necessitated cutbacks and even closures of certain operations. We have nevertheless continued to invest in our people with a strong focus on health and safety, as well as employee engagement and motivation.

In order to accurately direct these investments, we need to measure the well-being and engagement of our employees on different levels. The first level concerns the physical safety of our employees, partners, customers, and anyone visiting our production sites. We have a zero-accident vision that entails working toward a zero-accident culture. In essence, that means training and encouraging everyone to consider safe execution well in advance of initiating activities. It also means

One of the Consolis Force Teams of the Year, from Tunisia.

encouraging all stakeholders to make risk and safety observations when they see something that could potentially pose a threat to health and safety. We measure incidents, close calls, and the number of safety observations. We also monitor that activities aimed at promoting and reinforcing a safety culture are carried out. Reporting and follow-ups are made on a regular basis, with each operating unit having its own target level. After the years of the pandemic, Consolis has worked successfully to reduce the sick leave rate, which has remained at 4.5 percent, the same as in 2022.

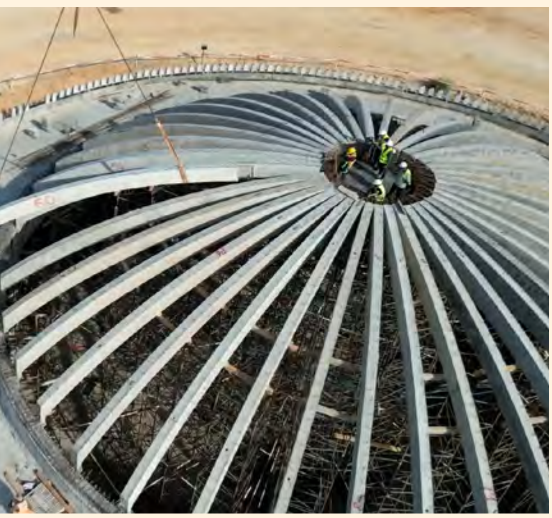
The next level concerns the engagement and psychological well-being of our employees. Here, we work with important areas such as inclusion, leadership, learning, and development. We measure how we are doing yearly through the behavioral science-based employee survey Consolis Engagement Index. The survey covers a range of areas (see separate box) and provides information on how our people perceive engagement and well-being, at work and in life.

Topics in the Consolis Engagement Index survey

- Relationships with colleagues
- Goals and goal achievement
- Meaningfulness and participation
- Relationship with manager
- Workload
- Autonomy
- Learning and development
- Feedback and communication
- Workplace and tools
- Strategy, vision and culture
- Health

"Collaboration and results-orientation, align particularly well with my daily work; we truly achieve results through collaboration with colleagues and with our customers."

Niron Nirmalananthan, Sustainability Manager, Consolis Denmark



Consolis Force Team of the Month

The Consolis Force Team of the Month initiative is designed to highlight our strategy and values while acknowledging the exceptional efforts of our teams. Each month, local teams that exemplify our strategy and values are honored as the Force Team of the Month in their respective markets.

Sharing of best practices

Since the start in 2021, over 400 colleagues and 50 teams have been recognized as Force Team of the Month in their markets. This initiative not only celebrates team achievements but also facilitates the sharing of best practices through internal social media platforms, inspiring and informing the entire organization.

Force Team of the Year Award

At the end of each year, management from each market nominates one team for the global Consolis Force Team of the Year Award. In 2023, three teams were honored with this prestigious title during a well-attended digital event accessible to all employees Consolis-wide.

3.7
Employee Engagement index
(3.6)

7.3
Training hours/employee
(6.7)

4.5%
Annual sick leave rate (Group)
(4.5)

For more information, please see page 108 in Sustainability Reporting.

"At Consolis, you are never alone in any challenges. We always have easy access to help and there is a genuine concern for your well-being."

Ninni Vuorinen, Assistant Controller, Consolis Finland

"The best part of working at Consolis is the sense of teamwork. Collaborating on meaningful projects, including contributions to the community, provides a fulfilling environment."

Rodion Sidorov, Production Operator, Consolis Estonia

The strength of the methodology chosen by Consolis was reflected in an increased response rate in the survey for 2023, compared to the previous year which was the first time the survey was held. This year, we conducted the survey during the Consolis Health and Safety Week, when we also highlighted well-being. Survey participation in 2023 was at 80 percent, which is an exceptionally high rate. This means that employees actually feel that answering the survey can make a positive difference. In addition to giving us information about the status of our organization, the survey also provides relevant market benchmark data and opportunities for establishing an employee Net Promoter Score (eNPS) reflecting to what extent our employees would recommend working at Consolis.

The eNPS for 2023 was an average of 3.7, which was an improvement from last year's 3.6 result. In spite of improving our average, we did not reach our ambition to beat the external industry average eNPS, since this improved from 3.6 to 3.8. One explanation for this could be that our business takes place in the earlier stages of the construction process, so we are usually hit early when the economy is going into a downturn, which tends to have adverse effects on engagement.

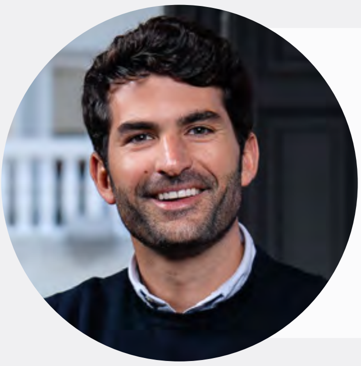
The areas on a Group level that were confirmed as strengths for Consolis were: relationships with colleagues, goals and goal achievement, and meaningfulness and participation. As our results on a Group level are higher than the external benchmark, Consolis still scored comparatively well even for the lower-end areas. Although we received positive results for the areas health, feedback and communication, and workplace and tools, they will remain in focus for continued improvement. The survey is followed up with meetings and local actions, to ensure that each team works with its own specific result. Furthermore, the digital system used allows for each employee to see their individual results and get tips on what actions could be taken to improve their well-being and engagement.

Going forward, our focus will remain on continuing to improve our results by delivering on activities at the local level in order to generate positive results overall. This allows for us to work on different challenges in the various environments where we operate. We always have a local approach, underpinned by central support, coordination and organization.

Employee communication and relations

Out of the total workforce of 7,485 people at Consolis, 90.8 percent are made up of permanent and temporary own employees, while the remaining 9.2 percent are external hired labor. The hired labor force often supports us in larger construction and assembly projects that span over a defined period and/or short term during production peaks.

Employee communication is crucial for the Group and internal communication channels are well-developed at both Group and local levels. Through our internal social media channel, employees across our markets can find and share information about various learning and development initiatives and communicate with each other on a range of topics.



"Sharing experience and knowledge among all Consolis teams, clients, suppliers, collaborators and other partners is the key to success."

Daniel Diaz Mesa, Sales Engineer Specialist, Consolis Spain

For instance, the Force Team of the Month competition is announced, celebrated and discussed here, creating engagement throughout the Group.

Consolis also has a well-established European Works Council, EWC, with representation across many EU countries. The Group informs and consults the EWC on significant business information and updates the employee representatives on an annual basis. The majority of Consolis' businesses are covered by collective agreements. In addition to the EWC, the Group has continuous dialogues at the local level with employee representatives, as well as directly with its local employees.

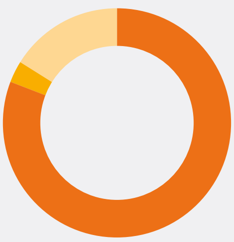
Diversity and inclusion

With operations in 17 countries, we are well aware of the value of diversity at Consolis. In a competitive business like ours, it is vital to attract and retain skilled employees, and to build high-performing teams. And to perform, we know that people need to feel at home. Therefore, we offer an inclusive culture where everyone can expect openness, fairness, trust, and respect. We are committed to equal opportunities to all employees. It does not matter where you come from, how old you are, what gender you represent or what your preferences in life are. What matters to us is the competence and experience that you bring to our teams.

Diversity and equality are prioritized areas throughout the organization and are taken into account in everything from recruitment processes to employee dialogues and career development. We operate in a traditionally male-dominated industry, but the Group is working on improving gender diversity. In 2023, 29 percent of the senior managers at Consolis were women. In the Consolis Executive Management Team, three out of twelve members were women.

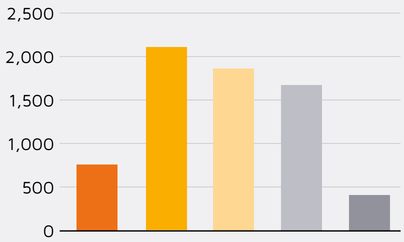
When it comes to jobs on the shop floor, there is a great gender imbalance in the pre-cast concrete industry, for reasons that are both historical and cultural. Today, however, an increasing number of support tools and work equipment are used, making these jobs more accessible to both genders. In 2023, there was a small decrease in the number of female employees overall at Consolis, to 8 percent, and we are continuing our efforts to improve our overall gender balance. In the coming year we are planning to intensify our work within diversity and inclusion. Grounded in our common values, we will find ways forward that will be suitable for all our locations. Increasing the focus on our gender balance, we will for example work with leadership awareness and improving the understanding of opportunities as well as obstacles to achieving it. We will also pragmatically review existing HR-related processes such as recruitment, training, and so on to identify how and in what areas we can improve gender balance despite the challenges facing our industry.

Permanent, temporary employees, hired labor (FTE), percent



Permanent: 76.3
Temporary: 14.5
Hired: 9.2

Age structure employees (FTE)



18–30 years
31–40 years
41–50 years
51–60 years
61+ years

Total number of employees (FTE)

7,485

Competence, leadership, and people development

For Consolis to remain the European leader within our industry, we continuously focus on growing our expertise and competence. We are committed to being an attractive employer with safe, collaborative workplaces and environments where both individuals and teams learn, grow and achieve great results.

Throughout Consolis, the local organizations provide training and development opportunities for employees. They span technical and language training, project management certifications, personal development, and leadership training. In 2023 our new platform for e-learning, Consolis Learning Center, was fully launched, covering a range of subjects in many languages and offering development opportunities for professionals and leaders. New releases are being added in a steady stream. At the end of the year there were a total of nearly 500 different training programs open, covering subjects such as technical skills, IT and digital software, communication and language, leadership development, teamwork, project management, health, safety and well-being, and marketing and sales. Excluding general mandatory training, such as the Code of Conduct, safety awareness and other on-the-job training, the Group reached an annual average training hours per employee of 7.3 hours.

Consolis applies a well-established Performance Management process where employees and leaders together set objectives, follow up on progress and bring conclusions from the end-of-year evaluation into the next performance cycle. Development is key for the organization and CODE, a lean-oriented way of working, is established across many of Consolis' operations to ensure instant learning and the sharing of best demonstrated practice.

Consolis Learning Center

Since June 2023, Consolis employees have access to a broad number of digital multi-language training and development programs through the e-learning portal Consolis Learning Center.

Development opportunities are offered through close to 500 training programs covering subjects such as technical skills, IT and digital software, communication and language, leadership development, teamwork, project management, health, safety and well-being, and marketing and sales.

KPIs

	2023	2022
% of female employees in EMT (Executive Management Team)	25	25
% of female employees in senior management	29	28
% of female employees in leadership positions in Consolis Group	21	-
% of female employees in Consolis Group	8	9

Lost Time Injury Frequency Rate (LTIFR)

Target:	Less than 2
Performance 2023	4.7
Performance 2022	4.8

Total Recordable Injury Frequency Rate (TRIFR)

Target:	Less than 2
Performance 2023	8.2
Performance 2022	9.4


uvex

Actions promoting zero accidents

- Our **"Don't Walk By" principle** calls upon everyone to be vigilant, seek out, and react to any ongoing or potential safety issue. This principle is only effective when people feel safe and convinced that all issues raised are welcome, recognized, and looked at with respect. To us, it is important that every employee feels empowered to address and raise anything that could potentially lead to an incident. Employees and other stakeholders can report observations by using electronic, written, or verbal reports.
- We promote **Visible Felt Leadership Safety Observations** (VFLSO) which means encouraging all employees to regularly approach colleagues on the job to discuss working methods, risks, and procedures. This is not about expertise or auditing. The main benefit of VFLSO is to strengthen positive safety behaviors and encourage questioning of current practices.
- **Consolis Safety Week** is an annual event organized across all business entities in the organization. During this week, the entire focus is on ensuring overall safety through various activities such as training, workshops, and dialogues on safety. Many local activities also involve suppliers, external trainers, and community stakeholders. Safety Week is an integral part of our core values and strategy, and we consider it a crucial aspect of our commitment to safety.
- **The flash report** is another powerful tool. If a serious incident has occurred, or was close to occurring, a quick flash report covering the issue and our initial findings is distributed to the whole Health and Safety network and other relevant stakeholders. The information is shared with the intent to trigger other units to identify if they have similar issues at their sites. Our ambition is to avoid having the same type of incidents in other locations.

Health and Safety

The Consolis vision is to be a zero-accident workplace and to foster a zero-accident culture. To get there we will establish an environment where everyone safely can raise issues and voice concerns, promote risk awareness, focus on preventing work-related incidents, and share best practices across our markets and production facilities. Above are or examples of actions that will move us toward a zero-accident culture.

Via the Health and Safety Networks and our audit programs, Consolis has programs for operational knowledge exchange between units. At the end of 2023, Consolis launched a focused assessment program that will enable a better exchange of best practices within the Consolis Group and identify local areas to improve further. The outcome of these assessments will be used to set tailored objectives per concerned unit for the period up to 2028.

Safety coordination and networks

The Consolis Health and Safety area is managed via a central HSE team on the Group level which – together with a wide HSE network of local HSE managers in each of our locations – plans, manages, and drives the strategy forward.

Safety is all about the day-to-day work and is always coordinated at the business unit level with support from Consolis Group functions. Local managing directors and line management can use the wide experience of the Group when they define their priorities, set targets, ensure effective implementation, and monitor progress against benchmarks. Every business unit and site have safety professionals who manage preventive measures and corrective actions. Most sites also apply common Group standards and best practices that address risk areas such as equipment operation, stockyard safety, and protective equipment use.

Results
During 2023, we saw a positive impact from the continuous behavior-based initiatives such as Visible Felt Leadership Safety Observations (VFLSO) and the sharing of best practices. With improved safety results we remain confident that our structured behavioral approach is the right way forward.

We also reinitiated a more hands-on-based approach in the factories and on other sites during the year. Typical activities ranged from using tailored direct safety stops, where operations are halted and actions are immediately taken when safety trends are unfavorable, to Go and See operational visits and limited audits, and a re-start of the VFLSO methods. Although the latter is more geared towards the mid-term upgrade of safety culture, it generates immediate positive effects and forms the basis for our "Don't Walk By" principle which brings incident rates down.

We also reworked and established metrics which will support us further in understanding whether we are moving in the right direction. Consolis works with a wide range of internal statistical information as part of the Health and Safety performance program. Two of these are the Lost Time Injury Frequency Rate (LTIFR) and Total Recordable Injury Frequency Rate (TRIFR). In addition, Consolis works with developing leading indicators, such as risk and safety observations. During 2023 our focus was on increasing the quantity of observations to build awareness and foster the safety culture. Going forward, the focus will change to improving quality, and over time, developing the use of risk observations as a leading indicator for progress.

In 2018/2019, targets were set with the aim to reach an LTIFR of 2 and a TRIFR of 6 by the end of 2023. While good progress has been made and the trend is favorable, we conclude that were not able to reach the 2023 targets. We have not managed to change the safety culture to the extent needed to reach them. Looking at the performance we have seen so far, we have worked through lessons learned, studied the effect of implemented organizational changes, and also estimated the effect of newly implemented safety tools. All this has been included in a new plan aimed at meeting the same targets by 2028, at the latest.

Business ethics

As Consolis continues to strengthen its foundations and focus on its core business, it’s equally important to stay focused on our commitment to integrity. We want to act ethically, always with respect for each other, our customers, our partners, and our environment. This serves to uphold the credibility and reputation of our company and is therefore an important lever of our operational sustainability. Moreover, compliance and ethics are key principles in how we do business and an important part of who we are as a company.

What business ethics means to us

With operations in 17 countries, we are committed to running our business following high ethical standards and with transparency – no matter where we operate. This is as important for our customers, owners, and other stakeholders as it is for management and our current and future employees. We do not see business ethics as a purely legal compliance topic. Rather, it encompasses how we act in the workplace, how we behave while doing business on a global market, and how we interact with society at large. For us as a company, business ethics is a matter of principles and values. But it also has legal, financial, and operational ramifications. For our employees, behaving in an ethical manner means to comply with applicable laws, to act in line with Consolis' policies and Code of Conduct, and to always respect relevant ethical principles. We all want to act ethically, but the world and our business environment is constantly evolving. We therefore place great importance on the training of our employees on essential compliance issues, and work to strengthen their capacity to handle these issues in their daily work. This is important to Consolis as a company, but it is also a way to protect our employees in a context where non-compliance with laws and regulations could jeopardize our employees' personal integrity. We had no legal actions pending or completed during the reporting period regarding anticompetitive behavior and violations of antitrust and monopoly legislation in which the organization has been identified as a participant.

Code of Conduct and Policy Book

The foundation for how we work with compliance and business ethics can be found in our Code of Conduct and Consolis' Policy Book. Our Code of Conduct covers human rights and employment, health and safety, business ethics and environment, and it includes important principles for, among other topics, antitrust, anti-bribery, and anti-money laundering. The Code of Conduct reflects Consolis' values, our sustainability commitments, and international and national legislation. It also supports the ten principles of the UN Global Compact initiative as well as other international ethical guidelines. In 2022, we revised Consolis' Code of Conduct and updated our Policy Book. The updates are meant to make these important documents more available to everyone concerned, and to better illustrate the importance of compliance and business ethics. To further illustrate this and show that business ethics is essential to all aspects of our business, the release of our new compliance pack, containing the updated Consolis Policy Book and Code of Conduct, was presented internally by Consolis' CEO Mikael Stöhr. In addition, the Consolis Code of Conduct principles have been translated into requirements for our suppliers in our Supplier Code of Conduct. Our Supplier Code of Conduct outlines minimum standards for our suppliers, in line with applicable laws and regulations, and forms an integral part of the relationship between Consolis and our suppliers.

Training and awareness

To make sure that all our employees across our markets know, understand, and adhere to our Policy Book and our Code of Conduct, we work with continuous training and awareness-building – both through in-person training and in the form of e-learning. In 2022 we carried out three different e-learning courses related to the new Code of Conduct, competition and antitrust, and anti-corruption. The training on the new Code of Conduct targets all Consolis employees and is carried out either electronically through our LMS platform or on site. The competition and antitrust and anti-corruption training targets employees who could be particularly exposed to such issues due to their roles and assignments and was carried out electronically through our LMS platform. In 2023, we continued our efforts in adding e-learning related to anti-money laundering while extending our Code of Conduct e-learning to new employees as part of their onboarding.
To complement the e-learning, we also carry out ad-hoc in-person training. As the rules and regulations are different in every country where we operate, these sessions are a way to adapt the training to a local and relevant context. They are also a way to promote further dialogue on these topics.

Whistleblowing system

Employees, customers, suppliers, partners, investors, and any other stakeholders of Consolis are encouraged to report any conduct (or potential conduct) that they believe is in breach of Consolis' Code of Conduct, the Supplier Code of Conduct, policies, or applicable laws and regulations. To facilitate and encourage reporting, we provide a whistleblowing channel hosted by a third-party service provider. The whistleblowing channel allows employees and other stakeholders to report any misconduct or potential misconduct anonymously, as long as this is allowed according to local law.

Results

We have decided to quantify the results of our efforts by measuring how many of our employees have taken part in our training and awareness-raising sessions. For 2022, the overall target was that 95 percent of Consolis' active employees[1] should take part in the e-learning and on-site training sessions concerning our updated Code of Conduct. This target was reached, as more than 99 percent of our employees[1] participated in the training. Regarding the competition and antitrust and anti-corruption e-learning, the overall target was also that 95 percent of Consolis' targeted active employees should take part in the e-learning. This target was also reached since more than 99 percent of the selected employees completed the training. For 2023, the overall target was also that that 95 percent of Consolis' targeted active employees should take part in the anti-money laundering e-learning. This target was also reached since more than 97 percent of the selected employees completed the training.

1) Active employees excludes employees on extended leave

Contents

Governance

Governance
Consolis Holding S.A.S. (the "Company") is a French company created in 2007. The address of its registered office is 4 Rue du Général Foy, 75008 Paris. The consolidated financial statements comprise Consolis Holding S.A.S. and its subsidiaries. Consolis is organized in five segments: West Nordic, East Nordic, Western Europe, Eastern Europe, and Emerging Markets. With operations in 17 countries throughout the world, the Group generated EUR 1.044 billion in sales in 2023.

Consolis Holding S.A.S. is ultimately 94.72 percent owned by Bain Capital since December 31, 2023. Bain Capital means Bain Capital, L.P. and its affiliates and, where applicable, the funds and limited partnerships are managed or advised by them. The remaining part is owned by other investors and management.

The members of the Supervisory Board are appointed by the shareholders of Consolis Holding S.A.S. and are composed of a selection of representatives of the main shareholders chosen for their general knowledge of the construction sector.

The Supervisory Board is responsible for the general supervision and control of the Company's affairs and administration by the CEO and the Executive Management Team. As part of this task, the Supervisory Board shall monitor the Company's purpose, value or mission statements, strategies, policies, and goals related to sustainable development, which are prepared by the Executive Management Team. Monitoring takes place within the framework of the regular Supervisory Board meetings. The Supervisory Board's prior authorization is required on certain strategic and important decisions.

The Supervisory Board includes two Co-Chairs, who have a co-leading role and are responsible for ensuring that the Supervisory Board's work is well organized and performed efficiently.

The Supervisory Board 2023

Pierre Brousse
Role in the Board: Co-Chairman
Year of birth: 1951
Education: Naval Officer, Law (Master), History (Master)
Elected to the board: 2017
Other board assignments: CFDA, Rocamat, FDBDA, Robert Renault, Peninsular Capital Management, Capit Muscas, Groupe Altrad, Chetaud, E-Capital II et III, PPERUS & CO
Previous experience: Marine Nationale Civil Service, Chairman CEO Financiera y Minera Group, Chairman CEO Cemig Sa.

Matthias Boyer Chammard
Role in the Board: Co-Chairman
Year of birth: 1980
Education: Harvard University, Ecole Polytechnique
Elected to the board: 2017
Other board assignments: House of HR, Inetum, MKM
Previous experience: The Boston Consulting Group

Philippe Kamel
Role in the Board: Supervisory Board member
Year of birth: 1993
Education: Master in Management – MIT Sloan; Master in Management – HEC Paris
Elected to the board: 2022
Other board assignments: Nidda Topco S.a.r.l. (STADA AG)
Previous experience: Private Equity Investor (Bain Capital) Management Consultant (Bain & Company)

Committees of the supervisory board

According to the terms and conditions of the articles of association of the Company, the Supervisory Board may set up committees, including but not limited to

(i) an Operating Committee,
(ii) a Compensation and Nomination Committee,
(iii) an Audit Committee and
(iv) a Strategy and M&A committee, that shall look into issues that the Supervisory Board may submit to them, for information purposes and whose rules and regulations are established by the Supervisory Board.

The Supervisory Board has established an Audit Committee and a Compensation and Nomination Committee. The major tasks of these committees are preparatory and advisory, but the Supervisory Board may delegate decision-making powers on specific issues to the committees.

The Audit Committee supports the Supervisory Board in monitoring that the Company and the Group are organized and managed in such a way that their respective accounts, management of funds and financial conditions in all aspects are controlled in a satisfactory manner in accordance with laws, rules and regulations as well as internal governing documents. The Audit Committee is composed of some members of the Supervisory Board and one independent member. Report of critical concerns is made to the Audit Committee on a yearly basis. Seven cases were reported in the Alert Channel in 2023. After analysis, none was considered as critical.

The Compensation and Nomination Committee's primary task is to prepare the Supervisory Board's proposal concerning guidelines for remuneration for the CEO and the Group Management. The Compensation and Nomination Committee monitors and evaluates the applied remuneration structure and remuneration levels in the Group for the CEO and the Group Management. The Head of Human Resources and the CEO participate in the Compensation and Nomination Committee meetings.

External auditor

PricewaterhouseCoopers (PwC) is the external auditor of the Company. The external audit is conducted in accordance with the International Standards on Auditing (ISA) and generally accepted auditing standards in France. Audits of local statutory financial statements for legal entities are performed as required by law or applicable regulations in the respective countries and as required by IFAC GAAS, including issuance of audit opinions for the various legal entities.

Executive Management Team

The Executive Management Team includes the CEO, the four functional heads (CFO, Operational Development, HR & Communication, General Counsel) and the seven Managing Directors (Finland & Baltics, Sweden, Norway & Denmark, the Netherlands, Eastern Europe, Spain and Emerging Markets). The Supervisory Board appoints the CEO, who in turn appoints members of the Executive Management Team. The CEO shall administer the Company's and the Group's ongoing operations under the supervision of the Supervisory Board. The Executive Management Team holds monthly meetings to review the previous month's results, to update forecasts and plans, and more generally to discuss Group matters and strategic issues. The CEO reports to the Supervisory Board and ensures that the Supervisory Board receives the information required to be able to properly monitor the affairs of the Company and the Group.

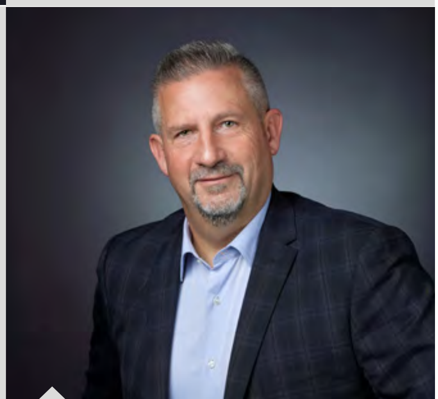
Executive Management Team

Daniel Warnholtz
Chief Financial Officer since 2020.
Born: 1973
Master of Science
Group CFO and Deputy CEO, Ambea (Publ), 2011–2020
CFO, Vice President, Sweden and later Nordic market, AstraZeneca, 2007–2011
Various global management positions, Procter & Gamble, 1996–2007
Other assignments:
Board member Grenache AB

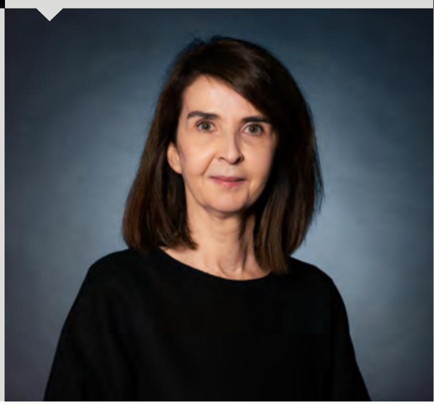
Mikael Stöhr
Chief Executive Officer since 2020.
Born: 1970
Master of Laws
President & CEO, Coor (Publ), 2013–2020
President & CEO, Green Cargo, 2010–2013
President & CEO, AxIndustries, 2005–2010
Prior to the above: Consultant McKinsey & Company and lawyer at Mannheimer Swartling
Other assignments: None

Liselotte Bergmark
Chief Human Resources Officer since 2021.
Born: 1966
Master of Science
Head of Group Human Resources, Medicover (Publ), 2018–2021
Executive VP and Head of HR, Dometic (Publ), 2015–2018
Executive VP and Head of HR, Sanitec Group (Publ), 2014–2015
VP Management and Organizational Development, Telia Group (Publ), 2008–2014
Senior HRD, SCA Group.
Other assignments:
Board member Artipelag AB

Emmanuelle Cochard
General Counsel since 2006.
Born: 1969
Master of Laws
Private legal practice at Wilde Sapte, Ayache & Ixis CIB, 1995–2005
Other assignments: None



Stefan Rinaldo
SVP, Operational Development since 2020.
Born: 1963
Bachelor of Science
COO and Deputy CEO, Alimak Group (Publ), 2016–2020
CFO & SVP Operational Development, Alimak Group (Publ), 2007–2016
Various global management positions, ABB, 1987–2007
Other assignments: None



Bogdan Bulgaria
Managing Director Eastern Europe since 2017.
Born: 1971
Master of Science. Joined Consolis in 2012.
Managing Director, Megaprofil Romania, 2011–2012
Industrial Operations Director, Lafarge Romania, 2008–2011
Sales Director Eastern Europe, Saint Gobain Romania, 2004–2008
Other assignments: Vice-President of Prefbeton, Branch Association of Precast Producers from Romania

Stefan Ohlsson
Managing Director Sweden since 2020.
Born: 1972
Master of Science. Joined Consolis in 2017.
Head of Project Management Office, Swedavia, 2014–2017
Chief Engineer, Swedish Defense Material Administration (FMV),
AK Led, Teknisk Ledning, 2012–2014
Other assignments: Chairman, Swedish Concrete Association

Eduard van der Meer
Managing Director Netherlands & Germany since 2010.
Born: 1960
MBA & Master of Science
Interim Manager at Tennet, 2009–2010
General Manager at Eneco, 2003–2008
General Manager at GMB, 1992–2002
Project & Process Engineer at Dow Chemical, 1988–1992
Other assignments: None

Nermine Safraou
Managing Director Emerging Markets since 2021.
Born: 1981
Master of Science. Joined Consolis in 2017.
Supply Chain Director, LafargeHolcim Morocco, 2016–2017
Head of CEO Office, LafargeHolcim, 2013–2016
Other assignments: None

Jesper Knudsen
Managing Director Denmark since 2023.
Born: 1971
Bachelor of Science and a Diploma in Management.
Chief Executive Officer, Elcon 2015-2022
Managing Director, Unicon 2012 –2015
Director, Region South, Unicon 2009 –2012
Director, Supply Chain, Unicon 2008 –2009
Other assignments: MVZ A/S

Hannu Tuukkala
Managing Director Finland & the Baltics since 2011.
Born: 1965
Master of Science.
Commercial Director, Fenestra Group, 2008–2011
Vice President, Metsäliitto Finnforest, 2001–2008
Other assignments:Finnish Construction Industries, Building Products (RTT) – Board of Directors
Finnish Concrete Association – Vice Chairman of the Board

Marcelo Monteiro de Miranda
Managing Director Spain since 2018.
Born: 1977
MBA & Master of Science.
CEO, Precon Engenharia, 2010–2018
Other assignments: Board of the Conscious Capitalism association in Brazil, Board of the Brazilian Association for HR in Brazil, Board of the social impact start up in Brazil – Se Candidate Mulher, Board of the fintech start up in Brazil Vanq.

Comments to the financial statements

Operations
Consolis is a leading European manufacturer of precast concrete elements. By the help of 7,485 FTEs, we operate across 17 countries divided into 5 operational regions: West Nordic (Sweden, Denmark, Norway), East Nordic (Finland, Estonia, Latvia, Lithuania), Western Europe (Germany, Netherlands, Spain). Eastern Europe (Romania, Hungary, Poland) and Emerging Markets (Egypt, Tunisia, Indonesia, France (activities in France primarily consist of products like our Emerging Markets business)). Across these 5 regions Consolis design, produce and assemble precast concrete elements into core building structures for contractors, developers, and investors in the public and private non-residential and residential construction end-markets. In the Emerging Markets segment Consolis also delivers infrastructure utilities such as pressure pipes used in water supply, irrigation, sewage systems and power stations. Through these offerings Consolis supports our end customers in developing and building communities for centuries to come.

Net Sales
Net sales from continued operations amounted to € 1,044 million (1,295), corresponding to a decrease of 19 percent. The demand for new residential buildings continued to be weak throughout 2023 and explains the main reason for the drop in net sales. Exchange rates had a negative impact of 4 percent.

Operating profit
Operating profit for 2023 amounted € -9.5 million (18.4) corresponding to an operating profit margin of -0.9 percent (1.4). The drop in profit margin is mainly explained by the low demand of new residential buildings which have put pressure on the Group's performance. During the year we have taken out significant capacity in primarily West- and East Nordics. This includes closing of two factories, mothballing of five factories and significant reductions in capacity elsewhere by closing down halls and lines, as well as adjustments on central support functions.

Financial items, profit before tax and profit for the year
Net of financial income and expenses amounted € -43.3 million (-38.1) primarily driven by higher financing volumes and increasing base rates. Profit/(Loss) before tax for the year from continued operations amounted to € -52.8 million (-19.8). Income tax for the year amounted € -8.7 million (-10.8) leaving Consolis with a net profit /(loss) from continued operations of € -61.5 million for 2023 (-30.6).

Total Assets
Total assets at year-end 2023 were € 762.8 million (842.2). The decrease is primarily explained by the decrease of fixed assets as an effect from the downsizing of the business mainly in West and East Nordics and lower accounts receivables due to lower sales.

Net Debt
Net debt increased to € 464.1 million at year-end 2023 (430.1) driven by the lower result of the business and increased use of the Revolving Credit Facility.

Cash Flow
Cash flow from operating activities amounted to € 36.5 million (38.7). Capital expenditures amounted to € 15.5 million (17.1), resulting from the good control we maintained on investments in this period of uncertainty. Cash flow from financing activities amounted to € -4.9 million (-18.6), The improvement from financing activities are mainly explained by lower repayments of borrowings. Total cash flow from the year amounted to € 13.0 million (-2.2).

Liquidity and Capital Resources
Our primary source of liquidity has been our cash flows from operations as well as credit made available to us. Primary cash needs relate to capital and other expenditures for funding our working capital requirements, maintaining our manufacturing facilities, and meeting debt service requirements. As disclosed during the beginning of 2024, the group at level of Compact Bidco B.V., announced that it has agreed a comprehensive recapitalisation transaction with its largest creditors and shareholders. The transaction is expected to significantly deleverage the Group's balance sheet and provides the business with € 115 million of additional liquidity. With this transaction we believe that the sources of liquidity will be sufficient to fund operations, capital expenditures and debt service for at least the next twelve months (see note 33 for more information).

Order book
We use our order book as a key metric in measuring business activity and making business decisions. Our order book reflects orders received but not yet produced, invoiced, or delivered, and which we expect to report as net sales after such orders are produced, invoiced, or delivered. At the end of 2023 Consolis order book was € 542 million compared to € 674 million by end of 2022. During 2023 we consumed order book in most of our segment. The main reason for the drop in orderbook is the declining demand for new residential buildings in West and East Nordic segments.

Segments

East Nordic
Net sales amounted to € 184 million (304) corresponding to a decline in sales of 40 percent. The adjusted EBITDA in the period was € -2.9 million (15.3) corresponding to a margin of -1.5 percent (4.6). The low demand for new residential buildings has a large negative impact on net sales and profitability in the segment, especially in Finland. The decreased demand for new residential buildings has also led to high competition on volumes in Baltics as capacity previously used to serve the cross border markets in Nordic countries now competes locally due to low demand. To adjust the business to the lower market demand we have permanently closed down one factory in Finland.

West Nordic
Net sales amounted to € 330 million (436), corresponding to a decline in sales of 24 percent. The adjusted EBITDA in the period was € 7.9 million (-3.8) corresponding to a margin of 2.4 percent (-0.9). West Nordic region had a challenging 2023 as the demand for residential building has softened during the year. Denmark has declined slightly less than Sweden and Norway. During the year we have aligned the capacity to the lower market demand and have executed savings by closing one factory and mothballing one factory.

Eastern Europe
Net sales amounted to € 102 million (109), corresponding to a sales decline of 7 percent. The adjusted EBITDA in the period was € 11.8 million (12.5) corresponding to a margin of 11.6 percent (11.4). Hungary and Romania have performed well, while Poland has been challenged with a slow market over the year. Order book by end of the year amounted to € 43 million (33), an increase by 29 percent. We continue to see stable demand for our non-residential products in primarily Hungary and Romania.

Western Europe
Net sales amounted to € 296 million (310), a declined by 5 percent. The adjusted EBITDA in the period was € 35.8 million (33.8) corresponding to a margin of 12.1 percent (10.9). Spain has performed well during the year in a challenging market with good non-residential order intake. In the Netherlands we have been impacted by the low demand for new residential buildings and a softening of demand for non-residential buildings.

Emerging Markets
Net sales amounted to € 132 million (136), corresponding to a sales decline of 2 percent. The adjusted EBITDA in the period was € 15.8 million (20.4) corresponding to a margin of 11.9 percent (15.0). Both Egypt and Tunisia performed well during the year, Indonesia was stable and France declined slightly compared to last year.

Significant events during the year

Consolis completed a sale and leaseback of two plants in Denmark. The proceeds from the sale amounted to € 16.5 million. Due to a repurchase clause this was not considered to be a sale under IFRS 15.

During 2023 Consolis has executed a restructuring program in East and West Nordics and has adjusted the capacity significantly, by closing one factory in East Nordics, closing one factory and mothballing of an additional factory in West Nordics. Restructuring cost range is expected to be about € 11-13 million, of which € 11.4 million cost charge has incurred 2023.

Consolidated Income Statement

(€ in millions)	Note	2023	2022
Net sales	3,4	1,044.0	1,295.4
Cost of goods sold	5,6,8	(844.0)	(1,064.7)
Production overheads	5,6,8	(63.0)	(86.5)
Gross Profit		**137.0**	**144.2**
Sales and marketing expenses	5,6,8	(24.8)	(26.0)
Administrative expenses	5,6,7,8	(79.0)	(79.9)
Research and develompent expenses	5,6,8	(7.7)	(6.6)
Other income and expenses	9	(35.0)	(13.4)
Operating profit		**(9.5)**	**18.4**
Financial income	10	6.7	3.2
Financial expenses	10	(50.0)	(41.3)
Profit after financial items		**(52.8)**	**(19.8)**
Income tax	11	(8.7)	(10.8)
Net profit/(loss) from continued operations		**(61.5)**	**(30.6)**
Net profit/(loss) from discontinued operations	12	-	16.1
Net profit/(loss)		**(61.5)**	**(14.5)**
Net profit/(loss) for the period attributable to:			
Equity holders of the Parent Company		(61.9)	(17.9)
Non-controlling interest		0.4	3.5
Net profit/(loss)		**(61.5)**	**(14.5)**
Earnings per share	13		
Before dilution, €		(0.13)	(0.04)
After dilution, €		(0.13)	(0.04)
Earnings per share from continued operations, before and after dilution, €		(0.13)	(0.06)
Earnings per ordinary share from discontinued operations, before and after dilution, €		-	0.03
Average number of shares			
Before dilution, thousands		489.462	489,462
After dilution, thousands		489.462	489,462

Consolidated comprehensive income statement

(€ in millions)	Note	2023	2022
Net profit/(loss)		**(61.5)**	**(30.6)**
From continued operations:			
Other comprehensive income/(loss)			
Items that will not be reclassified to the income statement:			
Remeasurement of defined benefit pension plans	25	(0.3)	2.9
Tax	11	0.1	(0.7)
Total items that will not be reclassified to the income statement, net of tax		**(0.2)**	**2.2**
Items that subsequently may be reclassified to the income statement:			
Currency translation differences		(6.0)	(16.5)
Total items that subsequently may be reclassified to the income statement, net of tax		**(6.0)**	**(16.5)**
Other comprehensive income, net of tax		**(6.1)**	**(14.3)**
Total comprehensive income from continued operations		**(67.6)**	**(44.9)**
From discontinued operations:			
Net profit/(loss)		-	16.1
Other comprehensive income, net of tax		-	-
Total comprehensive income from discontinued operations		**-**	**16.1**
Total comprehensive income		**(67.6)**	**(28.8)**
Total comprehensive income attributable to:			
Equity holders of the Parent Company		(65.7)	(27.8)
Non-controlling interest		(1.9)	(0.9)
Total comprehensive income		**(67.6)**	**(28.8)**

Consolidated statement of financial position

(€ in millions)	Note	2023-12-31	2022-12-31
Assets			
Non-current assets	1		
Goodwill	14	183.4	191.1
Other intangible assets	15	48.3	53.4
Property, plant and equipment	16	136.7	152.9
Rights-of-use assets	17	56.8	71.4
Deferred tax assets	11	3.0	2.3
Other assets	18	21.3	14.4
Total non-current assets		**449.6**	**485.5**
Current assets	1		
Inventories	19	45.9	66.0
Accounts receivable	20	114.0	137.5
Accrued income	4	44.0	56.5
Current tax receivabels		2.4	1.7
Prepaid expenses		10.8	8.2
Other receivables	21	33.3	40.9
Cash and cash equivalents	22	57.3	46.0
Assets classified as held for sale	33	5.5	-
Total current assets		**313.2**	**356.8**
Total assets		**762.8**	**842.2**
Equity and liabilities			
Equity	1		
Equity attributable to equity holders of the Parent Company:			
Share capital	23	195.8	195.8
Other contributed capital	23	225.6	225.6
Reserves	23	(38.1)	(34.5)
Retained earnings	23	(483.2)	(421.1)
Total equity attributable to equity holders of the Parent Company		**(99.9)**	**(34.2)**
Non-controlling interests		8.6	11.0
Total equity		**(91.3)**	**(23.2)**
Non-current liabilities	1		
Interest-bearing liabilities	24	355.8	338.8
Lease liabilities	24	41.6	53.2
Employee benefit obligations	25	16.3	16.3
Provisions	26	15.5	10.7
Deferred tax liabilities	11	8.6	11.0
Other liabilities		1.1	1.0
Total non-current liabilities		**438.9**	**431.1**
Current liabilities	1		
Interest-bearing liabilities	24	109.4	66.9
Lease liabilities	24	14.6	17.3
Accounts payables		107.5	127.2
Advances from customers	4	61.6	78.7
Provisions	26	10.8	5.4
Income tax payables		7.5	8.0
Accrued expenses	27	23.8	35.3
Other liabilities	28	80.1	95.6
Total current liabilities		**415.2**	**434.4**
Total equity and liabilities		**762.8**	**842.2**

Consolidated statement of cash flows

(€ in millions)	Note	2023-12-31	2022-12-31
Cash flow from operating activities			
Profit after financial items		(52.8)	(19.8)
Non cash items			
Depreciation/amortization and impairment		55.7	51.6
Interest net		43.3	38.2
Other non-cash items		9.5	(2.9)
Taxes paid		(11.5)	(8.3)
Change in inventories		19.9	(8.4)
Change in trade receivables and other receivables		30.4	(21.6)
Change in trade payables and other liabilities		(58.0)	20.1
Cash flow from operating activities – continued operations		**36.5**	**48.8**
Cash flow from operating activities – discontinued operations		-	(10.1)
Cash flow from operating activities		**36.5**	**38.7**
Cash flows from investing activities			
Investments in property, plant and equipment	16	(14.4)	(15.3)
Investments in intangible assets	14,15	(1.1)	(1.8)
Sale of non current assets		2.6	2.3
Divestments of subsidiaries/operations		0.0	(8.4)
Investments and divestments of financial assets		(5.7)	1.0
Cash flow from investing activities – continued operations		**(18.6)**	**(22.2)**
Cash flow from investing activities – discontinued operations		-	(0.1)
Cash flow from investing activities		**(18.6)**	**(22.3)**
Financing activities			
Proceeds from borrowings		94.4	121.3
Repayment of borrowings		(27.0)	(81.1)
Repayment of lease liabilities		(19.6)	(16.2)
Net proceeds from factoring		(11.4)	(4.1)
Change in other financial liabilities		(41.8)	(37.6)
Dividends paid to non-controlling interests		(0.6)	(2.4)
Bank overdraft		1.0	1.1
Cash flow from financing activities – continued operations		**(4.9)**	**(19.1)**
Cash flow from financing activities – discontinued operations		-	0.5
Cash flow from financing activities		**(4.9)**	**(18.6)**
Cash flow for the year		**13.0**	**(2.2)**
Cash and cash equivalents at beginning of the year		**46.0**	**51.8**
Cash flow for the year – continued operations		13.0	7.6
Cash flow for the year – discontinued operations		-	(9.8)
Exchange rate differences on cash and cash equivalent		(1.7)	(3.5)
Cash and cash equivalents at end of the period	22	**57.3**	**46.0**

Consolidated statement of changes in equity

(€ in millions)	Share Capital	Share Premium	Reserves	Retained Earnings	Share-holders' Equity	Non-Controlling Interests	Total Equity
	Attributable to equity holders of the Parent Company						
Opening balance January 1, 2022	**191.3**	**212.1**	**(22.3)**	**(405.4)**	**(24.3)**	**17.4**	**(6.9)**
Net profit/(loss)	-	-	-	(17.9)	**(17.9)**	3.5	**(14.5)**
Remeasurement of defined benefit pension plans	-	-	-	2.9	**2.9**	-	**2.9**
Currency transaltion differences	-	-	(12.1)	-	**(12.1)**	(4.4)	**(16.5)**
Tax	-	-	-	(0.7)	**(0.7)**	-	**(0.7)**
Other comprehensive income/(loss)	**-**	**-**	**(12.1)**	**2.2**	**(9.9)**	**(4.4)**	**(14.3)**
Total comprehensive income/(loss)	**-**	**-**	**(12.1)**	**(15.7)**	**(27.8)**	**(0.9)**	**(28.8)**
Transaction with owners							
Dividend	-	-	-	-	-	(5.5)	**(5.5)**
Others	4.5	13.5	-	-	**18.0**	-	**18.0**
Closing balance December 31, 2022	**195.8**	**225.6**	**(34.5)**	**(421.1)**	**(34.2)**	**11.0**	**(23.2)**
Opening balance January 1, 2023	**195.8**	**225.6**	**(34.5)**	**(421.1)**	**(34.2)**	**11.0**	**(23.2)**
Net profit/(loss)	-	-	-	(61.9)	**(61.9)**	0.4	**(61.5)**
Remeasurement of defined benefit pension plans	-	-	-	(0.3)	**(0.3)**	-	**(0.3)**
Currency translation differences	-	-	(3.6)	-	**(3.6)**	(2.4)	**(6.0)**
Tax	-	-	-	0.1	**0.1**	-	**0.1**
Other comprehensive income/(loss)	**-**	**-**	**(3.6)**	**(0.2)**	**(3.8)**	**(2.4)**	**(6.1)**
Total comprehensive income/(loss)	**-**	**-**	**(3.6)**	**(62.1)**	**(65.7)**	**(1.9)**	**(67.6)**
Transaction with owners							
Dividend	-	-	-	-	-	(0.5)	**(0.5)**
Closing balance December 31, 2023	**195.8**	**225.6**	**(38.1)**	**(483.2)**	**(99.9)**	**8.6**	**(91.3)**

Notes to the consolidated financial statements

1 Significant accounting principles

Basis of preparation
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as endorsed by the EU. The accounting principles set out below have been consistently applied to all periods presented, unless otherwise stated, and for all entities included in the consolidated financial statements. The annual report for the Group, was approved for issuance on April 19, 2024.

New accounting principles 2023
No new or revised accounting standards or interpretations are effective from January 1, 2023 have significantly affected the Consolis Group's financial statements. Consolis is part of a group affected by OECD Pillar Two rules. Pillar Two introduces a global minimum Effective Tax Rate (ETR) via a system where multinational groups with consolidated revenue over €750m are subject to a minimum ETR of 15% on income arising in low-tax jurisdictions. Consolis is currently assessing the implication on the group, and which jurisdictions might be subject to top up taxes. Non of the bigger markets is expected to be affected by Pillar II rules.

New accounting principles 2024 and later
A number of new and revised accounting standards and interpretations have been published and is effective from 2024 and later. Among these are IFRS 17 Insurance Contracts which will replace IFRS 4, the current standard for insurance contracts. The new and revised accounting standards or interpretations are not expected to have a material impact on Consolis Group's financial statements.

Basis of consolidation
The consolidated financial statements have been prepared in accordance with the acquisition method. Accordingly, business combinations are seen as if the Group directly acquires the assets and assumes the liabilities of the entity acquired. The consolidated income statements and balance sheets of the Group include all entities in which the Company, directly or indirectly, has control. Control exists when the Company has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to use its power to affect its returns. Generally, control and hence consolidation is based on ownership. See note 32 for information on the Group's subsidiaries. Intra-group balances and internal income and expense arising from intragroup transactions are fully eliminated in preparing the consolidated financial statements.

Business combinations
At the acquisition date, i.e. the date on which control is obtained, each identifiable asset acquired and liability assumed is recognized at its acquisition-date fair value. The consideration transferred, measured at fair value, includes assets transferred by the Group and liabilities to the former owners of the acquiree in exchange for control of the acquiree. Any subsequent change in such fair value is recognized in profit or loss, unless the contingent consideration is classified as equity. Transactions costs that the Group incur in connection with a business combination are expensed as incurred. Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the Group's previously held equity interest in the acquiree (if any) over the net of acquisition-date fair value amounts of the identifiable assets acquired and liabilities assumed.

Non-controlling interest is initially measured either

• at fair value, or

• at the non-controlling interest's proportionate share of the fair value of identifiable net assets.

Subsequent profit or loss attributable to the non-controlling interest is allocated to the non-controlling interest, even if it puts the non-controlling interest in a deficit position. Acquisitions of non-controlling interests are recognized as a transaction between equity attributable to owners of the parent and non-controlling interests. The difference between consideration paid and the proportionate share of net assets acquired is recognized in equity.

Functional currency and foreign currency translation
The consolidated financial statements are presented in Euro (EUR), which is the presentation currency for the Group's financial reporting. Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary items carried at historical cost are reported using the exchange rate at the date of the transaction and non-monetary items carried at fair value are reported at the rate that existed when the fair values were determined. Tangible and intangible assets, inventory and advanced payments are examples of non-monetary items. Receivables and liabilities and other monetary items denominated in foreign currencies are translated using the foreign exchange rate at the balance sheet date.

In the consolidation, the balance sheets of foreign subsidiaries are translated to EUR using exchange rates at the end of the reporting period and the income statements are translated at the average rates for the reporting period. Foreign exchange differences arising on such translation are recognized in "Other comprehensive income" and are accumulated in the currency translation reserve in equity. Exchange rates for major currencies that have been used for the consolidated financial statements are shown in note 29.

Amounts
The consolidated financial statements are presented in Euro (EUR). Unless otherwise stated, the amounts presented are in million Euro (€ millions). Total amounts presented in tables and in statements might not always summarize as rounding differences may occur.

Segment reporting
An operating segment is a component of the Group that engages in business activities from which it may earn revenue and incur expenses, and for which discrete financial information is available. The operating results of all operating segments are reviewed regularly by the Group's President and CEO, the chief operating decision maker, to make decisions about allocation of resources to the segments and also to assess their performance. See note 4 for additional information.

Revenue recognition
Consolis's net sales comprises of precast concrete elements for the building sector and pressure pipes. Consolis's product offering includes pre-stressed hollow cores, facades, walls, roofing beams, beams, columns and stairs, that can be shaped into a wide range of modular structures. Consolis delivers its products through three steps: Design, Production and Assembly.

IFRS 15 Revenue from Contracts with Customers describes a five-step model that deals with the entire revenue chain. For Consolis, the model is as follows:

1. Identify the contract with customer
Consolis identifies a binding order confirmation or customer contract with a costumer such as real estate developer (building) or state-owned company (utilities).

2. Identify the performance obligations in the contract
For Consolis, the customer contract generates an asset (a right, that is a promise to receive compensation) and a liability (an obligation, that is a promise to transfer goods and services). Consolis's various obligations to its customers are not distinct and are viewed as one performance obligation in the form of designing and transferring elements, sometimes combined to a modulate structure.

3. Determine the transaction price
The transaction price is stipulated in the order confirmation or in the contract. Consolis's customers pay advances at various points in the process and to varying extents depending on the market. Advance payments are conditional on the completion of Consolis's performance obligation and thus do not affect Consolis's assessment that the performance obligation is fulfilled only when the elements/modulate structure are delivered and, if applicable, assembled.

4. Allocate the transaction price to the performance obligation
This step is not applicable as Consolis only has a single performance obligation to its customers

5. Recognize revenue when a performance obligation is satisfied
For custom contracts, the Group determined that it generally transfers control of products manufactured and services performed over time as the products / services do not have an alternative use and the Group has an enforceable right to payment for the work performed in the event the contract is terminated by the customer for reasons other than the Group's failure to perform its obligations. The project typically have a execution time from 3-24 months. Percentage of completion is based on the ratio between costs incurred to date and estimated total costs at completion. Revenues are recognized applying a calculated margin to costs incurred. For further information refer to note 4.

Other income and expenses from operations
Other income and expenses from operations are reported on a separate line of the consolidated income statement. They are defined as "items that are limited in number, clearly identifiable and that have a material impact on the consolidated results".

The classification is applied to certain material items of income and expenses that are unusual in terms of their nature and frequency, such as impairment charges, restructuring and transformation costs and, acquisition costs.

Gains and losses on disposals of an item of non-current tangible and intangible assets are determined by comparing the proceeds from disposal with the carrying amount. For further information see note 9.

Government grants
Government grants are recognized when there is reasonable assurance that the Group will comply with the conditions attached to the grants and that the grants will be received. Government grants related to expenses are recognized in the consolidated income statement as a deduction of the associated expenses. If the grants cannot be allocated to an associated expense, government grants are recognized in "Other operating income". Government grants related to assets are recognized as a deduction in arriving at the carrying amount of the asset and recognized as revenue over the useful life of the asset through a reduction of the depreciation expense.

Financial income and expenses
Interest income and interest expenses are recognized in profit or loss using the effective interest rate method.

Income taxes
Income taxes include both current and deferred taxes. Income taxes are reported in profit or loss unless the underlying transaction is reported in "Other comprehensive income" or in "Equity", in which case the corresponding tax is reported according to the same principle. A current tax liability or asset is recognized for the estimated taxes payable or refundable for the current year or prior years.

Deferred tax is recognized using the balance sheet liability method. The calculation of deferred taxes is based on differences between the values reported in the balance sheet and their valuation for taxation, which are referred to as temporary differences, and the carry forward of unused tax losses and tax credits. Temporary differences attributable to the following assets and liabilities are not provided for:

• the initial recognition of goodwill,

• the initial recognition (other than in business combinations) of assets or liabilities that affect neither accounting nor taxable profit,

• differences related to investments in subsidiaries, associated companies and joint ventures to the extent that they will probably not reverse in the foreseeable future, and for which the Company is able to control the timing of the reversal of the temporary differences.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. In the calculation of deferred taxes, enacted or substantively enacted tax rates are used for the individual tax jurisdictions. Current and deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Discontinued operations
In the annual reports for 2020 and 2021, assets and liabilities related to rail business (2020) and Civil Works France business (2020 and 2021) were classified as held for sale. The Rail transaction was completed in March 2021 and the Civil works France transaction was completed in January 2022. In the consolidated financial statements in this report, discontinued operations are presented as follows for year 2022:

• The net profit for the year is reported on a separate line in the consolidated income statement under "Net profit or loss from discontinued operations", and items of comprehensive income are presented separately.

• Cash flows are presented on separate lines in the consolidated statement of cash flow.

• Net result from divestment of Rail operations and Civil works France business are included in "Net profit or loss from discontinued operations".

Intangible assets

Goodwill
Goodwill is recognized at cost, as established at the date of acquisition of a business (see "Business combinations"), less accumulated impairment losses, if any. Goodwill is allocated to the cash-generating units (CGU) that are expected to benefit from the synergies of the business combination. Impairment testing is made at least annually and whenever the need is indicated. The impairment test is performed at the level on which goodwill is monitored for internal management purposes. Generally, each market has been identified as an individual CGU, for further details see note 14. Goodwill is reported as an intangible asset with indefinite useful life.

Other intangible assets
An intangible asset is recognized only when it is probable that future economic benefits that are attributable to the asset will flow to the Group and if the cost of the asset can be measured reliably. All other expenditures are booked as cost in the income statement when incurred. Intangible assets with an indefinite useful life correspond to trademarks, given the leadership market position of these trademarks in their respective geographical area and in their respective business.

Research expenditures are recognized as an expense when incurred. Development costs are capitalized if and only if the project they relate to meets the following criteria:

• the intention exists to complete the project and to use or sell it;

• adequate technical and financial resources are available to complete the project;

• it is probable that the future economic benefits attributable to the project will flow to the Group. Capitalized development costs are amortized on a straight-line basis over the estimated useful life of the asset. Other intangible assets of the Group mainly consist of on premise software licenses. These are reported at cost less accumulated amortization and accumulated impairment losses.

Amortization is charged on a straight-line basis over the estimated useful life of the asset which ranges between 3 and 5 years. Changes in the Group's other intangible assets during the year are described in note 15.

Property, plant and equipment
Items of property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. Cost of an item of property, plant and equipment comprises purchase price, import duties, and any cost directly attributable to bringing the asset to the location and condition for use. The cost also includes dismantlement and removal of the asset in the future if applicable. The Group capitalizes costs on initial recognition and on replacement of significant parts of property, plant and equipment if it is probable that the future economic benefits embodied will flow to the Group and the cost can be measured reliably. All other costs are recognized as an expense in profit or loss when incurred. Changes in the Group's property, plant and equipment during the year are described in note 16.

Depreciation and amortization
Depreciation and amortization are calculated based on cost using the straight-line method over the estimated useful life of the asset. Parts of property, plant and equipment with a cost that is significant in relation to the total cost of the item are depreciated separately when the useful lives of the parts do not coincide with the useful lives of other parts of the item. The following useful lives are used for depreciation and amortization:

Buildings and structures	10–40 years
Machinery and equipment	3–25 years

Land is not depreciated, except quarry which is amortized using the units-of-production method if effectively applicable.

Leases

Sale and leaseback transactions
For time to other, Consolis perform sale and leaseback transactions. The accounting treatment of such transaction will vary depending on the agreements.

During 2023 a sale and leaseback transaction was performed in Denmark, where two factories were transferred to an external party. Under the leasing agreement Consolis have a right to repurchase the assets (call option). There is also another clause stating that Consolis have a right of first refusal, i.e. if the landlord contemplates divesting the premises we have a right to purchase the premises on the same terms and conditions offered by a bona fide third party. We have not accounted for this as a sale, and kept the assets on the financial statement.

Group as lessee

Recognition of a lease
Upon initiation, contracts are assessed by the Group, to determine whether a contract is, or contains a lease. If the contract conveys the right to control the use of an identified asset for a certain period of time in exchange for consideration, then it is or contains a lease. The right to control the use of an identifiable asset is assessed by the Group based upon if there is an identifiable asset, if the Group has the right to obtain substantially all economic benefits from the use of the asset and if the Group has the right to steer the use of the asset. The Group has elected to separate the non-lease components and apply a number of practical expedients with regard to short-term leases and leases for which the underlying asset is of low value.

Measurement of a right-of-use asset and lease liability

Right-of-use asset
On commencement date, the Group measures the right-of-use asset at cost, which includes the following: the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received and any initial direct costs incurred by the Group as well as an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the lease contract. Cost for dismantling, removing or restoring the site on which it is located and/or the underlying asset is only recognized when the Group incurs an obligation to do so. The right of-use asset is depreciated over the lease term, using the straight line method. Changes in the Group's right-of-use asset during the year is described in note 17.

Lease liability
On commencement date, the lease liability is measured at the present value of the unpaid lease payments, discounted using the interest rate implicit in the lease, or if the rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments included in the lease liability comprise of fixed payments, variable lease payments that depend on an index or a rate, amounts to be paid under a residual value guarantee and lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option as well as penalties for early termination of a lease, if the Group is reasonably certain to terminate early.

The lease liability is measured at amortized cost by using the effective interest rate method. For additional information see note 24.

Short-term leases and leases for which the underlying asset is of low value
The Group has elected to apply recognition exemptions for short term leases and leases for which the underlying asset is of low value, for example office equipment such as printers and computers. Lease payments associated with those leases are recognized as an expense on a straight-line basis over the lease term.

Impairment of non-financial assets
The carrying values of the Group's non-financial assets are reviewed at least at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the Group estimates the recoverable amount of the asset. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount (i.e. the greater of fair value less costs to sell and value in use). In assessing the value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of assessing impairment, assets are grouped in CGUs, which are the smallest identifiable groups of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment losses are recognized in profit or loss. An impairment loss related to goodwill is not reversed. In respect of other assets, impairment losses in prior periods are reviewed for possible reversal of the impairment at each reporting date.

Inventories
Inventories and work in progress are valued at the lower of cost and net realizable value. The value of inventories is determined by using the weighted average cost formula. Net realizable value is defined as the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to execute the sale at market value. The cost of finished goods and work in progress comprises raw material, direct labour, other direct cost and other related production overheads. Borrowing costs are not included in inventory. Appropriate provisions have been made for obsolescence.

Provisions
Provisions are recognized:

- when the Group has a legal or constructive obligation as a result of a past event,
- it is probable that the Group will have to settle the obligation, and
- the amount of the obligation can be estimated reliably.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date. If the effect of the time value of money is material, the provision is determined by discounting the expected future cash flows of estimated expenditures. Provisions for product warranties are recognized as cost of sales at the time the products are sold based on the estimated cost using historical data for level of repairs and replacements. A restructuring provision is recognized when the Group has approved a detailed and formal restructuring plan and the restructuring has either commenced or been announced publicly. Present obligations arising under onerous contracts are recognized as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract (a loss making contract). Before a provision is established, the Group recognizes any impairment loss on the asset associated with the contract, mainly project receivables. For details on provisions see note 26.

Post-employment benefits
Post-employment benefit plans are classified either as defined contribution or defined benefit plans. Under a defined contribution plan, the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts if the fund does not hold sufficient assets to pay all employee benefits. Contributions to defined contributions plans are expensed when employees provide services entitling them to the contribution. Other post-employment benefit plans are defined benefit plans and it is the Group's obligation to provide agreed benefits to current and former employees. The net obligation of defined benefit plans is calculated by estimating the amount of future benefits that employees have earned in return for their services in current and prior periods. The amount is discounted to determine its present value and the fair values of any plan assets are deducted. Funded plans with net assets, i.e. plans with assets exceeding the commitments, are reported as financial non-current assets. The cost for defined benefit plans is calculated using the Projected Unit Credit Method, which distributes the cost over the employee's service period. The calculation is performed annually by independent actuaries using actuarial assumptions such as employee turnover, mortality, future increase in salaries and medical cost.

Changes in actuarial assumptions, experience adjustments of obligations and changes in fair value of plan assets result in remeasurements and are recognized in "Other comprehensive income". Net interest on defined benefit obligations and plan assets is reported as "Interest income" or "Interest expense". See note 25 for additional information.

Financial assets and liabilities – financial instruments

Recognition and derecognition
Financial assets and liabilities are recognized when the Group becomes a party to the contractual provision of the instrument. Transactions of financial assets are accounted for at trade date, which is the day when the Group contractually commits to acquire or dispose of the assets. Trade receivables are recognized on issuance of invoices. Liabilities are recognized when the other party has performed and there is a contractual obligation to pay. Derecognition, fully or partially, of a financial asset occurs when the rights in the contract have been realized or matured, or when the Group no longer has control over it. A financial liability is derecognized, fully or partially, when the obligation specified in the contract is discharged or otherwise expires. A financial asset and a financial liability are offset and the net amount presented in the balance sheet when there is a legal right to offset the recognized amounts and there is an intention to either settle on a net basis or to realize the asset and settle the liability simultaneously. Gains and losses from derecognition and modifications are recognized in profit or loss.

Measurement of financial instruments
Financial instruments are classified at initial recognition. The classification decides the measurement of the instruments.

Classification and measurement of financial assets
Consolis has a global factoring program, both with recourse and without recourse. The arrangement is considered to be recourse factoring if the risks and benefits of the accounts receivables are substantially retained by the seller. If all risks and benefits for the accounts receivables has been transferred to the factor, and that the risk cannot be reversed back to the seller, the arrangement is considered to be non-recourse factoring. Receivables with non-recourse are derecognized.

Derivative instruments: are classified at FVTPL, unless they are classified as a hedging instrument and the effective part of the hedge is recognized in "Other comprehensive income".

Debt instruments: the classification of financial assets that are debt instruments, including hybrid contracts, is based on the Group's business model for managing the assets and the asset's contractual cash flow characteristics.
The instruments within the Group are all classified at:
• amortized cost, or
• fair value through profit or loss (FVTPL)
Financial assets at amortized cost are at initial recognition measured at fair value including transaction costs. After initial recognition, they are measured at amortized cost using the effective interest rate method. Assets classified at amortized cost are held under the business model of collecting the contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. The assets are subject to a loss allowance for expected credit losses. Fair value through profit or loss (FVTPL) are all other debt instruments that are not measured at amortized cost. Financial instruments in this category are recognized at fair value at initial recognition and changes in fair value are recognized in profit or loss. The group does not hold any instruments classified as Fair value through Consolidated comprehensive income statement (FVOCI).

Classification and measurement of financial liabilities
Financial liabilities are classified at amortized cost, except derivatives. Financial liabilities at amortized cost are at initial recognition measured at fair value including transaction costs. After initial recognition, they are measured at the effective interest rate method. Derivatives are classified at FVTPL, unless they are classified as a hedging instrument and the effective part of the hedge is recognized in "Other comprehensive income". Fair value for financial assets and financial liabilities is determined in the manner described in note 24.

Impairment of financial assets
For trade receivables, the Group applies the simplified approach in IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables. Expected credit losses are estimated by grouping trade receivables based on shared credit risk characteristics, days past due.

2 Critical estimates and judgements

The preparation of financial reports requires management's judgement and the use of estimates and assumptions that affects the amounts reported in the consolidated financial statements. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the prevailing circumstances. Actual result may differ from those estimates. The estimates and assumptions are reviewed on an on-going basis. Changes in accounting estimates are recognized in the period which they are revised in and in any future periods affected. The estimates and the judgements which, in the opinion of management, are significant to the underlying amounts included in the financial reports and for which there is a significant risk that future events or new information could entail a change in those estimates or judgements are as follows:

Revenue recognition

Key sources of estimation uncertainty
Revenue for services and for highly customized goods where an enforceable right of payment is present is recognized over time in profit or loss by reference to the progress towards satisfaction of the performance obligation at the balance sheet date. The progress towards satisfaction is determined by the proportion of cost incurred to date compared to the estimated total cost of each performance obligation. There is always an uncertainty if the total estimated expenditure is correctly calculated, and if the expenditure incurred reflects accurately the actual costs incurred, which means that there is uncertainty in the estimates of the degree of completion of the work performed. Management has assessed this method of determining the progress towards satisfaction of the performance obligation as most suitable as it reflects the progression of work performed, and the enforceable right of payment from the customer as the costs are incurred on the performance obligations.

Accounting judgement
Management's judgement is used, for instance, when assessing:
• the degree of progress towards satisfaction of the performance obligations and the estimated total costs for such contracts when revenue is recognized over time, to determine the revenue and cost to be recognized in the current period, and whether any losses need to be recognized, the customer credit risk (i.e. the risk that the customer will not meet the payment obligation), to determine and justify the revenue recognized in the current period.

Impairment of goodwill, other intangible assets and other long-lived assets

Key sources of estimation uncertainty
Goodwill and certain trademarks are not amortized but are subject to annual tests for impairment. Other intangible assets and other long lived assets are amortized or depreciated based on management's estimates of the period that the assets will generate revenue but are also reviewed regularly for indications of impairment. The impairment tests are based on a review of the recoverable amount, which is estimated based on management's projections of future cash flows using internal business plans and forecasts. The impairment test, and in particular determining the enterprise value applied, is in its nature subject various assumptions where small adjustments can have significant effects on the valuation.

Historically, Consolis have not always reached the forecasts used in the assumptions. One shall be aware, that for the plans included for this years impairment test, a turnaround will have to be successful in both Sweden and Finland and the residential market to bounce back. The CGU with the most ambitious plan compared to current state is Sweden. If the EBITDA margin assumption and growth assumptions in the forecast period would be reduced, this would indicate an impairment for this CGU. For analysis purposes, we have decreased revenues and EBITDA level applied in the impairment test, and if that value would have been used, an impairment need would have been noted on 9 of the CGUs for decrease in revenues and on 7 of the CGUs for decrease in EBITDA. Furthermore we have analyzed the impact on the value if applying an increased WACC by 2 percentage points. The analysis of increase in WACC shows an impairment need in 7 of the CGUs. See further information in note 14 Goodwill.

Accounting judgement
Asset impairment requires management's judgement, particularly in assessing:
- whether an event has occurred that may affect asset values,
- whether the carrying value of an asset can be supported by the net present value of future cash flows, which are estimated based upon the continued use of the asset in the business,
- the appropriate assumptions to be applied in preparing cash flow projections, and
- the discounting of these cash flows.

Deferred taxes

Key sources of estimation uncertainty
Deferred tax assets are recognized for temporary differences between the carrying amounts for financial reporting purposes of assets and liabilities and the amounts used for taxation purposes and for tax loss carry-forwards. The Group recognizes deferred tax assets based upon management's estimates of future taxable profit in different tax jurisdictions. The actual results may differ from these estimates, due to change in the business climate and change in tax legislation.

Accounting judgement
Management have made the assessment that tax losses carried forward will be utilized within a five year horizon.

Leases

Key sources of estimation uncertainty
When the Group cannot readily determine the interest rate implicit in the lease, it uses incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over similar terms which requires estimations when no observable rates are available. The Group estimates the IBR by using market interest rates and adjusting with entity specific estimates such as currency and country risk.

Accounting judgement
The Group has several lease contracts that include extension options. The Group applies judgement in evaluating the lease term, it considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. For leases of premises, the following factors are normally the most relevant:
- if any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend.
- otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The renewal periods for leases of offices and warehouse premises with extension options exceeding 10 to 15 years are not included as part of the lease term as these are not reasonably certain to be exercised. In addition, renewal options for leases of motor vehicles are not part of the lease term because the Group typically leases motor vehicles for not more than three to five years and, hence, is not exercising any renewal options. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise the option to renew.

Pension and other post-employment benefit valuation assumptions

Key sources of estimation uncertainty
Pensions and other post-employment obligations are dependent on the assumptions established by management and used by actuaries in calculating such amounts. The key assumptions include discount rates, inflation, future salary increases, mortality rates, and healthcare-cost trend rates. The actuarial assumptions are reviewed on an annual basis and are changed when it is deemed appropriate. See note 25 for additional information regarding assumptions used in the calculation of pension and post-employment obligations.

Legal proceedings and tax claims

Accounting judgement
Consolis recognizes a liability when the Group has an obligation from a past event involving the transfer of economic benefits and when a reasonable estimate can be made of what the transfer might be. The Group reviews outstanding legal cases regularly in order to assess the need for provisions in the financial statements. These reviews consider the factors of the specific case by internal legal counsel and through the use of outside legal counsel and advisors when necessary. The financial statements may be affected to the extent that management's assessments of the factors considered are not consistent with the actual outcome. Additionally, the legal entities of the Group are frequently subject to audits by tax authorities in accordance with standard practice in the countries where the Group operates. In instances where the tax authorities have a different view on how to interpret the tax legislation, the Group makes estimates as to the likelihood of the outcome of the dispute, as well as estimates of potential claims. The actual results may differ from these estimates.

Sale and leaseback transaction

Accounting judgement
For time to other, Consolis perform sale and leaseback transactions. The accounting treatment of such transaction will vary depending on the agreements.

During 2023 a sale and leaseback transaction was performed in Denmark, where two factories were transferred to an external party. Under the leasing agreement Consolis have a right to repurchase the assets (call option). There is also another clause stating that Consolis have a right of first refusal, i.e. if the landlord contemplates divesting the premises we have a right to purchase the premises on the same terms and conditions offered by a bona fide third party. As Consolis has a right to repurchase the asset (call option), the buyer does not obtain control of the asset because they are limited in its ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Our conclusion is that the transfer of the asset is not a sale. A financial liability was recognized.

If we would conclude that a sale did happen, we would account for the net gain from the divestment and the real estate asset would have been derecognized. The lease agreement would be accounted for as a lease liability with a corresponding right of use asset.

3 Segment reporting

West Nordic
Building operations in Sweden, Denmark and Norway. Main segment products include hollow core floors, structural elements, stairs, walls and façades. The main activities of the operating segment comprise the design, manufacturing and assembly of non-residential (public buildings, offices, industrial and logistics sites) and residential (multi-family housing) building solutions.

East Nordic
Building operations in Finland and the Baltics. Main segment products include hollow core floors, structural elements, stairs, walls and façades. The main activities of the operating segment comprise the design, manufacturing and assembly of non-residential (public buildings, offices, industrial and logistics sites) and residential (multi-family housing) building solutions.

Western Europe
Building operations in the Netherlands, Germany and Spain. Main segment products include hollow core floors and structural elements, stairs, walls and façades. The main activities of the operating segment comprise the design, manufacturing (the Netherlands) and assembly of non-residential (public buildings, offices, industrial and logistics sites) building solutions.

Eastern Europe
Building operations in Poland, Romania and Hungary. Main segment products include hollow core floors, structural elements, walls and façades. The main activities of the operating segment comprise the design, manufacturing and assembly of non-residential (public buildings, offices, industrial and logistics sites) building solutions.

Emerging Markets
Operations are based in Tunisia, Egypt, Indonesia and France. In Egypt and Indonesia, operations are managed with local partners.Utilities operations such as pressure pipes used in water supply, irrigation and sewerage systems as well as in power stations.

Information by segment

2023 (€ in millions)	West Nordic	East Nordic	Western Europe	Eastern Europe	Emerging Markets	Central costs and unallocated	Elim	Consolis
Sales before eliminations	330	188	296	102	132	-	(4)	1,044
Eliminations	-	(4)	-	-	-	-	4	-
Net sales	**330**	**184**	**296**	**102**	**132**	**-**	**-**	**1,044**
Adjusted EBITDA (Non-GAAP measure)	7.9	(2.9)	35.8	11.8	15.8	(1.0)	-	67.4
Depreciation and amortization	-	-	-	-	-	(41.9)	-	(41.9)
Profit (loss) from sales of fixed assets	-	-	-	-	-	1.9	-	1.9
Impairment loss	-	-	-	-	-	(13.8)	-	(13.8)
Restructuring expenses	-	-	-	-	-	(15.9)	-	(15.9)
Other items	-	-	-	-	-	(7.2)	-	(7.2)
Operating profit								**(9.5)**
Financial net	-	-	-	-	-	-	-	(43.3)
Profit after financial items								**(52.8)**
Capex	(3.1)	(1.5)	(6.9)	(2.1)	(1.3)	(0.6)	-	(15.5)
Fixed assets[1]	126.4	61.9	186.0	24.8	26.4	(0.0)	-	425.3

2022 (€ in millions)	West Nordic	East Nordic	Western Europe	Eastern Europe	Emerging Markets	Central costs and unallocated	Elim	Consolis
Sales before eliminations	436	329	310	109	136	-	(25)	1,295
Eliminations	-	(25)	-	-	-	-	25	-
Net sales	**436**	**304**	**310**	**109**	**136**	**-**	**-**	**1,295**
Adjusted EBITDA (Non-GAAP measure)	(3.8)	15.3	33.8	12.5	20.4	(2.2)	-	75.9
Depreciation and amortization	-	-	-	-	-	(44.2)	-	(44.2)
Profit (loss) from sales of fixed assets	-	-	-	-	-	0.7	-	0.7
Impairment loss	-	-	-	-	-	(7.4)	-	(7.4)
Restructuring expenses	-	-	-	-	-	(6.7)	-	(6.7)
Operating profit								**18.4**
Financial net	-	-	-	-	-	-	-	(38.1)
Profit after financial items								**(19.8)**
Capex	(2.8)	(2.4)	(6.6)	(2.0)	(2.4)	(1.0)	-	(17.1)
Fixed assets[1]	133.1	76.2	190.7	25.1	35.2	8.3	-	468.7

[1] Fixed assets include goodwill, other intangible assets, property, plant and equipment and rights-of-use assets.

Note 3, cont.

Non-current assets by geographic region

The table below disclose non-current assets excluding deferred tax assets and financial instruments.

(€ in millions)	2023-12-31	2022-12-31
Sweden	76.2	78.2
Denmark	34.4	42.6
Norway	10.2	12.3
Finland	52.2	65.0
Latvia	4.7	5.6
Estonia	5.7	8.9
Lithuania	2.0	2.0
Netherlands	159.7	162.9
Spain	23.2	23.2
Germany	4.4	5.3
Hungary	11.4	12.2
Poland	3.1	3.5
Romania	10.6	10.3
Tunisia	12.6	13.3
Egypt	9.5	11.9
France	1.9	2.6
Indonesia	3.0	8.7
Other	0.4	0.4
Total	**425.3**	**468.7**

4 Revenues

Information by geographic region

Net sales

(€ in millions)	2023	2022
Sweden	169	221
Denmark	102	123
Norway	59	92
West Nordic	**330**	**436**
Finland	150	250
Latvia	18	23
Estonia	7	17
Lithuania	10	14
East Nordic	**184**	**304**
Netherlands	178	198
Spain	100	92
Germany	17	20
Western Europe	**296**	**310**
Hungary	46	46
Poland	20	31
Romania	36	32
Eastern Europe	**102**	**109**
Tunisia	52	44
Egypt	53	58
France	22	22
Indonesia	5	12
Emerging markets	**132**	**136**
Total Net Sales	**1,044**	**1,295**

Information by customer

The Group does not have any customer that individually accounted for over 10% of its sales in 2023 or 2022.

Net sales by geographic region

2023 (€ in millions)	Residential buildings	Non-residential buildings	Utilities	Other	**Total**
West Nordic	125	200	-	6	**330**
East Nordic	67	115	-	2	**184**
Western Europe	98	188	-	10	**296**
Eastern Europe	-	102	-	-	**102**
Emerging markets	-	-	132	-	**132**
Total	**290**	**605**	**132**	**17**	**1,044**

Utilities include water pipes and other infrastructure elements. Category other within West Nordic segment include tanks for farms and concrete elements related to road works.

Summary of contract balances

(€ in millions)	2023-12-31	2022-12-31
Accounts receivable (note 20)	114.0	137.5
Contract assets	44.0	56.5
Contract liabilities	61.6	78.7

Net sales has declined during the year which is also effecting the contract balances in the Group.

Accounts receivable are non-interest-bearing and they typically fall due for payment 30 days after the performance obligation has been fulfilled, if the billing is not according to agreement with billing at certain dates/ milestones.

Contract assets (POC receivables) are recognized in the statement of financial position when the customer is considered to have benefited from the delivered goods or services and it is attributable to ongoing projects. When the customer has been invoiced for the delivered services, the amount is reclassified to accounts receivable. For information on the year's change in the provision for doubtful debts, please see note 20.

Contract liabilities are attributable to advance payments from customers on services that have not yet been rendered.

Remaining performance obligations pursuant to customer contracts

The table below outlines the remaining performance obligations pursuant to customer contracts, hence the part of ongoing projects that is not yet finalized together with projects signed but not yet started. The order book typically have a duration of 6-12 months, hence the vast majority of remaining obligation is expected to be fulfilled during 2024.

(€ in millions)	2023-12-31	2022-12-31
West Nordic	189.2	268.2
East Nordic	57.2	96.9
Western Europe	134.2	141.1
Eastern Europe	42.7	33.2
Emerging Markets	119.9	136.8
Elimination	(0.2)	(0.9)
Total	**543.0**	**675.2**

5 Employees and employees benefits

The total number of employees amounted to 6,796 as of December 31, 2023 and was distributed as follows:

	2023		2022	
	No of employees	Of which, men	No of employees	Of which, men
Sweden	730	642	914	806
Denmark	466	422	511	464
Norway	340	309	401	367
West Nordic	**1,536**	**1,373**	**1,826**	**1,637**
Finland	484	452	635	582
Latvia	197	182	253	233
Estonia	111	92	226	190
Lithuania	88	77	93	82
East Nordic	**880**	**803**	**1,207**	**1,087**
Netherlands	572	511	611	547
Spain	401	340	372	315
Germany	82	65	92	75
Western Europe	**1,055**	**916**	**1,075**	**937**
Hungary	266	232	263	231
Poland	274	224	327	267
Romania	205	185	190	176
Eastern Europe	**745**	**641**	**780**	**674**
Tunisia	1,517	1,490	1,476	1,446
Egypt	753	743	742	728
France	110	100	113	102
Indonesia	135	129	138	126
Emerging markets	**2,515**	**2,462**	**2,469**	**2,402**
Group	65	44	64	43
Total number of employees	**6,796**	**6,239**	**7,421**	**6,780**
Hired labour	689	n/a	680	n/a
Discontinued operations	-	-	-	-
Total workforce, FTE	**7,485**	**n/a**	**8,101**	**n/a**

Gender balance, senior executives

	2023	2022
Percentage women, Board of Directors	0%	25%
Percentage men, Board of Directors	100%	75%
Percentage women, other senior executives	25%	25%
Percentage men, other senior executives	75%	75%

Management compensations paid by the Group are set out in the table below:

(€ in millions)	2023	2022
Basic salaries	4.1	3.9
Bonuses	2.1	1.9
Pensions	0.7	0.7
Other (including benefits in kind)	0.2	0.2
Management compensations	**7.1**	**6.7**

Group executives include the CEO and other members of the Executive Management Team. The Executive Management Team consisted at the end of 2023 of twelve persons, including the CEO. Three of the members of the Executive Management Team are women and nine are men.

The total annual compensation of Group´s employees from continued operations was as follows:

(€ in millions)	2023	2022
Personnel expenses by function in the consolidated income statement		
Production cost of goods and services sold	(223.0)	(274.0)
Production and services overheads	(28.3)	(29.8)
Sales and marketing expenses	(19.2)	(20.2)
Administrative expenses	(37.0)	(36.9)
Research and development expenses	(5.0)	(4.3)
Employee benefits expenses	**(312.4)**	**(365.1)**
Personnel expenses in other income and expenses from operations		
Restructuring expenses	(4.2)	(1.2)
Total personnel expenses	**(316.6)**	**(366.3)**

Remuneration to group executives

Decision-making processes

The Board's Remuneration Committee prepares proposals for approval by the Board of Directors on guidelines for remuneration to group executives when modifications of the guidelines are necessary. The Board of Directors establishes the salary and other benefits for the CEO following proposals from the Remuneration Committee. The Remuneration Committee establishes the salary and other benefits for the Executive Management Team following proposals from the CEO.

Remuneration policy

The Board of Directors approved the Remuneration Committee's proposed Remuneration Policy for Group Executive Management in December 2021. The policy will remain valid until any changes are proposed by the Remuneration Committee and approved by the Board of Directors. The Remuneration Policy is forward looking, meaning that it is applicable when new arrangements are established, or when changes of existing conditions for the CEO or any other member of the Executive Management Team are made, after the Remuneration Policy was approved by the Board of Directors in December 2021.

The policy's promotion of the company's business strategy and long-term interest

A prerequisite for the successful implementation of the company's business strategy as well as the long-term interest is that the company can attract and retain the management talent necessary to support the company's continued success. To this end, it is necessary that the company offers competitive remuneration. The policy enables the company to offer its group executives a competitive total remuneration. Variable cash remuneration covered by this policy shall aim at promoting the company's business strategy and long term interest. This is accomplished through the financial and non-financial objectives and targets that determine the outcome of the variable cash remuneration and are clearly linked to the company's business strategy.

Total remuneration

The combined total remuneration to our Group Executives shall be competitive and in line with the market practice where the Executive is located and the Executive's and the Company's performance shall be reflected in the total remuneration. The total remuneration package to our Group Executives may include base salary, variable salary based on short-term annual targets, pension, health care and other benefits and other non-monetary benefits.

Cash remuneration

Base salary and variable salary together represents the Executive's total cash remuneration. The base salary shall be in line with the market practice where the Executive is located and shall be reviewed on an annual basis. Group Executives shall, in addition to their base salary, be eligible for an annual variable salary component, dependent on an annual decision of the Company's Board of Directors. The variable salary is based on pre-established annual targets recommended by the Company's Remuneration Committee and approved by the Company's Board of Directors. The performance objectives and targets shall be

Note 5, cont.

designed to support the Company's business strategy and long-term interest. For the CEO the target variable salary may represent a maximum of 75% of the annual base salary and for other Group Executives the target variable salary may represent a maximum of 20%–50% of the base salary.

The fulfillment of the annual targets and the payout of any variable pay is evaluated and determined by the Company's Board of Directors after the completion of each performance year.

Any other financial reward shall be conditional on the specific approval of the Remuneration Committee.

Pension, insurances and other benefits

Pension solutions are provided to Group Executives where it is customary and in line with local market practice and pension policies where the Executive is located. The Company shall always strive for having defined contribution pension schemes for its Group Executives. The retirement age is normally 65 years unless the local practice in the country where the Group Executive operates provides another retirement age.

Other benefits, such as, health care and disability insurances, company car and other monetary benefits may be included in the total remuneration package to the Company's Group Executives. Such benefits shall be in line with market practice where the Executive is located and shall, from time to time, be reviewed by Group HR, to ensure that the Company's total remuneration package to its Executive's is competitive and in line with market practice.

Termination of employment and severance pay

In the event that the Company terminates an Executive's employment the notice period from the Company is maximum 12 months and in the event the Executive terminates the employment the notice period is 6 months. In the event that the Company terminates the Executive's employment and severance pay come into force, the maximum compensation of notice pay and severance pay shall not exceed 12 monthly salaries.

Deviation from the remuneration policy

If needed, due to special reasons, the Board of Directors can approve exceptions from the Remuneration Policy. Any such deviation, shall be documented and reviewed on a continues basis. During the year 2023 the Company has not entered into any new agreements or amendments of agreements that deviates from the Company's Remuneration Policy.

6 Depreciation/amortization

Depreciation/amortization

2023 (€ in millions)	Cost of goods sold	Production overheads	Sales and marketing costs	Adminis-trative costs	Research and development costs	Total
Amortization of intangible assets	(1.1)	-	(0.0)	(1.6)	(0.6)	(3.2)
Depreciation of tangible assets	(20.0)	(0.1)	(0.1)	(0.6)	(0.0)	(20.8)
Depreciation of Right-of-use assets	(8.3)	(5.7)	(1.8)	(2.0)	-	(17.9)
Total depreciation/amortization	**(29.4)**	**(5.8)**	**(1.9)**	**(4.2)**	**(0.6)**	**(41.9)**

2022 (€ in millions)	Cost of goods sold	Production overheads	Sales and marketing costs	Adminis-trative costs	Research and development costs	Total
Amortization of intangible assets	(1.2)	-	(0.0)	(1.9)	(0.6)	(3.7)
Depreciation of tangible assets	(20.3)	(0.1)	(0.1)	(1.4)	(0.3)	(22.2)
Depreciation of Right-of-use assets	(6.2)	(8.3)	(2.1)	(1.7)	-	(18.3)
Total depreciation/amortization	**(27.7)**	**(8.4)**	**(2.2)**	**(5.0)**	**(0.9)**	**(44.2)**

7 Remuneration and fees to auditors

(€ in millions)	2023	2022
PWC		
Audit assignments	(1.7)	(1.8)
Tax advice	-	-
Other fees	0.2	0.2
Total	**(1.5)**	**(2.0)**

8 Operating expenses distributed by cost type

(€ in millions)	2023	2022
Production-related goods and services and raw material consumables	(594.2)	(763.0)
Personnel costs	(312.4)	(365.1)
Depreciation and Amortization	(41.9)	(44.2)
Other operational costs	(70.0)	(91.4)
Total costs	**(1,018.5)**	**(1,263.7)**

9 Other income and expenses

(€ in millions)	2023	2022
Profit (loss) from sales of fixed assets	1.9	0.7
Restructuring expenses	(15.9)	(6.7)
Impairment (loss) / reversal	(13.8)	(7.4)
Other items	(7.2)	0.0
Total	**(35.0)**	**(13.4)**

Profit / (loss) from sale of fixed assets
During the year Consolis have divested 1 real estate site in Germany.

Restructuring expenses
Restructuring costs during the year mainly comprises charges for the restructuring programs launched in West and East Nordic. The charge amounted to € 11.4 million. Out of the € 11.4 million, € 6.0 are related to personnel, while the rest mainly comprises running expenses for closed factories and costs associated to the operational reorganization in West and East Nordic.

Impairment charge
As a part of the year end closing we performed an impairment test. The methodology was unchanged compared to last year, for further description of applied CGU refer to note 14. The outcome of the test indicated a need for impairment on Hungary and Indonesia. An impairment charge was recorded of € 1.4 million for Hungary and € 5.2 million for Indonesia affecting the value on goodwill.

Impairment charges during the year also includes write down of intangible assets, property, plant and equipment and right-of-use assets. We have written down the value of a system tool in Finland amounting to € 2.4 million, a building in Estonia amounting to € 1.9 million and leased buildings in Sweden and Finland amounting to €1.8 million.

Other items
In connection with a system development enabling us to view the project receivables in an even more granular way, certain historical items related to revenue recognition based on percentage of completion were identified. This will not have any cash impact but resulted in a reduction of operating profit of approximately € 5.7 million during 2023. In order to follow the underlying profitability of the group this will be reported as a non recurring cost.

Proforma

If items classified as other income and expenses from operations would have been split over the functions the consolidated income statement would have looked like the table below.

(€ in millions)	2023	2022
Net sales	**1,044.0**	**1,295.0**
Cost of goods sold	(865.6)	(1,070.4)
Production overheads	(63.0)	(86.5)
Gross Profit	**115.4**	**138.5**
Sales and marketing expenses	(24.8)	(26.0)
Administrative expenses	(92.4)	(87.5)
Research and development expenses	(7.7)	(6.6)
Other income and expenses	-	-
Operating profit	**(9.5)**	**18.4**

10 Financial income and expense

Financial income

(€ in millions)	2023	2022
Interest income	0.8	1.0
Other financial income	5.9	2.2
Total financial income	**6.7**	**3.2**

Financial expenses

(€ in millions)	2023	2022
Interest expenses	(42.0)	(30.0)
Currency exchange losses	(1.0)	(4.7)
Other financial expenses	(7.0)	(6.6)
Total financial expenses	**(50.0)**	**(41.3)**

11 Taxes

Income Tax

(€ in millions)	2023	2022
Current taxes	(11.4)	(10.1)
Deferred taxes	2.7	(0.7)
Total	**(8.7)**	**(10.8)**

Effective and actual tax rates

(€ in millions)	2023		2022	
		%		%
Profit/Loss after financial items	(52.8)		(19.8)	
French corporate income tax rate	13.2	(25.0)	4.9	(25.0)
Different local tax rates	(2.8)	5.4	(0.3)	1.7
Tax related to previous years	2.4	(4.5)	(0.4)	2.1
Non-taxable items	0.9	(1.8)	(9.4)	47.3
Non-deductible items	(9.2)	17.4	1.4	(7.2)
Non capitalised loss carry-forwards	(15.0)	28.5	(6.2)	31.5
Utilization of previously unrecognised tax loss carry-forwards	1.9	(3.7)	0.7	(3.7)
Other	(0.1)	0.2	(1.5)	7.8
Effective tax rate	**(8.7)**	**16.5**	**(10.8)**	**54.6**

The effective tax rate for the Group, 16.5%, is calculated on the basis of the weighted total income after financial items per country, multiplied by the local statutory tax rate.

Changes in deferred tax assets and liabilities, net

(€ in millions)	2023	2022
Opening balance	**(8.7)**	**(7.5)**
Recognized in the income statement	2.7	(0.7)
Recognized in other comprehensive income	0.1	(0.7)
Acquisitions/divestments of subsidiaries	-	-
Translations differences and other changes	0.2	0.2
Closing balance	**(5.6)**	**(8.7)**

Note 11, cont.

Deferred tax assets and deferred tax liabilities

2023 (€ in millions)	Deferred tax assets	Deferred tax liabilities	Net
Intangible assets	-	(9.2)	(9.2)
Tangible fixed assets	2.6	(5.5)	(2.9)
Untaxed reserves	-	(1.8)	(1.8)
Employee benefit obligations	3.9	-	3.9
Provisions	1.1	-	1.1
Other assets	-	(1.4)	(1.4)
Other liabilities	1.4	-	1.4
Tax loss carry-forwards	3.2	-	3.2
Deferred tax assets and deferred tax liabilities	**12.3**	**(17.9)**	**(5.7)**
Offsetting	(9.3)	9.3	-
Net deferred tax assets and deferred tax liabilities	**3.0**	**(8.6)**	**(5.7)**

Changes in deferred tax assets and deferred tax liabilities

2022 (€ in millions)	Deferred tax assets	Deferred tax liabilities	Net
Opening balance	**4.6**	**(12.1)**	**(7.5)**
Deferred tax for the year	1.5	0.5	2.0
Adjustment for previous years	(2.8)	0.1	(2.7)
Recognised in comprehensive income statement	(0.7)	-	(0.7)
Balance sheet only movements/ offsetting	(0.2)	0.2	0.0
Exchange rate differences	(0.1)	0.3	(0.2
Closing balance	**2.3**	**(11.0)**	**(8.7)**

Deferred tax assets and deferred tax liabilities

2022 (€ in millions)	Deferred tax assets	Deferred tax liabilities	Net
Intangible assets	-	(10.4)	(10.4)
Tangible fixed assets	1.4	(6.2)	(4.8)
Untaxed reserves	-	(1.8)	(1.8)
Employee benefit obligations	3.6	-	3.6
Provisions	0.4	-	0.4
Other assets	0.6	-	0.6
Other liabilities	0.6	(0.5)	0.1
Tax loss carry-forwards	3.6	-	3.6
Deferred tax assets and deferred tax liabilities	**10.2**	**(18.9)**	**(8.7)**
Offsetting	(7.9)	7.9	-
Net deferred tax assets and deferred tax liabilities	**2.3**	**(11.0)**	**(8.7)**

As of December 31, 2023 , the Group has tax loss carry-forwards of EUR 745.2 million, whereof EUR 730.5 million has not been capitalised as deferred tax assets. Unrecongnised tax losses mainly relates to tax losses in France, without time limit. The tax loss carry-forwards will expire as follows (gross amounts):

Tax loss carry-forward

(€ in millions)	2023-12-31	2022-12-31
Within a year	6.4	2.4
1-5 year	12.4	24.2
> 5 year	23.8	14.4
Without time limit	702.6	707.6
Total	**745.2**	**748.6**

12 Discontinued operations

Civil works France disposal

Consolis completed the sale of its Civil Works France business to EIM Capital on January 31, 2022, through the disposal of Bonna Sabla S.A. and its subsidiaries. The Civil Works France business consisted mainly of (i) precast concrete drainage products, funeral elements and urban planning business and (ii) precast concrete tunnel elements manufacturing business. Consolis' intention was to use an estimated EUR 45 million of cash in order for the CWF Business to be self-sufficient between the issue date of the senior secured notes and the completion date of the disposal. The total amount of cash used is expected to be in line with the previously communicated amount EUR 45 million. On closing, January 31, 2022, an injection of EUR 17.3 million was done. In addition, Consolis had an obligation to fund EUR 20 million of cash, which was recovered from the real estate asset transaction that was completed on June 30, 2022.

Presentation in the financial statements

As of December 2022, the Civil Works France were divested hence no assets or liabilities were part of consolidated numbers for Consolis Group. The line "result from discontinued operations" consists of net result for the period Bonna Sabla and subsidiaries were part of Consolis Group (January 1-31) and net gain from the disposal, amounting to EUR 16.7 million.

(€ in millions)	2023-12-31	2022-12-31
Net result from Civil Works France Operations	-	(0.6)
Net gain from Civil Works France divestment	-	16.7
Net result from Rail operations	-	-
Net gain from Rail divestment	-	-
Other income and expenses from operations	**-**	**16.1**

13 Earnings per share

Basic earnings per share is calculated by dividing profit or loss attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is calculated by adjusting the earnings and number of shares for the effects of dilutive options and other dilutive potential ordinary shares. This includes free shares in the years ended. There are no dilution of shares for the financial years 2023 and 2022 as there have been no outstanding convertible debentures or stock options.

(€ in millions)	2023-12-31	2022-12-31
Net profit attributable to ordinary shareholders	(61.9)	(17.9)
Weighted average number of ordinary shares (number of shares - million)	489.5	489.5
Basic earnings per ordinary share	**(0.13)**	**(0.04)**
Net profit attributable to ordinary shareholders	(61.9)	(17.9)
Weighted average number of diluted shares (number of shares - million)	489.5	489.5
Diluted earnings per share	**(0.13)**	**(0.04)**

14 Goodwill

Goodwill

(€ in millions)	2023-12-31	2022-12-31
Opening balance	**222.2**	**230.1**
Exchange differences	(1.6)	(7.8)
Closing balance	**220.7**	**222.2**
Opening balance	**(31.1)**	**(25.4)**
Impairments	(6.6)	(5.9)
Exchange rate differences	0.5	(0.2)
Closing balance	**(37.3)**	**(31.1)**
Net book value as opening balance	**191.1**	**204.6**
Net book value as closing balance	**183.4**	**191.1**

Goodwill allocation per Cash Generating Units

(€ in millions)	2023-12-31	2022-12-31
Denmark	15.8	15.8
Sweden	49.6	49.5
East Nordic	1.0	1.0
Elements	83.4	83.4
Spain	12.6	12.6
Hungary	5.2	6.2
Romania	6.1	6.1
Egypt	4.2	5.4
Indonesia	-	5.3
Tunisia	5.7	5.8
Total	**183.4**	**191.1**

Cash Generating Units (CGUs)

For the purpose of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows (Cash Generating Unit). Consolis have identified 13 CGUs. The main rule is that a single country/market is identified as a CGU, however for some markets that are closely connected to other markets (countries) they are viewed together with the other market. This is the case for the Baltic countries that are viewed together with Finland (East Nordic), and Germany that is viewed together with the Netherlands (Elements). The CGUs are unchanged compared to year end 2022.

Outcome impairment test 2023

The impairment test for 2023 indicated an impairment situation on CGU Hungary and on CGU Indonesia. Impairment of goodwill amounting to € 6.6 million was recorded over profit and loss on the row "Other income and cost from operations". Impairment on Hungary amounted to € 1.4 million and is a reflection of the current market situation with lower demand. Impairment on Indonesia amounted to 5.2 million. Indonesia have a cyclic market demand and we have experienced a shift from large pipes to power plants projects to projects for potable water supply. The margin on water supply projects are lower than it was on power supply projects. Except for recorded impairment on Hungary and Indonesia, there is no need for impairment of goodwill in other CGUs.

The below table show the book value of operating capital including goodwill, recoverable amount and headroom per CGU prior to recorded impairment.

2023-12-31 (€ in millions)	Book value of operating capital including goodwill	Recoverable amount	Headroom
Denmark	22.0	24.8	2.8
Norway	5.7	27.7	22.0
Sweden	50.1	92.1	41.9
East Nordic	35.3	53.5	18.2
Elements	129.5	135.8	6.3
Spain	23.5	44.5	21.0
Hungary	20.0	19.9	(0.2)
Poland	4.3	4.9	0.6
Romania	13.8	17.3	3.5
Egypt	23.7	25.6	1.9
France	(0.9)	(6.2)	(5.2)
Indonesia	10.4	5.3	(5.1)
Tunisia	12.1	13.6	1.5

Assumptions and estimates

The calculation of the value in use is based on assumptions and assessments in addition to the estimated growth beyond the forecast period. The most significant of these relate to the sales growth, the development of the EBITDA margin, the change in operating capital employed as well as the relevant Weighted Average Cost of Capital (WACC) for the valuation, that is, WACC after tax used to discount the future cash flows. These assumptions and judgements are also based on financial plans developed in each country and business segment and are built upon the strategic plan for the next three year which has been ascertained by Group Management and presented to the Board of Directors. Assumptions relating to WACC are calculated individually on a CGU basis.

The value in use of CGUs is estimated using after-tax cash flow projections based on three-year strategic plans and a terminal value calculated by extrapolating data for the final year of the business plan. The growth rate used beyond the initial period of the business plans reflects long term inflation target for the CGUs concerned. Expected future cash flows are discounted at the weighted average cost of capital calculated for the group of CGU. The growth and discount rates used for impairment tests during the period are provided below.

2023-12-31	WACC	Long Term Growth Rate	Normative tax rate
Denmark	10.3%	1.8%	22.0%
Norway	12.8%	2.0%	22.0%
Sweden	10.5%	2.0%	20.6%
East Nordic	12.3%	2.1%	20.0%
Elements	10.1%	1.3%	25.8%
Spain	13.2%	2.0%	25.0%
Hungary	16.8%	3.0%	9.0%
Poland	14.2%	2.6%	19.0%
Romania	17.8%	3.3%	16.0%
Egypt	29.1%	5.0%	22.5%
France	10.8%	1.5%	25.0%
Indonesia	16.9%	3.5%	22.0%
Tunisia	33.0%	4.0%	15.0%

Note 14, cont.

2022-12-31	WACC	Long Term Growth Rate	Normative tax rate
Denmark	9.6%	1.8%	22.0%
Norway	10.6%	2.0%	22.0%
Sweden	9.3%	2.0%	20.6%
East Nordic	10.7%	2.1%	20.0%
Elements	8.1%	1.3%	25.8%
Spain	12.2%	2.0%	25.0%
Hungary	18.3%	3.0%	9.0%
Poland	15.4%	2.6%	19.0%
Romania	18.1%	3.3%	16.0%
Egypt	23.0%	5.0%	22.5%
France	10.0%	1.5%	25.0%
Indonesia	16.9%	3.5%	22.0%
Tunisia	28.1%	4.0%	15.0%

Sensitivity analysis

The following sensitivity analysis have been made of the estimates of value in use in connection with impairment testing:

- Decreased revenues of 10%
- Decreased EBITDA level of 15%
- Increased of WACC of 2 percentage points

The level of decrease in revenues and decrease in EBITDA level used in the sensitivity analysis are reflecting the deviation, in average for the Group, between the forecast in the impairment test performed last year and recorded financial statements for 2023. The sensitivity analysis shows that the values are sensitive for the revenue assumptions in most CGUs, except for Sweden, Norway, Spain and Romania. Decreased level of EBITDA by 15 % would indicate an impairment situation in Denmark, Elements, Hungary, Poland, Egypt, France, Indonesia and Tunisia. CGUs indicating a sensitivity towards the WACC assumption are Denmark, Elements, Hungary, Poland, Egypt, Indonesia and France.

For CGU Sweden and Elements the sensitivity analysis also include a test of how much the above assumptions need to be changed in order to have a measure of the recoverable amount equal to book value, and consequently a headroom equal to zero. For Sweden a decrease of revenues by 15 %, a decreased of EBITDA level of 33 % or an increase of WACC with 5.4 pp. would separately lead to a measure of the recoverable amount equal to book value. For Elements a decrease of reveneus by 1 %, a decreased EBITDA level of 2 % or an increase of WACC with 0.4 pp would separately lead to a measure of the recoverable amount equal to book value.

The below table shows the headroom or lack of headroom for each CGU when applying the sensitivity assumptions.

2023-12-31 (€ in millions)	Decreased revenues of 10 %	Decreased EBITDA level of 15 %	Increase of WACC of 2 pp.
Denmark	(18.7)	(4.5)	(3.0)
Norway	10.3	16.8	17.5
Sweden	12.0	22.9	21.5
East Nordic	(12.8)	0.6	7.7
Elements	(48.1)	(28.2)	(22.6)
Spain	10.4	12.5	14.4
Hungary	(3.7)	(2.9)	(1.4)
Poland	(3.4)	(0.8)	(0.3)
Romania	0.5	0.2	1.3
Egypt	(1.5)	(2.2)	(0.0)
France	(11.0)	(5.5)	(4.4)
Indonesia	(1.5)	(0.9)	(0.6)
Tunisia	(1.4)	(0.7)	0.5

Uncertainty and riskfactors

The impairment test, and in particular determining the enterprise value applied, is in its nature subject to various assumptions where small adjustments can have significant effects on the valuation. Consolis operate in an market (the new built residential and non-residential segment) which is highlight impacted by the macro-economic environment and the interest rate, inflation and access to raw material. In recent years this have shown, with challenges in all aspects affecting the financial performance of Consolis. The risk that one, or several, of these aspects can continue to impact the group exists and makes forecasting of group performance challenging in times with volatile economic climate. During the recent years, as the macro picture have fluctuated, Consolis have deviated from their forecast. For this test, assumption have been that the macroeconomic picture should stabilize, which should impact interest rates and consequently the demand for primarily new residential buildings which has been the segment of Consolis that has been mostly impacted in the latest economic downturn.

15 Other intangible assets

2023-12-31 (€ in millions)	Trademarks and patents	Development costs	Other intangible assets	Total
Opening accumulated acquisition value	**53.0**	**15.3**	**19.0**	**87.3**
Investments	-	0.3	0.8	1.1
Sales and scrapping	(0.0)	(3.0)	(3.1)	(6.1)
Reclassifications	-	-	(0.5)	(0.5)
Exchange rate differences	(0.1)	-	0.0	(0.0)
Closing accumulated acquisition value	**52.9**	**12.6**	**16.3**	**81.8**
Opening accumulated amortization and impairment	**(9.9)**	**(9.5)**	**(14.6)**	**(33.9)**
Amortizations	-	(2.1)	(1.2)	(3.2)
Impairment	-	(2.5)	-	(2.5)
Sales and scrapping	0.0	3.0	3.1	6.1
Reclassifications	-	0.0	0.2	0.2
Exchange rate differences	(0.0)	0.0	(0.1)	(0.1)
Closing accumulated amortization and impairment	**(9.9)**	**(11.0)**	**(12.5)**	**(33.3)**
Net book value as of 2023-01-01	**43.1**	**5.9**	**4.4**	**53.4**
Net book value as of 2023-12-31	**42.9**	**1.6**	**3.8**	**48.3**

2022-12-31 (€ in millions)	Trademarks and patents	Development costs	Other intangible assets	Total
Opening accumulated acquisition value	**54.2**	**13.2**	**22.9**	**90.3**
Investments	-	0.4	1.4	1.8
Sales and scrapping	(0.8)	(1.2)	-	(2.0)
Reclassifications	-	2.9	(5.2)	(2.3)
Exchange rate differences	(0.4)	0.0	(0.1)	(0.5)
Closing accumulated acquisition value	**53.0**	**15.3**	**19.0**	**87.3**
Opening accumulated amortization and impairment	**(10.4)**	**(8.4)**	**(13.6)**	**(32.5)**
Amortizations	(0.1)	(2.3)	(1.3)	(3.7)
Impairment	-	-	(1.7)	(1.7)
Sales and scrapping	0.6	1.2	-	1.8
Reclassifications	-	-	2.0	2.0
Exchange rate differences	0.0	0.0	0.0	0.0
Closing accumulated amortization and impairment	**(9.9)**	**(9.5)**	**(14.6)**	**(33.9)**
Net book value as of 2022-01-01	**43.8**	**4.8**	**9.3**	**57.8**
Net book value as of 2022-12-31	**43.1**	**5.9**	**4.4**	**53.4**

Impairment test procedures described in note 14 also cover intangible and other assets. Further information about impairment can be found in note 9.

Trademark allocation

The table below outlines the trademarks with indefinite useful lives for each cash-generating unit in the Group.

(€ in millions)	2023-12-31	2022-12-31
Denmark	4.0	4.0
Norway	1.8	1.9
Sweden	2.8	2.8
East Nordic	11.0	11.0
Elements	22.7	22.7
Hungary	0.7	0.7
Total	**42.9**	**43.1**

16 | Property, plant and equipment

2023-12-31 (€ in millions)	Buildings and Land	Machinery and equipment	Other items of Property, Plant & Equipment	Total
Opening accumulated acquisition value	**225.9**	**328.7**	**21.5**	**576.1**
Investments	1.3	9.9	3.0	14.2
Sales and scrapping	(2.0)	(14.2)	(0.9)	(17.1)
Reclassifications	(15.6)	0.7	(1.4)	(16.3)
Exchange rate differences	(1.6)	(3.5)	(0.2)	(5.3)
Closing accumulated acquisition value	**208.0**	**321.5**	**21.8**	**551.3**
Opening accumulated depreciation and impairment	**(154.7)**	**(256.0)**	**(12.6)**	**(423.3)**
Depreciations	(6.4)	(13.1)	(1.2)	(20.8)
Impairment	(1.9)	(0.9)	-	(2.8)
Sales and scrapping	1.6	14.1	1.0	16.7
Reclassifications	10.7	0.9	(0.0)	11.5
Exchange rate differences	1.5	2.4	0.1	4.1
Closing accumulated depreciation and impairment	**(149.2)**	**(252.6)**	**(12.8)**	**(414.7)**
Net book value as of 2023-01-01	**71.2**	**72.7**	**8.8**	**152.9**
Net book value as of 2023-12-31	**58.8**	**68.9**	**9.0**	**136.7**

2022-12-31 (€ in millions)	Buildings and Land	Machinery and equipment	Other items of Property, Plant & Equipment	Total
Opening accumulated acquisition value	**231.7**	**333.9**	**28.7**	**594.3**
Investments	2.7	7.5	5.1	15.3
Sales and scrapping	(4.9)	(8.6)	(3.4)	(16.9)
Reclassifications	1.9	7.2	(8.4)	0.7
Exchange rate differences	(5.4)	(11.3)	(0.6)	(15.5)
Closing accumulated acquisition value	**225.9**	**328.7**	**21.5**	**576.1**
Opening accumulated depreciation and impairment	**(146.8)**	**(254.3)**	**(15.1)**	**(416.2)**
Depreciations	(6.9)	(14.2)	(1.1)	(22.2)
Impairment	-	0.2	0.0	0.2
Sales and scrapping	3.8	7.6	3.4	14.8
Reclassifications	(7.6)	(3.1)	(0.1)	(10.8)
Exchange rate differences	2.8	7.8	0.3	10.9
Closing accumulated depreciation and impairment	**(154.7)**	**(256.0)**	**(12.6)**	**(423.3)**
Net book value as of 2022-01-01	**84.9**	**79.6**	**13.6**	**178.1**
Net book value as of 2022-12-31	**71.2**	**72.7**	**8.9**	**152.9**

Further information about impairment can be found in note 9.

17 Right-of-Use Assets

2023-12-31 (€ in millions)	Buildings and Land	Machinery and equipment	Other items of Property, Plant & Equipment	Total
Opening accumulated acquisition value	**96.7**	**18.6**	**20.0**	**135.3**
Additions	0.9	3.2	3.0	7.2
Terminations	(7.3)	(2.9)	(4.9)	(15.1)
Reclassifications	1.0	(0.4)	(0.0)	0.6
Exchange rate differences	(1.0)	(0.2)	0.0	(1.2)
Closing accumulated acquisition value	**90.4**	**18.3**	**18.1**	**126.8**
Opening accumulated depreciation and impairment	**(42.9)**	**(11.2)**	**(9.8)**	**(63.8)**
Depreciations	(10.5)	(3.1)	(4.3)	(17.9)
Impairment	(2.0)	-	-	(2.0)
Terminations	5.7	2.8	4.9	13.4
Reclassifications	(0.0)	0.0	(0.1)	(0.1)
Exchange rate differences	0.3	0.1	0.0	0.4
Closing accumulated depreciation and impairment	**(49.4)**	**(11.3)**	**(9.3)**	**(70.0)**
Net book value as of 2023-01-01	**53.8**	**7.4**	**10.2**	**71.4**
Net book value as of 2023-12-31	**41.0**	**7.0**	**8.8**	**56.8**

2022-12-31 (€ in millions)	Buildings and Land	Machinery and equipment	Other items of Property, Plant & Equipment	Total
Opening accumulated acquisition value	**88.8**	**18.1**	**19.6**	**126.5**
Additions	14.9	2.6	5.4	22.9
Terminations	(4.9)	(2.2)	(4.0)	(11.1)
Reclassifications	(0.7)	0.2	(0.4)	(0.9)
Exchange rate differences	(1.4)	(0.1)	(0.6)	(2.1)
Closing accumulated acquisition value	**96.7**	**18.6**	**20.0**	**135.3**
Opening accumulated depreciation and impairment	**(43.6)**	**(14.4)**	**(10.2)**	**(68.2)**
Depreciations	(11.3)	(2.4)	(4.6)	(18.3)
Terminations	3.8	2.8	3.7	10.3
Reclassifications	7.6	2.7	1.0	11.3
Exchange rate differences	0.6	0.1	0.3	1.0
Closing accumulated depreciation and impairment	**(42.9)**	**(11.2)**	**(9.8)**	**(63.8)**
Net book value as of 2022-01-01	**45.2**	**3.7**	**9.4**	**58.4**
Net book value as of 2022-12-31	**53.8**	**7.4**	**10.2**	**71.4**

Further information about impairment can be found in note 9.

As of December 31, 2023, the interest expense for lease liabilities amounted to € -1.8 million (-1.7).

Sale and leaseback
A sale and leaseback of two plants was completed during the year in Denmark in order to secure cash to the Group. The proceeds from the sale amounted to € 16.5 million adding € 12 million of liquidity to the Group after repayments of existing loans. Due to a repurchase clauses this was not considered to be a sale under IFRS 15. The real estate are kept on the balance sheet, and a financial liability amounting to € 16.5 million was recognized. The contract runs for 15 years and the annual rent for these facilities is € 1.5 million and paid quarterly in advance.

18 Other assets

(€ in millions)	2023-12-31	2022-12-31
Deposit guarantees	11.8	11.1
Other	9.5	3.3
Total	**21.3**	**14.4**

19 Inventories

(€ in millions)	2023-12-31	2022-12-31
Raw materials	35.2	54.9
Finished products	11.2	11.5
Others	4.4	4.5
Inventories (gross)	**50.8**	**70.9**
Provision for inventories	(4.9)	(4.9)
Inventories (net)	**45.9**	**66.0**

20 Accounts receivable

Accounts receivable

(€ in millions)	2023-12-31	2022-12-31
Accounts receivable	124.1	146.6
Allowance for doubtful debt	(10.0)	(9.1)
Accounts receivable total	**114.0**	**137.5**

Aging structure

2023-12-31 (€ in millions)	Trade	Factoring	Total
Not past due	55.8	31.1	86.9
Due 1-30 days	4.0	4.5	8.5
Due 31-60 days	7.5	0.1	7.6
Due over 90 days	16.9	4.3	21.1
Total	**84.1**	**40.0**	**124.1**

2022-12-31 (€ in millions)	Trade	Factoring	Total
Not past due	44.7	53.9	98.6
Due 1-30 days	6.3	5.7	11.9
Due 31-60 days	5.2	2.4	7.6
Due over 90 days	26.1	2.4	28.5
Total	**82.4**	**64.3**	**146.6**

Trade receivables
The carrying amounts represent the maximum credit risk exposure at the balance sheet date excluding the fair value of any collateral in the event that the other party fails to perform the obligation. There are no significant concentration of credit risk with respect to the receivables. Due to the local nature of the business, local terms and conditions might apply for the trade receivables.

Factoring
Consolis's factoring agreement is based on a non-recourse mechanism in case of a non-payment of the covered receivables. Consequently, all receivables covered by the credit insurance policy are now derecognized except for the following receivables: advance payment, interim billing and cash withheld for warranty retention. As of December 31, 2023, the total carrying amount of the receivables factored is EUR 73.6 million (115.5) out of which EUR 43.5 million (62.2) were derecognized from the consolidated statement of financial position as the Group transferred substantially all the associated risks and rewards to the factor giving EUR 30.1 million (53.2) of factored receivable not deconsolidated.

A guarantee fund (to guarantee the repayment of the amounts of which Consolis may become debtor with CALF) was constituted at the beginning of the factoring contract. The guarantee fund is based on the total amount of financed receivables and doesn't generate interests. For the period ended December 31, 2023, the guarantee fund amounted to € 4.1 million with a remaining portion of the guarantee fund netted with the factoring liability of € 3.6 million.

21 Other receivables

(€ in millions)	2023-12-31	2022-12-31
Contractual payment retention	12.2	9.5
VAT receivables	10.1	13.0
Financial assets	4.1	5.2
Other receivables	6.9	13.2
Total	**33.3**	**40.9**

22 Cash and cash equivalents

(€ in millions)	2023-12-31	2022-12-31
Cash at bank and on hand	48.8	35.8
Short-term deposits	8.5	10.2
Total	**57.3**	**46.0**

23 Equity

Equity comprises registered share capital, other contributed capital, retained earnings or loss and non-controlling interests.

Share capital
Share capital amounted to EUR 195,785 thousand as of 31 December 2023. There were 489,461,692 shares outstanding. The quotient value is EUR 0.4 and each share carries equal voting rights.

Other contributed capital
Refers to equity contributed by shareholders. This includes share premiums paid in connection with share issues.

Reserves

Exchange rate differences on translation of foreign operations
Exchange rate differences that arise upon restatement of the financial statements of foreign subsidiaries, changes related to restatement of surplus values in local currency and restatement of liabilities incurred as hedging instruments of a net investment in a foreign subsidiary.

Retained earnings
Retained earnings, including net profit for the year, are included in profits earned in the parent company and its subsidiaries.

Retained earnings also includes the following:

Remeasurement of pension provisions
Actuarial gains and losses on defined benefit pension plans.

Non-controlling interests
The share of equity attributable to shareholders with non-controlling interests is reported as an item in equity segregated from the parent company's share of equity.

24 Interest-bearing liabilities

Non-current interest-bearing liabilities

(€ in millions)	2023-12-31	2022-12-31
Shareholder loans	305.8	305.8
Lease liabilities	41.6	53.2
Term loan	30.0	30.0
Other non-current liabilities	20.0	3.0
Total non-current interest-bearing liabilities	**397.5**	**392.0**

Current interest-bearing liabilities

(€ in millions)	2023-12-31	2022-12-31
Factoring	33.0	45.5
Revolving Credit Facilities	69.0	15.0
Lease liabilities	14.6	17.3
Other current liabilities	5.3	5.2
Bank overdraft	2.1	1.1
Total current interest-bearing liabilities	**124.0**	**84.1**
Total interest-bearing liabilities	**521.4**	**476.1**

1) Factoring is presented net of guarantee reserve.

Shareholder loans and refinancing
On May 7, 2021, Compact Bidco B.V. (the parent company of Consolis Group S.A.S) issued EUR 300 million Senior Secured Notes (Bonds) listed at The International Stock Exchange "TISE" in Guernsey. The fixed interest on the Bonds is 5.75 percentage and the interest is payable twice a year. The Bonds are due on May 1, 2026. The proceeds from the bond emission was cascaded down to Consolis as Shareholder loans. In conjunction with the bond emission a new loan (PIK Loan) amounting to EUR 50 million were raised by Compact Midco 2 B.V., parent of Compact Bidco B.V. and Consolis, from GSO. The cash was then cascaded to Compact Bidco B.V. by capital injection. The debt included in the books of Compact Bidco B.V. and a part of the cash from the capital injection of Compact Midco 2 B.V. (via Compact Midco 3 B.V.) was then cascaded to Consolis through a shareholder financing. The back-to-back intra-Group loan receivables linked to the external funding of the Group are due in full on April 29, 2026. The interest is fixed to 6.58 percent and the accrued interest is payable in cash every six months.

Term Loan
On July 21, 2022, Consolis entered into a new term facility by certain of its subsidiaries, in a principal amount of EUR 30 million, with certain unaffiliated third-party lenders, thus securing additional liquidity headroom for the Group. The new facility matures on May 31, 2025 (if not repaid earlier), and accrues interest at a floating rate based on EURIBOR, with a 700 basis points margin. The new facility was borrowed by certain members of Consolis that are not guarantors of the Group's senior secured revolving credit facility or senior secured notes, and are incorporated in Germany, Poland and Spain. The new facility is secured over the shares of certain members of the Group incorporated in Germany, Norway, Poland and Spain, and guaranteed by such entities and their direct parent companies. It is also secured over certain real estate assets located in Germany, Norway and Poland. The aggregate market value of the real estate assets subject to security is estimated at approximately EUR 40 million.

Revolving credit facilities
In conjunction with the issue of the Bonds on May 7, 2021, Compact Bidco B.V (the parent company of Consolis Group S.A.S) entered into an agreement of a EUR 75 million Super Senior Revolving Credit Facility to manage ordinary cash swings in Consolis's business. The interest rate is relevant IBOR + 3.50 percent (subject to ratchet from February 7, 2022) and the termination date of this credit facility is November 7, 2025. The line is made up of a EUR 69 million Super senior RCF and a EUR 6 million Ancillary Facility. Syndicated banks are BNP, Credit Lyonnais, Natixis, Nordea and Societe Général.

Other loans
Other loans are bilateral facilities which include various loans with different durations and securities. These financing transactions are primarily variable-rate loans.

Note 24, cont.

Covenants
The Senior Secured Notes documentation includes a reporting covenant that requires the Issuer to publish a quarterly report within 60 days after the reporting period, an Annual Report within 120 after the reporting period and material events report. Quarterly reports and Annual report have been issued within the stipulated time frames. For 2023, no material events report was published, due to lack of such events. The key covenants are based on "incurrence" tests, which means that the covenants are tested upon the occurrence of an event rather than on an ongoing basis; failure to maintain a specified level of financial health will not cause a default so long as interest payments can be made. As a result, the incurrence covenants can only be violated as a result of a voluntary action, such as incurring debt, paying a dividend or otherwise distributing value outside the restricted group, making a non-controlling investment and a number of other scenarios. Consolis has not undertaken such actions during 2023.

Factoring
With regards to the factoring, see details in note 20 "Accounts receivable".

Currency exposure
The interest-bearing liabilities are primarily denominated in Euro. The Group holds financial liabilities in various other local currencies such as NOK, SEK and DKK without a material currency exposure on the Group consolidated financial statements.

Breakdown of borrowings and debts by maturity

2023-12-31 (€ in millions)	Less than 1 year	Between 1 and 5 years	5 years and more	Total
Non-current interest-bearing liabilities				
Shareholder loans	-	305.8	-	305.8
Lease liabilities	-	33.0	8.6	41.6
Term loan		30.0		30.0
Other non-current liabilities		20.0		20.0
Total non-current interest-bearing liabilities	**-**	**388.9**	**8.6**	**397.5**
Current interest-bearing liabilities				
Factoring[1]	33.0	-	-	33.0
Accrued interests	5.1	-	-	5.1
Revolving Credit Facilities	69.0	-	-	69.0
Current portion of long-term loans	0.2	-	-	0.2
Lease liabilities	14.6	-	-	14.6
Bank overdrafts	2.1	-	-	2.1
Total current interest-bearing liabilities	**124.0**	**-**	**-**	**124.0**
Total interest-bearing liabilities	**124.0**	**388.9**	**8.6**	**521.4**

1) Factoring is presented net of guarantee reserve.

2022-12-31 (€ in millions)	Less than 1 year	Between 1 and 5 years	5 years and more	Total
Non-current interest-bearing liabilities				
Shareholder loans	-	305.8	-	305.8
Lease liabilities	-	41.8	11.4	53.2
Other non-current loans	-	33.0	-	33.0
Total non-current interest-bearing liabilities	**-**	**380.6**	**11.4**	**392.0**
Current interest-bearing liabilities				
Factoring[1]	45.5	-	-	45.5
Accrued interests	4.7	-	-	4.7
Revolving Credit Facilities	15.0	-	-	15.0
Current portion of long-term loans	0.6	-	-	0.6
Lease liabilities	17.3	-	-	17.3
Bank overdrafts	1.1	-	-	1.1
Total current interest-bearing liabilities	**84.1**	**-**	**-**	**84.1**
Total interest-bearing liabilities	**84.1**	**380.6**	**11.4**	**476.1**

1) Factoring is presented net of guarantee reserve.

Change in borrowing and debts

(€ in millions)	2023	2022
Opening balance	**476.1**	**459.0**
Proceeds from borrowings	94.4	121.3
Repayments of borrowings	(27.0)	(81.1)
Repayments of lease liabilities	(19.6)	(16.2)
Change in factoring debt	(11.5)	(6.3)
Capital increase	-	(18.0)
Interest paid	(38.7)	(28.9)
Change in interest accrued from the period	42.0	29.5
Overdraft	1.3	(1.4)
Change in lease liabilities	6.1	(19.6)
Exchange rate differences	(1.7)	(4.1)
Closing balance	**521.4**	**476.1**

Derivatives
The only instruments used for hedging purposes are forward currency purchases and sales and currency swaps for currency risk hedging purposes. These instruments:
- are used solely for hedging purposes;
- are contracted solely with high-quality banks;
- carry no liquidity risk in the event of reversal.

The table below show aggregate notional amounts for each type of derivative used, split by residual maturity.

(€ in millions)	2023-12-31	2022-12-31
Foreign exchange forward contracts		
Market value	(0.2)	(0.1)
Nominal amount	4.7	4.3

Given the materiality of such hedging instruments, the Group did not perform sensitivity analysis to assess the impacts of a variation in the exchange rate euro against the hedged foreign currencies. Management estimates that the impacts will not be material.

Fair values of financial assets and liabilities

2023-12-31 (€ in millions)	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Interest-bearing liabilities excluding bank overdrafts	2023-12-31	-	521.4	-	521.4
Cash and cash equivalents including bank overdrafts	2023-12-31	55.2	-	-	55.2
Foreign exchange derivatives	2023-12-31	-	-	-	-

2022-12-31 (€ in millions)	Date of valuation	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Interest-bearing liabilities excluding bank overdrafts	2022-12-31	-	476.1	-	476.1
Cash and cash equivalents including bank overdrafts	2022-12-31	45.0	-	-	45.0
Foreign exchange derivatives	2022-12-31	-	-	-	-

The measurement methods and the major assumptions applied to determine the fair value of assets and liabilities are described in detail below.

Derivatives
The fair values of derivative instruments equal the prices that the Group would pay or receive if derivative contracts were sold. They are calculated using quoted prices. Where such prices are not available discounted cash flows using market data are utilized. Options are valued with a standard valuation model using market data.

Loans
The carrying amount of all these items corresponds to their fair value.

Trade payables and other liabilities and receivables
For trade payables and other not derivative-related liabilities and receivables, the fair values are assumed to equal their carrying amounts, given the short maturity of these items, discounting has no material effect.

25 Employee benefit obligations

The Group has defined benefit pension plans for all or part of the employees in Netherlands, France, Germany, Norway, Tunisia and Poland. In all other countries where the Group is operating, the post-employment benefit plans are defined contribution plans. The Group has appointed independent qualified actuaries to perform a valuation of its defined benefit pension plans. In countries where the Group offers defined benefit pension plans, the plans may take the form of pension schemes, end-of-career indemnities (legal or contractual), or other long-term benefits (jubilee awards). The defined benefit pension plans are not covered by any plan assets, except for Netherlands.

In Netherlands the employees are offered an average pay pension plan and a jubilee plan. Participants and employer contribute to the pension plan. In France the employees benefit from statutory retirement indemnities and seniority awards. Both plans consist in a lump sum payable to employees. In other countries, pension plans, retirement indemnities and jubilees are in place.

Pension expenses, defined benefit pension plans

2023 (€ in millions)	Netherlands	Other	Total
Current service cost	0.0	0.2	0.2
Interest on obligation	4.3	0.2	4.5
Interest income	(3.8)	-	(3.8)
Actuarial loss/gain	0.4	(0.2)	0.3
Total cost of defined benefit pension plans before tax	**0.9**	**0.2**	**1.2**
Whereof reported in:			
the income statement	0.5	0.4	0.9
other comprehensive income	0.4	(0.2)	0.3

2022 (€ in millions)	Netherlands	Other	Total
Current service cost	(0.0)	0.0	0.0
Interest on obligation	2.1	0.1	2.2
Interest income	(1.9)	-	(1.9)
Actuarial loss/gain	(2.5)	(0.4)	(2.9)
Total cost of defined benefit pension plans before tax	**(2.3)**	**(0.3)**	**(2.6)**
Whereof reported in:			
the income statement	0.2	0.1	0.3
other comprehensive income	(2.5)	(0.4)	(2.9)

Defined benefit pension plans

2023-12-31 (€ in millions)	Netherlands	Other	Total
Defined benefit obligation, funded plans	110.3	-	110.3
Fair value of plan assets	(98.2)	-	(98.2)
Provision for pensions, funded plans	**12.0**	**-**	**12.0**
Defined benefit obligation, unfunded plans	-	4.3	4.3
Provision for pensions, unfunded plans	**-**	**4.3**	**4.3**
Pension provision for defined benefit plans, net	**12.0**	**4.3**	**16.3**

Note 25, cont.

2022-12-31 (€ in millions)	Netherlands	Other	Total
Defined benefit obligation, funded plans	104.7	-	104.7
Fair value of plan assets	(92.8)	-	(92.8)
Provision for pensions, funded plans	**11.9**	**-**	**11.9**
Defined benefit obligation, unfunded plans	-	4.4	4.4
Provision for pensions, unfunded plans	**-**	**4.4**	**4.4**
Pension provision for defined benefit plans, net	**11.9**	**4.4**	**16.3**

Movement in defined benefit pension plans

2023-12-31 (€ in millions)	Present value of obligation	Fair value of plan assets	Net
Opening balance	**109.1**	**(92.8)**	**16.3**
Current service cost	0.2	-	0.2
Past service costs and gains/losses on settlements	(0.0)	-	(0.0)
Interest expense/income	4.5	(3.8)	0.7
	113.9	**(96.7)**	**17.3**
Actuarial gains/losses attributable to:			
Return on plan assets	-	(5.1)	(5.1)
Changes in financial assumptions	5.4	-	5.4
Changes in demographic assumptions	(0.1)	-	(0.1)
Experience assumptions	-	-	-
	5.4	**(5.1)**	**0.3**
Plan combinations	-	-	-
Employer contributions	-	(0.8)	(0.8)
Employer direct benefit payments	-	(0.3)	(0.3)
Benefit payments from plan assets	(4.3)	4.3	-
Benefit payments from employer	(0.3)	0.3	-
Exchange rate differences	(0.1)	-	(0.1)
Closing balance	**114.5**	**(98.2)**	**16.3**

2022-12-31 (€ in millions)	Present value of obligation	Fair value of plan assets	Net
Opening balance	**155.2**	**(134.6)**	**20.6**
Current service cost	0.0	-	0.0
Past service costs and gains/losses on settlements	-	-	-
Interest expense/income	2.2	(1.9)	0.3
	157.4	**(136.5)**	**20.9**
Actuarial gains/losses attributable to:			
Return on plan assets	-	40.3	40.3
Changes in financial assumptions	(50.4)	-	(50.4)
Changes in demographic assumptions	1.0	-	1.0
Experience assumptions	6.2	-	6.2
	(43.2)	**40.3**	**(2.9)**
Plan combinations	(0.5)	-	(0.5)
Employer contributions	-	(0.8)	(0.8)
Employer direct benefit payments	-	(0.3)	(0.3)
Benefit payments from plan assets	(4.1)	4.1	-
Benefit payments from employer	(0.3)	0.3	-
Exchange rate differences	(0.1)	-	(0.1)
Closing balance	**109.1**	**(92.8)**	**16.3**

All of the plan assets are attributable to Netherlands and fully held by insurance company for actual and previous year.

Key assumptions

Discount rates

The discount rate reflects the estimated timing of benefit payments and is used for measuring the present value of the obligation. A fluctuation in the discount rate will have material impact on the pension obligation but will also impact the interest income and expense reported in the finance net. To determine the discount rate, the Mercer Yield Curve are used. The currency and term of the corporate bonds should be consistent with the currency and estimated term of the post-employment benefit obligations. In countries where no deep corporate bond market exist, the discount rate are based on the yield of long-term government bonds.

For Netherlands that represent 74% of total Employee benefit obligations, the discount rate has been calculated using the actual cash flows of the plans, while for other Eurozone plans the standard cash flows are used.

Inflation and Salary increase

The inflation assumptions represent the company's long term view of inflation. A long term inflation assumption in the Eurozone would typically be in line with the long term target of the European Central Bank, of close but lower than 2.00%. Considering market implied inflation and consensus economic forecasts a long term inflation assumption of 2.20% was adopted in the Eurozone, reflecting the inflation expectations compared to previous years.

Salary increase assumptions represents the company's long term view of salary increases. A range of 0.00-1.00% in excess of inflation would typically be deemed reasonable in Eurozone, depending on the view of the Company.

In Netherlands, the inflation and salary increase have been adjusted upwards to reflect short-term expectations.

Weighted average

	Group		Netherlands	
	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Discount rate, %	3.66	4.23	3.60	4.20
Inflation rate, %	2.23	2.23	2.20	2.20
Salary increase, %	3.00	3.00	2.99	2.99

The duration for the main pension plan in Netherlands are 12 years.

Sensitivity analysis

The table below shows how much the present value of defined benefit pension obligation will change if the discount rate changes;

	Group		Netherlands	
(€ in millions)	2023-12-31	2022-12-31	2023-12-31	2022-12-31
Discount rate +0.25%	(3.7)	(3.4)	(3.6)	(3.1)
Discount rate -0.25%	3.9	3.1	3.8	3.3

The Group expects to make contributions of approximately € 0.9 million to the plans during 2024.

26 Provisions

(€ in millions)	Provisions from restructuring 2023-12-31	Provisions from restructuring 2022-12-31	Provisions from environment 2023-12-31	Provisions from environment 2022-12-31	Other provisions 2023-12-31	Other provisions 2022-12-31	Total 2023-12-31	Total 2022-12-31
Opening balance	**3.1**	**2.5**	**7.1**	**7.6**	**5.9**	**6.9**	**16.1**	**16.9**
New/extended provisions	9.4	1.9	0.0	0.0	5.6	2.7	15.1	4.7
Reversal of provisions	(0.8)	(1.2)	(0.2)	(0.4)	(3.8)	(3.6)	(4.7)	(5.1)
Exchange rate differences	0.1	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	(0.2)	(0.4)
Closing balance	**11.7**	**3.1**	**6.9**	**7.1**	**7.6**	**5.9**	**26.3**	**16.1**
Of which non-current provisions	6.1	0.6	6.6	6.8	2.8	3.3	15.5	10.7
Of which current provisions	5.6	2.4	0.3	0.3	4.9	2.7	10.8	5.4

Restructuring provisions
In 2023, the additional restructuring provisions are mainly related to a new program that was launched in Sweden and Finland during the year. The restructuring costs are related to personnel, running expenses for closed factories and costs associated to the operational reorganization. Reversal of provision is related to cash out of restructuring charges from previous years. The cash out from the new provisions are expected to happen mainly during 2024.

Environment provisions
The sites for which an environment provision has been established mainly correspond to those subject to specific obligations for asbestos removal and groundwater remediation, probable outflow obligations or dismantling obligations at the end of the lease. These sites are mainly located in France, Finland and Netherlands.

Other provisions
The additional provision during 2023 are mainly connected to project related disputes and guarantees provisions in Finland and Sweden.

Reversal of provision is mostly related to reduction of provision for disputes in Finland. Most of the provision at year-end are expected to be settled during 2024.

27 Accrued expenses

(€ in millions)	2023-12-31	2022-12-31
Accruals on purchases	7.4	13.7
Accrued bonus expenses	6.2	4.0
Accrued guarantee costs	1.7	2.4
Accrued service fees	0.5	0.6
Accrued restructuring costs	0.8	2.8
Other accruals	7.2	11.8
Total	**23.8**	**35.3**

28 Other liabilities

(€ in millions)	2023-12-31	2022-12-31
VAT payables	18.4	28.7
Personnel taxes	21.8	24.0
Other personnel related liabilities	24.8	27.2
Other liabilities	15.1	15.7
Total	**80.1**	**95.6**

29 Financial instruments and financial risk management

Capital Management - Balance sheet structure and cost of capital
The balance sheet and capital structure of the Group should be maintained strong enough to ensure the Group's ability to fund its operations in all business conditions. The Chief Financial Officer is responsible for the equity and interest bearing liabilities structure of the Group companies. Group Treasury supports the Chief Financial Officer in this task. The Group does not set separate equity ratio or gearing targets to its subsidiaries but it takes into account the specific local conditions of each of them.

The Group companies are responsible for optimizing return on the capital employed. Group Treasury is responsible for minimizing the cost of external debt with respect to the limits defined in the financing and interest rate risk management principles of the Treasury Policy.

Currency risk management
The Group has operations in several countries, mainly in Europe. The Group entities operate to a large extent in their local markets and, consequently, purchases and sales are mainly denominated in their own local currency. The objective of the foreign exchange risk management is to mitigate the adverse effects caused by fluctuations in exchange rates on the Group's cash flows and earnings.

In the course of its operations, the Group is exposed to currency risk in commercial tenders in foreign currency, awarded contracts and any future cash-out transactions in foreign currency. Currency risk management is centralized at Group Treasury level, which is the counter party of the subsidiaries in the hedging operations. The subsidiaries are responsible for identifying and hedging their positions with Group Treasury and Group Treasury is responsible for identifying and hedging the consolidated net position. The most significant currency exposures relate to operations in:

- Europe with Danish Krone (DKK), Hungarian Forint (HUF), Norwegian Krone (NOK), Polish Zloty (PLN), Romanian Leu (RON) and Swedish Krona (SEK)
- Emerging markets countries with Egyptian Pound (EGP), Indonesian Rupiah (IDR), Moroccan Dirham (MAD) and Tunisian Dinar (TND), Malaysian Ringgit (MYR).

Note 29, cont.

Hedging activities are focused on the transaction risk exposure arising from assets and liabilities denominated in other currencies than the functional currency. The Group does not hedge its conversion exposure. Even if the overall foreign exchange currency exposure is limited, the Group uses foreign exchange forward and option contracts (calls and/or puts) when needed to hedge a foreign exchange risk on some specific transactions. The Group does not apply hedge accounting. As of December 31, 2023, all of these contracts also had a maturity of less than twelve months and their market values were nil, EUR 0.0 million (0.0).

For the year ended December 31, 2023 and 2022, a currency appreciation of 10 percent would have impacted net sales by:

(€ in millions)	2023-12-31	2022-12-31
Change in EUR exchange rate	+/- 10%	+/- 10%
Impact on sales	+/- 52.2	+/- 64.8

The sensitivity analysis is based on net sales denominated in currency other than Euro. Thus, the sensitivity analysis excludes future exposures (for example forecasted highly probable contracted future cash flows or other forecasted currency cash flows). The reasonable possible change in exchange rates has been estimated to 10 percentage points in the value of the euro against the local currencies. The following table summarizes the principal exchange rates that have been used for translation purposes.

Consolidated statement of income (average rate)

Country	In EUR	2023-12-31	2022-12-31
Denmark	DKK - Danish Krone	7.45	7.44
Hungary	HUF - Hungarian Forint	381.85	391.29
Norway	NOK - Norwegian Krone	11.42	10.10
Poland	PLN - Polish Zloty	4.54	4.69
Romania	RON - Romanian Leu	4.95	4.93
Sweden	SEK - Swedish Krona	11.48	10.63
Egypt	EGP - Egyptian Pound	33.01	20.06
Indonesia	IDR - Indonesian Rupiah	16,479.62	15,625.25
Morocco	MAD - Moroccan Dirham	10.95	10.68
Tunisia	TND - Tunisian Dinar	3.35	3.24
Malaysia	MYR - Malaysian Ringgit	4.93	4.63

Consolidated statement of position (closing rate)

Country	In EUR	2023-12-31	2022-12-31
Denmark	DKK - Danish Krone	7.45	7.44
Hungary	HUF - Hungarian Forint	382.80	400.87
Norway	NOK - Norwegian Krone	11.24	10.51
Poland	PLN - Polish Zloty	4.34	4.68
Romania	RON - Romanian Leu	4.98	4.95
Sweden	SEK - Swedish Krona	11.10	11.12
Egypt	EGP - Egyptian Pound	34.22	26.18
Indonesia	IDR - Indonesian Rupiah	17,079.71	16,519.82
Morocco	MAD - Moroccan Dirham	10.89	11.16
Tunisia	TND - Tunisian Dinar	3.39	3.32
Malaysia	MYR - Malaysian Ringgit	5.07	4.71

Interest rate risk management
The Group's interest rate risk arises from uncertainty created by changes in interest rates affecting the value of the Company, cash flows and financial expenses. The management of interest rate risk is the responsibility of the Group Treasury.

Interest rate sensitivity

The following table shows how the Group debt would be affected if EURIBOR increases or descreases with 1 percentage points.

	Net debt	+1 pp.	-1 pp.
As of 2023-12-31	464.1	1.8	(1.9)
As of 2022-12-31	430.1	1.5	(1.1)

Liquidity risk management
Liquidity risk arises when the finance sources available for a company are insufficient for covering business operations or when funding would turn out to be unreasonably costly. To manage this risk, the Group aims at building and maintaining long-term relationships with financial institutions, balancing the debt maturities over different periods and limiting the concentration over a limited number of financial institutions. The additional working capital and investment financing needs are covered by committed facilities. The Group follows up its liquidity on a regular basis and prepares Group-wide liquidity forecasts to monitor cash available at all time. As of December 31 Cash and cash equivalents amounted to EUR 57.3 million (46.0).

The Group's forecasts and projections, taking into account reasonably possible changes in operating performance, indicate that the Group has sufficient financial resources, together with assets that are expected to generate free cash flow to the Group. As a consequence, the Group has reasonable expectation to be well placed to manage its business risks and to continue in operational existence for the foreseeable future (at least for the twelve month period starting from April 25, 2024). Accordingly, the Group continues to adopt the going concern basis in preparing the consolidated financial statements.

Credit risk management
Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or a customer contract, leading to a loss. Credit risk arises in Group's normal business activities and is on the responsibility of the Group's operative companies. In order to manage the credit risks related to financial transactions, the Group operates with those counter parties that have sufficient credit ratings and uses highly liquid instruments. In various countries, an insurance has been subscribed with some leading credit insurance companies.

Inflation risk management
The cost for components used in the production process such as raw material (for example steel and cement), labour and energy prices are all impacted by the inflationary environment that have been increasing during 2023. In an inflationary environment, it is important for Consolis to have rigorous processes for its cost calculations encompassing updated cost assumptions, as well as to use appropriate commercial terms with various cost pass-through mechanisms, to protect profit margins.

30 Pledged assets and contingent liabilities

Pledged assets

(€ in millions)	2023-12-31	2022-12-31
Real estate mortgages	19.2	27.2
Shares	328.3	709.7
Other mortgages	73.6	115.5
Bank accounts	-	-
Responsibilities for own commercial commitments	77.4	95.5
Total	**498.6**	**947.8**

Pledged assets
Real estate mortgages comprises security in certain real estates for local loans in some markets.

Share include the net book value on the shared pledges under the senior secure notes and RCF (2021 refinancing) and 2022 Term loan.

Other mortgages comprises factoring receivables.

Commercial commitments
As part of its business, the Group is often required to issue performance guarantees in favour of customers during the tendering process, for the correct execution of contracts or obligations of technical guarantees. Some of these commitments require bank guarantees or insurance bonds issued on the Group credit lines under the form of bid, advance payment, performance or warranty bonds. Some of these commitments require the bank guarantees or insurance bonds issued on the Group's credit lines, without the form of guarantees of submission, repayment of instalments, performance or quality.

Contingent liabilities

Claims & litigations
Certain subsidiaries included in the Group have been subject to claims from direct or indirect customers relating to technical or commercial disputes. Based on management's risk assessment as of December 31, 2023, management believes it has sufficient grounds to defend its economic interests and the unfavourable outcomes have been not been deemed as more likely than not. These claims relate mainly to Morocco for a total exposure of approximately EUR 5 million.

Environmental
The Group is also exposed to environmental risks in certain of its industrial sites. These contingent liabilities relate to remediation and decommissioning costs, primarily asbestos removal, depollution and other clean-up costs for which the Group has currently no probable obligation. The Group estimates the exposure to approximately EUR 2.4 million.

31 Transactions with related parties

The related parties of Consolis are its shareholders and their subsidiaries. For list of subsidiaries please refer to note 32. For remuneration to senior management please refer to note 5.

Consolis Holding S.A.S. is ultimately owned by Bain Capital at 95% as of December 31, 2023. Bain Capital means Bain Capital, L.P. and its affiliates and, where applicable, the funds and limited partnerships managed or advised by them. The remaining part is owned by other investors and management.

Transaction with related parties

(€ in millions)	2023-12-31	2022-12-31
Net Sales	0.0	0.0
Overheads and admin costs	(0.5)	(0.6)
Finance net	(20.9)	(18.2)
Total	**(21.4)**	**(18.8)**

Balance sheet positions with related parties

(€ in millions)	2023-12-31	2022-12-31
Non-current financial liabilities	(305.5)	(305.6)
Current financial liabilities	(3.7)	(3.7)
Trade payables and other liabilities	0.0	(0.1)
Total	**(309.2)**	**(309.3)**

All significant balances and transactions between the entities that constitute the Consolis Group have been eliminated in the preparation of the consolidated financial statements. These balances with related parties resulted primarily from entities that are part of Compact BC S.a.rl. Group:

- Transaction as the sale and purchase of goods between group entities (also with discontinued operations);
- Outstanding balances: the invoicing of administrative services, rentals, trademarks and commercial name rights, royalties and other services rendered between group entities;
- Loans between related parties. Transactions between group entities are conducted on arm's length terms based on market prices and conditions. When market prices and/or market conditions are not readily available.

Consolis conducts transfer pricing studies in the countries in which it operates to assure compliance with regulations applicable to transactions between related parties.

All transactions with related parties are executed under market conditions. There were no financial loans granted to the management members of the parent company nor were there any collateral or liability commitments given to them as of December 31,2023.

Shareholder loans and refinancing 2021
On May 7, 2021, Compact Bidco B.V. (the parent company of Consolis Holding S.A.S) issued EUR 300 million Senior Secured Notes (Bonds) listed at The International Stock Exchange "TISE" in Guernsey. The fixed interest on the Bonds is 5.75 percentage and the interest is payable twice a year. The Bonds are due on May 1, 2026. The proceeds from the bond emission was cascaded down to Consolis as Shareholder loans. In conjunction with the bond emission a new loan (PIK Loan) amounting to EUR 50 million were raised by Compact Midco 2 B.V., parent of Compact Bidco B.V. and Consolis, from GSO. The cash was then cascaded to Compact Bidco B.V. by capital injection. The debt included in the books of Compact Bidco B.V. and a part of the cash from the capital injection of Compact Midco 2 B.V. (via Compact Midco 3 B.V.) was then cascaded to Consolis through a shareholder financing. The back-to-back intra-Group loan receivables linked to the external funding of the Group are due in full on April 29, 2026. The interest is fixed to 6.58 percent and the accrued interest is payable in cash every six months.

32 Shares in subsidiaries

As of December 31, 2023 and 2022, the scope of consolidation was as follows:

		2023		2022	
Group Companies	Country	Ownership % Group	Consolidation Method	Ownership % Group	Consolidation Method
Consolis Holding S.A.S. (formerly Consolis Group S.A.S.)	France	100.00	Parent company	100.00	Parent company
Addtek Holding International AB	Sweden	100.00	Full	100.00	Full
Addtek International AB	Sweden	100.00	Full	100.00	Full
ASA Cons Romania SRL	Romania	100.00	Full	100.00	Full
ASA Èpítoipari Kft	Hungary	100.00	Full	100.00	Full
BBMP SA	Tunisia	89.23	Full	89.23	Full
Betonika UAB	Lithuania	100.00	Full	100.00	Full
Bonna Travaux Pression	France	99.99	Full	99.99	Full
Bonna Tunisie SA	Tunisia	91.03	Full	91.03	Full
Bouwstoffen Industrie Weurt B.V	The Netherlands	100.00	Full	100.00	Full
CES OÜ	Estonia	-	-	100.00	Full
CES Romania Srl	Romania	100.00	Full	100.00	Full
Compact France	France	-	-	100.00	Full
Consolis Iberica Holding S.L.U	Spain	100.00	Full	100.00	Full
Condita GmbH	Germany	100.00	Full	100.00	Full
CES Polska Sp. Z.o.o.	Poland	100.00	Full	100.00	Full
Consolis Denmark A/S	Denmark	100.00	Full	100.00	Full
Consolis Elements Sverige AB	Sweden	100.00	Full	100.00	Full
Consolis Finance SAS	France	100.00	Full	100.00	Full
Consolis International SAS	France	100.00	Full	100.00	Full
Consolis Latvija SIA	Latvia	100.00	Full	100.00	Full
Consolis Malaysia Sdn. Bhn	Malaysia	100.00	Full	100.00	Full
Consolis Oy Ab	Finland	100.00	Full	100.00	Full
Consolis Polska Sp. Z.o.o.	Poland	100.00	Full	100.00	Full
Consolis SAS	France	100.00	Full	100.00	Full
Consolis VBI (formerly Consolis Netherlands BV)	The Netherlands	100.00	Full	100.00	Full
DW Beton GmbH	Germany	100.00	Full	100.00	Full
DW Systembau GmbH	Germany	100.00	Full	100.00	Full
E-Betoonelement OÜ	Estonia	100.00	Full	100.00	Full
ECPC Plc	Egypt	60.00	Full	60.00	Full
Leenstra Machine en Staalbouw B.V.	The Netherlands	100.00	Full	100.00	Full
Nebi Verkoopmaatschappij B.V.	The Netherlands	100.00	Full	100.00	Full
OOO Betoonelement SpB	Russia	100.00	Full	100.00	Full
Parastek Holding Oy	Finland	100.00	Full	100.00	Full
Parma Oy	Finland	100.00	Full	100.00	Full
Philbert Tunisie SA	Tunisia	91.71	Full	91.71	Full
Prefabricados Tecnyconta S.L	Spain	100.00	Full	100.00	Full
PT Bonna Indonesia	Indonesia	51.00	Full	51.00	Full
Sateba Maroc Srl	Morocco	100.00	Full	100.00	Full
Spaencom A/S	Denmark	100.00	Full	100.00	Full
Spaencom Betonfertigteile GmbH	Germany	100.00	Full	100.00	Full
Spaencom Betonfertigteile Verwaltungs GmbH	Germany	100.00	Full	100.00	Full
Spanbeton N.V.	Belgium	100.00	Full	100.00	Full
Spanbeton Onroerend Goed B.V.	The Netherlands	100.00	Full	100.00	Full
Spenncon A/S	Norway	100.00	Full	100.00	Full
Strängbetong AB	Sweden	100.00	Full	100.00	Full
T.C.R. SAS	France	100.00	Full	100.00	Full
Tonful AB	Sweden	100.00	Full	100.00	Full
Tonful Oy	Finland	100.00	Full	100.00	Full

Note 32, cont.

Group Companies	Country	2023 Ownership % Group	2023 Consolidation Method	2022 Ownership % Group	2022 Consolidation Method
Tubo Fabrega SA	Spain	100.00	Full	100.00	Full
Tuyax Bonna SA, Geneve (formerly Bonna Genève SA)	Switzerland	99.99	Full	99.99	Full
VBI Huissen B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Kampen B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Koudekerk (formerly Spanbeton B.V.)	The Netherlands	100.00	Full	100.00	Full
VBI Ontwikkeling B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Oss B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Schuilenburg B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Verkoopmaatschappij B.V.	The Netherlands	100.00	Full	100.00	Full
VBI Verenigde Bouwprodukten Industrie B.V	The Netherlands	-	-	100.00	Full
Verbin Baufertigteile GmbH	Germany	100.00	Full	100.00	Full
Waalwijk Elementen Betonindustrie B.V	The Netherlands	100.00	Full	100.00	Full
ZAO Parastek Beton	Russia	100.00	Full	100.00	Full

33 Significant events after the reporting period

After the period was closed, on January 8, Consolis Dutch subsidiaries Spanbeton Onroerend Goed B.V. and VBI Koudekerk B.V. entered a sale leaseback transaction in the Netherlands. VBI group will as part of the transaction invest in a new factory at the property which is the subject of the transaction. The transaction added approximately € 30 million of liquidity to Consolis Group. The annual rent for the property will be € 2.3 million and paid quarterly in advance.

During beginning of 2024 the Group, at level of Compact Bidco B.V. the parent company of Consolis SAS, entered into a transaction with its largest stakeholders. Compact Bidco B.V., a private company with limited liability (besloten vennootschap met beperkte aansprakelijkheid) incorporated under the laws of the Netherlands (the "Company", and together with its subsidiaries, the "Group") is pleased to announce that it has agreed a comprehensive recapitalisation transaction of holders of its € 300 million 5.75 percent senior secured notes due 2026 (the "SSNs") by value, all of its super senior Revolving Credit Facility (the "RCF") lenders, all of the lenders under the PIK loan made to its indirect parent company (the "Holdco PIK Loan"), and certain affiliates of Bain Capital Private Equity, LP, the current ultimate shareholders of the Company (the "Sponsor").

When completed, the recapitalisation is expected to refinance the Group's existing capital structure, implement an extension of its super senior RCF, provide the Group with € 115 million of additional liquidity, and significantly deleverage its balance sheet. The recapitalisation Transaction is expected to put the Group in a strong position with a robust capital structure to execute on its strategy and benefit from the market recovery.

The key transaction highlights are:

1) the provision of € 70 million of interim liquidity (the "Interim Facilities"), the first tranche of which has already been funded (the "Bridge Facility") with a second tranche (the "Liquidity Facility"), expected to be funded by early June, subject to certain funding criteria being met. The Interim Facilities will provide the Group with sufficient liquidity while the Transaction is implemented;

2) the provision of € 186 million of new funding at close of the Transaction to the Group as a new senior secured facility (the "Exit Financing"). The proceeds of the Exit Financing will be used to refinance the Interim Facilities, refinance certain other facilities throughout the Group, and provide the business with €45m of additional liquidity to fully fund the Group's business plan;

3) a significant deleveraging of the Group through a debt-for-equity swap of all of its SSNs and the removal of the PIK loan;

4) three year extension of the RCF maturity until 2028; and

5) a material reduction in cash pay interest payable by the Company to further improve liquidity and cashflow, used to fund investment into the business.

The Transaction is currently expected to complete by Q3 of this year and will be subject to regulatory approvals and other customary conditions. Consolis expects that the required approvals and conditions will be meet within this timeframe.

34 Alternative performance measures

Consolis presents certain financial measures in the annual and sustainability report that are not defined according to IFRS and qualifies as non-GAAP measures. The Company believes that these measures provide valuable supplemental information to stakeholders and the Company's management as they allow for evaluation of trends and the Company's performance. Since all companies do not calculate financial measures in the same way these are not always comparable to measures used by other companies. These financial measures should therefore not be considered as a replacement for measurements as defined under IFRS.

Metric	Definition	Purpose
Order book	Order agreed with costumer	The key figure used to monitor revenues expectation for coming periods
Order intake	Signed contracts in the period	The key figure used to monitor revenues expectation for coming periods
Book-to-bill	Ratio between the period's order intake and sales	The key figure used to monitor revenues expectation on evaluation of the order book. A ratio of 1 or more indicates a growing order book. where a ratio below 1 indicates that we "consume" more orders than we take in
Growth (%)	Growth consists of the increase in sales in relation to the comparative period. The period's increase in net sales/Net sales in the period of comparison	This key figure is used to follow up the company's sales increase
Acquired growth (%)	The period's net sales growth from acquisitions/the comparative period's net sales	The key figure used to monitor the proportion of the company's sales growth generated through acquisitions"
Foreign exchange (fx) effect on growth (%)	The increase in net sales for the period attributable to change in exchange rates/Net sales in the comparative period	The key figure used to monitor the proportion of the company's sales growth generated through exchange rate fluctuations
Organic growth (%)	The increase in net sales for the period adjusted for acquisitions and exchange rates/Net sales in the comparative period	This key figure is used when analysing underlying sales growth driven by comparable operations between different periods
Operating profit (EBIT)	Profit for the period before financial items and tax Total operating income – Operating expenses	The key figure used to monitor the company's profit generated by operating activities. This key figure enables comparisons of profitability between companies/industries
Items affecting comparability	Items related to events in the company's operations that impact comparability with profit during other periods	The key figure of Items affecting comparability is used to achieve a fair comparison of the underlying development of business operations
EBITDA	Operating profit before depreciation, amortization and impairment of intangible and tangible assets Operating profit (EBIT) + Depreciation, amortization and impairment of tangible and intangible assets	The key figure used to follow up the company's profit generated by operating activities. This key figure enables comparisons of profitability between companies/ industries
Adjusted EBITDA	Operating profit before depreciation/amortization and impairment of intangible and tangible assets adjusted for items from such events in the company's operations that affect comparisons with profit from other periods EBITDA + Items affecting comparability	The key figure of items affecting comparability is used to achieve a fair comparison of the underlying development of business operations
Operating cash flow	Total cash flow from operating activities excluding tax, net financial items and items affecting comparability, as well as cash flow from investing activities excluding acquisitions and divestments of operations Adjusted EBITDA + Changes in working capital + Cash flow from investing activities excl. acquisitions and divestments of subsidiaries + adjustments for cash flow from investing activities related to increased capacity/growth	This key figure shows the cash flow from the company's operations excluding business combinations, company divestments, financing, tax and items affecting comparability and is used to follow up whether the company is able to generate a sufficiently positive cash flow to maintain and expand its operations
Free Cash flow	Total cash flow from operating activities and cash flow from investing activities excluding acquisitions and divestments of operations Cash flow from operating activities + Cash flow from investing activities excluding acquisitions and sales of subsidiaries	This key figure shows cash flow from operating activities including cash flow from investing activities excluding acquisitions and divestments of operations and is used because it is a relevant measure for investors to be able to understand the Group's cash flow from operating activities
Cash conversion (%)	Cash conversion as a percentage is defined as operating cash flow divided by adjusted EBITDA Operating cash flow/Adjusted EBITDA	The key figure used as an efficiency measure of the proportion of a company's profit that is converted to cash. Cash conversion is mainly followed on a twelve month basis
Net debt	The Group's interest-bearing liabilities excluding pension provisions adjusted for cash and cash equivalents Interest-bearing liabilities – cash and cash equivalents	This key figure is a measure of the company's debt/equity ratio and is used by the company to assess its capacity to meet its financial commitments
Net debt / Adjusted EBITDA LTM	Net debt/Adjusted EBITDA LTM is a measure of the debt/equity ratio defined as the closing balance for net debt in relation to last twelve months adjusted EBITDA	The key figure used to monitor the level of the company's indebtedness

Note 34, cont.

Reconciliation alternative performance measures

(€ in millions)	Ref	2023-12-31	2022-12-31
Adjusted EBITDA			
Net Profit or Loss from continued operations	PL	(61.5)	(30.6)
Adjusted for:			
Financial loss / (income)	PL	43.3	38.1
Income taxes	PL	8.7	10.8
Operating profit	PL	**(9.5)**	**18.4**
Depreciation and amortization	6	41.9	44.2
(Profit) loss from sale of fixed assets	9	(1.9)	(0.7)
Restructuring costs	9	15.9	6.7
Impairment loss / (reversal)	9	13.8	7.4
Other items	9	7.2	-
Adjusted EBITDA		**67.4**	**75.9**
Adjusted EBITDA margin			
Adjusted EBITDA		67.4	75.9
Net Sales	PL	1,044.0	1,295.4
Adjusted EBITDA margin		**6.5%**	**5.9%**
Free cash flow			
Net cash from (used in) operating activities - continued operations	CFS	36.5	48.8
Investments in property, plant and equipment	CFS	(14.4)	(15.3)
Investments in intangible assets	CFS	(1.1)	(1.8)
Free cash flow		**21.0**	**31.7**
Operating cash flow			
Adjusted EBITDA		67.4	75.9
Cash flow from working capital	CFS	(7.6)	(9.9)
Investments in property, plant and equipment	CFS	(14.4)	(15.3)
Investments in intangible assets	CFS	(1.1)	(1.8)
Operating cash flow		**44.3**	**48.8**
Cash conversion			
Operating cash flow		44.3	48.8
Adjusted EBITDA		67.4	75.9
Cash conversion		**65.7%**	**64%**
Order book			
Remaining performance obligations	4	543.0	675.2
Items not meeting IFRS 15 definition		(0.6)	(1.2)
Order book		**542.4**	**674.0**

Approval of financial statements

These consolidated financial statements for the year ended December 31, 2023, were authorized for issuance by the President of Consolis Holding S.A.S. on May 23, 2024. The President declare that the consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU and give a true and fair view of the Group's financial position and results of operations.

May 23, 2024

Mikael Stöhr
President of Consolis Holding S.A.S

Auditor’s report

To the President of Consolis Holding S.A.S. siren number 483 537 122

Report on the consolidated financial statements

Opinions

We have audited the consolidated financial statements of Consolis Holding S.A.S. for the year 2023. The consolidated financial statements are included on pages 72-101 in this document.

In our opinion, the consolidated accounts have been prepared and present fairly, in all material respects, the financial position of the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor’s Responsibilities section. We are independent of Consolis Group SAS and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Emphasis of Matter

We would like to draw your attention to the information provided in Note 14 of the Annex to the financial statements. In the note, the impairment test of goodwill and other assets with indefinite life is disclosed including a sensitivity analysis regarding the effects on changes in significant assumptions and parameters. As disclosed in this note the Group has deviated from their forecast in the past and, in case the EBITDA and Revenues forecast deviates in the same proportion as in prior year further impairment would occur in multiple cash generating units. We have not modified our statement because of this.

Responsibilities of the President

The President is responsible for the preparation of the consolidated financial statements and that they give a fair presentation in accordance with IFRS as adopted by the EU. The President is also responsible for such internal control as they determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, The President is responsible for the assessment of the company’s and the group’s ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the President intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor’s responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated 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 opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden 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.

As part of an audit in accordance with ISAs, 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, 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 opinions. 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 the company’s and the group’s internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company’s and the group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the President.
- Conclude on the appropriateness of the President’ use of the going concern basis of accounting in preparing the consolidated financial statements. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company’s and the group’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 or, if such disclosures are inadequate, to modify our opinion about the consolidated financial statements. 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 a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and 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 opinions.

We must inform the President of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Stockholm 23 May 2024

PricewaterhouseCoopers AB

Patrik Adolfson
Authorized Public Accountant

Detailed sustainability information

The Consolis Annual Report 2023 is the third edition of the Group's joint sustainability report, and can be found on page 40-65 and 106-116. The companies included in the report are presented in Note 32.

Overall responsibility for the annual Consolis Sustainability Report lies with the Consolis Supervisory Board. Consolis' CEO and Executive Management Team are responsible for integrating group-wide sustainability initiatives into Consolis' business strategy and operations. The Executive Management Team is responsible for monitoring, reporting and ensuring the performance and result.

The Consolis Sustainability Committee sets the Group's sustainability agenda, develops the management approach for each material topic and ensures that sustainability is an integral aspect of the Consolis Code of Conduct, operations, strategy, training, and communication.

The Sustainability Committee ensures that management's approach towards material topics includes necessary components (e.g. policies, responsibilities, resources, etc.) and sets the overall ambition level, targets and activities in order to make sure sustainability ambitions and targets are met. Responsibilities also include stakeholder dialogues and close monitoring of macrotrends and drivers. The Business and Group functions carry out key sustainability activities and report on progress, performance and results.

The Sustainability Committee and the Consolis Executive Management Team regularly review and evaluate the effectiveness of management's approach for the Group's material topics and all sustainability initiatives, and confirm any sustainability or environmental related certificates.

Governing documents

Consolis Policy Book and policies included therein are approved by the Consolis Supervisory Board. The main policies are as follows:

- Consolis Communication Policy
- Consolis Finance Policies
  - Treasury Policy
  - Reporting Policy
  - Risk Management and Internal Control Policy
- Consolis Health & Safety Policy
- Consolis HR Policy
- Consolis IT Policies
  - IT Policy
  - Information Security Policy
- Consolis Legal Policies
  - Alert Channel Policy
  - Anti-Corruption Policy
  - Anti-Money Laundering Policy
  - Competition Compliance Policy
  - Decision-Making Policy
  - Data Privacy Policy
  - Sanctions And Export Control Policy
- Consolis Production Policy
- Consolis Quality Policy
- Consolis Sustainability Policy
- Consolis Technology Policy

Consolis Policy Book is supplemented by Consolis Code of Conduct. The principles of Consolis Code of Conduct are based on Consolis shared values, sustainability focus areas, international legislation, standards and agreements, taking the UN Global Compact and the OECD's guidelines for multinational companies into account. The current Consolis Code of Conduct was approved by the Supervisory Board and rolled out and implemented throughout the organization during 2022 through e-learning and on-site training. Training is done on an on-going basis for new employees. In addition, a new Consolis Supplier Code of Conduct was implemented.

The General Counsel of Consolis Group is responsible for the Consolis Policy Book, Consolis Code of Conduct and Supplier Code of Conduct, with the assistance of the various functional heads. Consolis Group's Legal, HR and Procurement departments monitor compliance with the Consolis Policy Book, Code of Conduct and Supplier Code of Conduct internally as well as among business partners. Employees are encouraged to report any behavior or activities that can be in breach of Consolis Policy Book, Consolis' Code of Conduct and/or applicable laws and regulations generally, preferably to their managers, or to an HR department representative. In circumstances when such reporting is not possible, or if there is a conflict of interest, or the case is sensitive in nature, reporting shall be made through the Consolis whistleblower system.

The whistleblower system is managed by a third-party vendor to ensure full privacy. This system enables employees to report potential cases in their native language either through a website or a toll-free phone call. Consolis expects managers to address issues and work to ensure a satisfactory resolution in compliance with Consolis Policy Book, Consolis' Code of Conduct and/or applicable laws and regulations.

Stakeholders and stakeholder dialogue

As an international Group with business and production in 17 countries, it is vital for Consolis to ensure accountability for its actual and potential impact on stakeholders. Consolis engages both directly and indirectly with key investors, customers, business partners, employees and trade unions.

Consolis performs ongoing strategic sustainability reviews based on macrotrends, input from key stakeholders and the strategic framework. These reviews confirm the four sustainability focus areas: Products, Environment, People, and Business Ethics.

Consolis actively works with relevant measures for each area to further enhance value creation and compliance, to reduce environmental impact and to mitigate sustainability risks.

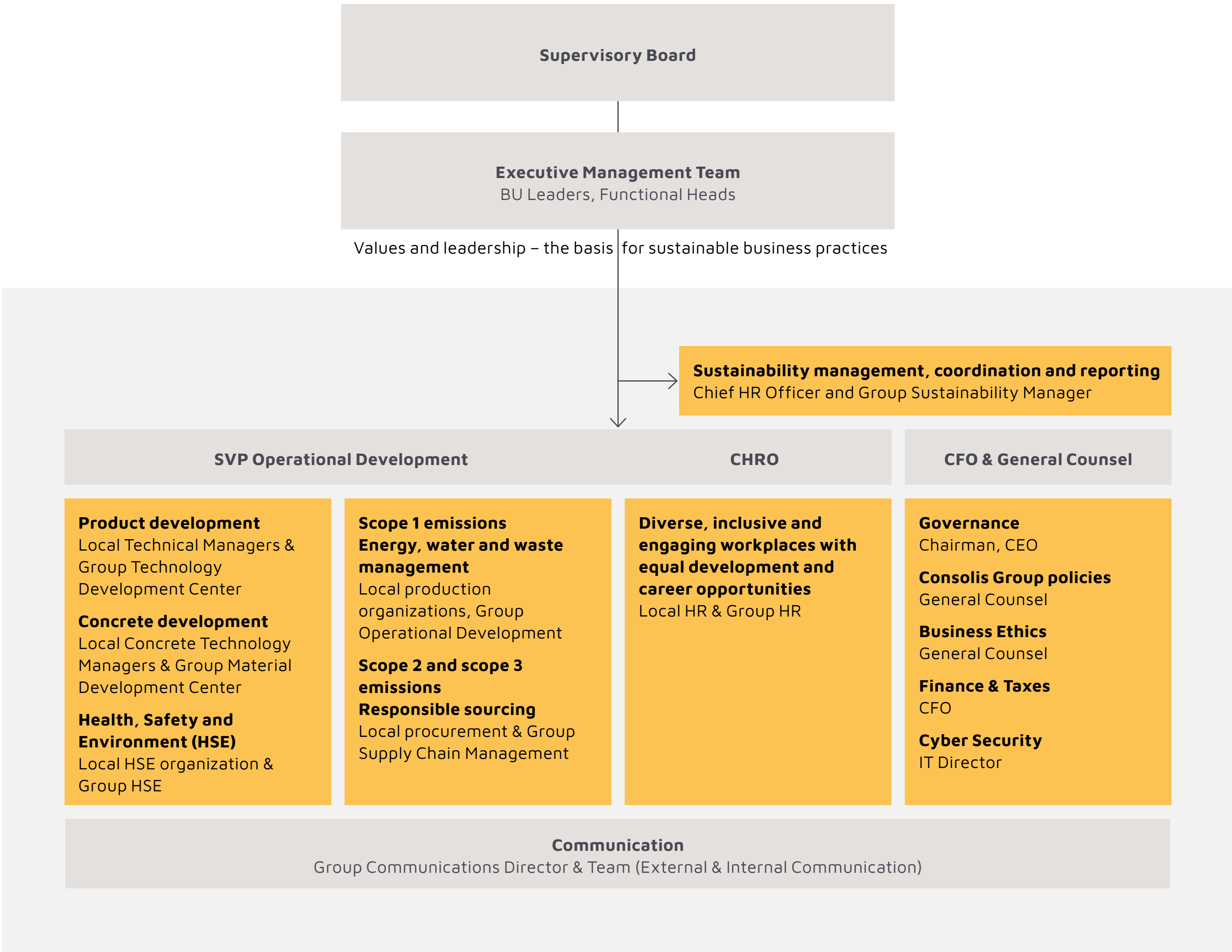
During 2021, a review of the sustainability aspects was performed based on surveys and in-person meetings with selected key stakeholders and investor input. This review resulted in updated KPIs for internal monitoring of sustainability performance related to climate impact and health and safety.

In 2023, as preparation for the Corporate Sustainability Reporting Directive requirements, Consolis Group updated the materiality analysis to the new Double Materiality standard.

Certifications

An overview of certificates and international standards applied in the Group is available at consolis.com.

Consolis Sustainability Committee
The Sustainability Committee meets for quarterly reviews of ongoing initiatives, sustainability reporting and sustainability risk management. The Committee ensures continuous development, review readiness for various sustainability related certificates, ensures quality in external reporting and so on. The Committee reports to Consolis' Executive Management Team (EMT) and the CEO and the EMT report on a regular basis to Consolis' Supervisory Board.



Consolis triple bottom line

The Group applies a holistic perspective to its business, which is why Consolis takes a clear triple bottom line approach to managing business performance.

By focusing on people – including employees, customers, suppliers, neighbors and communities – the Group is likely to have less employee turnover, more long-term customers, avoid disputes and have stronger goodwill.

By taking responsibility for our impact on the environment and planet, we are likely to use fewer resources over time, saving costs and causing less pollution, which in turn can reduce the number of regulatory requirements.

Consolis triple bottom line can ultimately improve financial performance, reduce operating costs, improve brand image and reputation, increase sales and customer loyalty, and increase productivity.

Consolis triple bottom line is tracked in regular business reviews and also quarterly in the Sustainability Committee. Consolis triple bottom line is aligned with the UN Sustainable Development Goals (SDGs) and highlights the Group's opportunities to contribute to a better and more sustainable world.

Business

AMBITION

"We aim to have industry leading customer satisfaction and constant profitable growth"

TARGET AREAS

- Customer satisfaction
- Financials
  - Growth
  - EBITDA
  - Cash generation

UN GLOBAL GOALS

8 DECENT WORK AND ECONOMIC GROWTH

Social

AMBITION

"We aim to have zero accidents and engaged and motivated employees with equal opportunities"

TARGET AREAS

- Health & Safety
- Employee engagement
- Diversity and Inclusion
- Business Ethics and Governance

UN GLOBAL GOALS

5 GENDER EQUALITY
10 REDUCED INEQUALITIES
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Environment

AMBITION

"We aim to develop CO_2 neutral operations and a Circular business"

TARGET AREAS

- CO_2 reduction
- Circular economy
- Zero Waste/reduced environmental impact in own operations
- Responsible sourcing

UN GLOBAL GOALS

11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Sustainability reporting 2023

	2023	2022	GRI	Triple Bottom Line	Contribution to UN SDGs
People					
% of total employees that have had a performance review[1]	85	to be measured 2023	404-3	•	5, 8, 10
Average hours of training that the organization's employees have undertaken	7.3	6.8x	404-1		5, 8, 10
% of female employees in EMT (Executive Management Team)	25	25	405-1	•	5, 8, 10
% of female employees in Senior Management (Group functions and BU mgmt)	29	28	405-1	•	5, 8, 10
% of female employees in Consolis Group	8	9	405-1	•	5, 8, 10
Lost Time Injury Frequency Rate (LTIFR)	4.7	4.8	403-9	•	8
Total Recordable Injury Frequency Rate (TRIFR)	8.3	9.4	403-9	•	8
Employee engagement index	3.7	3.6		•	
% of management and professional positions filled with internal candidates	72	64		•	
Environment					
Total scope 1 & 2 emissions in tCO_2e [2]	29 ,863	35,033	305-1, 305-2	•	12, 13
Intensity scope 1 & 2 emissions in kg/ tCO_2e of production[2]	8.4	7.6	305-4	•	13
Total major scope 3 emissions in tCO_2e [2]	507,626	681,078	305-3	•	12, 13
Intensity major Scope 3 emissions in kg/ tCO_2e of production[2]	142.2	147.6	305-4	•	13
Total energy consumption in GJ[8]	562,270	710,835	302-1		8, 12, 13
Energy consumption in MJ per t of production	158	154	302-3		8, 12, 13
Total water consumption from all areas in megaliters [9]	648	825	303-3		8, 12
Water consumption from all areas in liters per t of production	181	179			8, 12
% of renewable input materials used to manufacture primary products[3]	x	to be measured 2023	301-1		8, 12
% of recycled input materials used to manufacture primary products	5	to be measured 2023	301-2	•	8, 12
Total weight of waste generated in metric tons	216,411	234,509	306-3		12
Weight of waste generated in kg per t of production	61	51			12
Ethics & responsible sourcing					
% of active employees completed Code of Conduct training[4]	79	>99	2-23, 2-26	•	16
% of targeted employees completed specific compliance training(s)[5]	99	>99	205, 206	•	16
% of new suppliers screened using environmental criteria[6]	100	100	308-1	•	12, 13
% of new suppliers screened using social criteria[7]	100	100	414-1	•	8, 16
Business					
NPS Score	41	33		•	
Organic revenue growth	15.6%	18.4%		•	
Group EBITDA margin	6.6%	5.9%		•	
Cash conversion	66%	64%		•	

Comments to Sustainability Reporting 2023
Consolis aligns its measurements with internationally recognized reporting principles such as the Global Reporting Initiative, the UN Global Compact, and ESG reporting to make the information transparent and the developments traceable over time.
Some comments for the sustainability data for 2023:

Comments PEOPLE
[1] The basis for the performance review consists of white-collar workers.

Comments ENVIRONMENT
[2] Operational control consolidation approach following GHG Protocol Corporate Accounting and Reporting Standard was followed for consolidating scope 1, scope 2 and major scope 3 emissions of Consolis' production units. Fuel, electricity and heating have been included in the scope 1 and scope 2 emissions. While major scope 3 emissions include cement and reinforcement production-related emissions.
[3] Removed "% renewable input materials used to manufacture primary products "since lack of relevance for our operations.
[8] In 2023, renewable energy accounted for 18% of Consolis' total energy consumption.
[9] The capacity to fulfill both human and ecological water needs is generally sufficient across our operations. However, approximately 30% of our water is sourced from areas experiencing water stress. Hence, in these regions, we prioritize minimizing water usage. For instance:
- In Spain, we implemented water meters per area to enhance water consumption monitoring, resulting in a reduction of over 20% in water usage.
- In Indonesia and Tunisia, we installed water storage tanks to collect rainwater for various purposes.
- In Egypt, we shifted to converting precast elements to mitigate water evaporation.

Biodiversity: In 2023, we conducted an assessments and confirmed that none of our operational sites are located in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.
A majority of our markets have Environmental Product Declarations (EPD) and update them continuously. Other markets are in the process of developing EPDs.

Comments ETHICS & RESPONSIBLE SOURCING
[4] In 2023 the focus was to train new employees whilst in 2022 all employees fulfilled Code of Conduct training.
[5] Datapoint changed from "% targeted employees completed specific training on anti-bribery and anti-competitive behavior" to "% of targeted employees completed specific compliance training".
[6, 7] Supplier screening using environmental/ social criteria is limited to prestressed concrete strand and wire suppliers. Six global prestressed concrete wire and strand suppliers were evaluated in 2023, three of which were new to Consolis.

Total Full-Time Equivalent per 31 December 2023

	2023										2022		
	No of Employees	Of which female	Of which full-time	Of which part-time	Temporary	Of which male	Of which full-time	Of which part-time	Temporary	Hired Labor	No of Employees	Of which female	Of which male
East Nordic	**880**	**77**				**803**					**1,207**	**120**	**1,087**
Estonia	111	19	19	0	0	92	92	0	0	12	226	36	190
Finland	484	32	31	1	0	452	438	10	4	68	635	53	582
Latvia	197	15	15	0	0	182	148	0	34	0	253	20	233
Lithuania	88	11	11	0	0	77	70	0	7	2	93	11	82
Eastern Europe	**745**	**104**				**641**					**780**	**106**	**674**
Hungary	266	34	31	3	0	232	231	1	0	0	263	32	231
Poland	274	50	47	1	2	224	221	1	2	48	327	60	267
Romania	205	20	18	2	0	185	184	1	0	60	190	14	176
Emerging Markets	**2,515**	**53**				**2,462**					**2,469**	**67**	**2,402**
Egypt	753	10	9	0	1	743	642	0	101	234	742	14	728
France	110	10	9	0	1	100	92	2	6	19,8	113	11	102
Indonesia	135	6	5	0	1	129	45	0	84	0	138	12	126
Korea	0	0	0	0	0	0	0	0	0		0	0	0
Tunisia	1517	27	19	0	8	1,490	712	0	778	26	1,476	30	1,446
West Nordic	**1,536**	**163**				**1,373**					**1,826**	**189**	**1,637**
Denmark	466	44	36	8	0	422	417	5	0	4	511	47	464
Norway	340	31	30	1	0	309	303	4	2	2	401	34	367
Sweden	730	88	82	6	0	642	622	14	6	14,1	914	108	806
Western Europe	**1,055**	**139**				**916**					**1,075**	**138**	**937**
Germany	82	17	6	10	1	65	46	16	3	1,9	92	17	75
Spain	401	61	56	0	5	340	285	35	20	98	372	57	315
Netherlands	572	61	22	35	4	511	444	53	14	98,5	611	64	547
Group	65	21				44					64	21	43
Sweden	34	8	8	0	0	26	25	0	1	1	30	7	23
Finland	17	2	2	0	0	15	15	0	0	0	18	2	16
France	14	11	11	0	0	3	2	1	0	0	16	12	4
Total Employees	**6,796**	**557**	**467**	**67**	**23**	**6,239**	**5,034**	**143**	**1,062**	**689.3**	**7,421**	**641**	**6,780**
Hired Labor	**689.3**										**680**		
Total FTE	**7,485.3**										**8,101**		

Consolis Membership Associations

Country	Industry Associations	Employers Associations
Consolis Group	International Federation for Structural Concrete	
	SBTi, European Committee for Standardization,	
Denmark	Dansk Beton, Betonelementforeningen, DI Dansk Byggeri, Rådet for Bæredygtigt Byggeri, European Committee for Standardization, IPHA, BIBM	Danish Industry
Egypt		General Trade Union for Building and Wood Industries Workers in Egypt
Estonia		
Finland	Finnish Concrete Association, European Committee for Standardization	Confederation of Finnish Construction Industries RT (Rakennustuoteteollisuus)
France		National Union of Quarry and Building Materials Industries – UNICEM
Germany		Bundesverband Spannbeton-Fertigdecken e.V. (BVSF)
Hungary	MABESZ (Hungarian Association of Precasters), IPHA, Padló Szövetség (Association of Flooring Companies), ÉVOSZ (National Association of Construction Entrepreneurs)	Munkástanácsok Országos Szövetsége national union.
Indonesia		
Latvia		
Lithuania		
Netherlands	IPHA, European Committee for Standardization	Bond Van Fabrikanten Van Betonproducten in Nederland (BFBN)
Norway	Betong Norge, Byggevareindustrien, European Committee for Standardization, IPHA	NHO – Naeringslivets Hovedorganisasjon
Poland		
Romania	Prefbeton, Branch Association of Precast Producers from Romania	Alfa Cartel Union
Spain	National Association of the Precast Concrete Industry (ANDECE), Association for the Development of Prefabricated High-Rise Housing (VIVALT)	National Association of the Precast Concrete Industry (ANDECE) Association for the Development of Prefabricated High-Rise Housing (VIVALT)
Sweden	Svensk Betong, Betongföreningen, Håll Nollan	Industriarbetsgivarna, Byggföretagen
Tunisia		UTICA, CTFCI

GRI content index

Statement of use	Consolis has reported in accordance with the GRI Standards for the period 1 January – 31 December 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	None apply

			Omission		
GRI standard/ other source	Disclosure	Location	Requirement(s) omitted	Reason	Explanation
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	A–C. p. 68-69 (Governance) D. p. 28-39 (Our Markets)			
	2-2 Entities included in the organization's sustainability reporting	A. Note 32, p.100 B. Auditor's report p. 104 C. Note 1, p. 78-81			
	2-3 Reporting period, frequency and contact point	p. 117			
	2-4 Restatements of information	p. 108-109			
	2-5 External assurance	A. Auditor's report p. 104, and Governance, p. 68-69 B. No external assurance for non-financial part of the report, p. 43			
	2-6 Activities, value chain and other business relationships	A. Consolis today, p. 2- 3 B. Business model, p. 12–13, Our Markets section, p. 28–39 C. No other relevant business relationships D.NA			
	2-7 Employees	People (p. 52-63), Detailed sustainability information (p.109)			
	2-8 Workers who are not employees	People (p. 52-63)			
	2-9 Governance structure and composition	Governance (p. 68–69)			
	2-10 Nomination and selection of the highest governance body	Governance (p. 68–69)			
	2-11 Chair of the highest governance body	Governance (p. 68-69)			
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance (p. 68-69), Detailed sustainability information (p. 105–110)			
	2-13 Delegation of responsibility for managing impacts	Governance (p. 68–69), Detailed sustainability information (p. 105–110)			
	2-14 Role of the highest governance body in sustainability reporting	Detailed sustainability information (p. 105-106)			
	2-15 Conflicts of interest		2-15 omitted	Information unavailable	No such processes are in place.
	2-16 Communication of critical concerns	Governance (p. 68–69), Business ethics (p. 64-65)			
	2-17 Collective knowledge of the highest governance body		2-17 omitted	Information unavailable	No such processes are in place.

GRI standard/ other source	Disclosure	Location	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
GRI 2: General Disclosures 2021, cont	2-18 Evaluation of the performance of the highest governance body		2-18 omitted	Information unavailable	No such processes are in place.
	2-19 Remuneration policies	Note 5, p. 85			
	2-20 Process to determine remuneration	Note 5, p. 85			
	2-21 Annual total compensation ratio		2-21 omitted	Information unavailable	We do not have a system that can provide this information.
	2-22 Statement on sustainable development strategy	A word from our CEO, p. 4-5, Triple Bottom Line p. 107			
	2-23 Policy commitments	Detailed sustainability information (p. 105)			
	2-24 Embedding policy commitments	Detailed sustainability information (p. 105)			
	2-25 Processes to remediate negative impacts		2-25 omitted	Information unavailable	No such processes are in place.
	2-26 Mechanisms for seeking advice and raising concerns	Business ethics (p. 64–65), Detailed sustainability information (p. 105)			
	2-27 Compliance with laws and regulations	Business ethics (p. 64–65)			
	2-28 Membership associations	Detailed sustainability information (p. 110)			
	2-29 Approach to stakeholder engagement	Detailed sustainability information (p. 105)			
	2-30 Collective bargaining agreements	People (p. 52-63), Detailed sustainability information (p. 110)			
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Consolis' sustainability framework (p. 40-43), Detailed sustainability information (p. 105)			
	3-2 List of material topics	Consolis' sustainability framework (Figure 2), (p. 42)			
Business ethics					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 40-43), Business ethics (p. 64-65), Detailed sustainability information (p. 105-110), Consolis triple bottom line (p. 107)			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	Business ethics (p. 64–65), Detailed sustainability information (p. 105-110)			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business ethics (p. 64–65)			
Circular Economy					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework and Environment (p. 40-51), Detailed sustainability information (p. 105-110), Consolis triple bottom line (p. 107)			
GRI 301: Materials 2016	301-2 Recycled input materials used	Environment (p. 44-51), Detailed sustainability information (p. 105–110)			

GRI standard/ other source	Disclosure	Location	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
Energy use					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework and Environment (p. 40-51), Detailed sustainability information (p. 105-110)			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Our Markets (p. 37, p. 39), Environment (p. 44-51), Detailed sustainability information (p. 105-110)			
Water use					
GRI 3: Material Topics 2021	3-3 Management of material topics	Our Markets (p. 28-39), Consolis' sustainability framework and Environment (p. 40-51), Detailed sustainability information (p. 105-110)			
GRI 303: Water and Effluents 2018	303-3 Water withdrawal	Environment (p. 44-51), Detailed sustainability information (p. 105-110)			
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework and Environment (p. 40-51), Detailed Sustainability information (p. 105-110)			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment (p. 44-51), Detailed Sustainability information (p. 105-110)			
CO_2/ Climate Change					
GRI 3: Material Topics 2021	3-3 Management of material topics	A word from our CEO (p. 4–5), A strategy for a sustainable future (p. 10–11), Consolis' sustainability framework and Environment (p. 40–51), Detailed Sustainability information (p. 105-110), Consolis triple bottom line (p. 107)			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Environment (p. 44–51), Detailed sustainability information (p. 105-110)	NA biogenic CO_2 emissions. Source of the emission factors and the global warming potential (GWP) rates used are available on request.	Information unavailable/ incomplete	
	305-2 Energy indirect (Scope 2) GHG emissions	Environment (p. 44–51), Detailed sustainability information (p. 105-110)	NA biogenic CO_2 emissions. Source of the emission factors and the global warming potential (GWP) rates used are available on request.	Information unavailable/ incomplete	
	305-3 Other indirect (Scope 3) GHG emissions	Environment (p. 44–51), Detailed sustainability information (p. 105-110)	NA biogenic CO_2 emissions. Source of the emission factors and the global warming potential (GWP) rates used are available on request.	Information unavailable/ incomplete	

GRI standard/ other source	Disclosure	Location	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
Sustainable products					
GRI 3: Material Topics 2021	3-3 Management of material topics	A word from our CEO (p. 4–5), A strategy for a sustainable future (p. 10–11), Consolis' sustainability framework and Environment (p. 40–51), Detailed Sustainability information (p. 105-110), Consolis triple bottom line (p. 107)			
Green Spine Line®	Sales and impact of Green Spine Line® certified products	A word from our CEO (p. 4–5), A strategy for a sustainable future (p. 10–11), Consolis' sustainability framework and Environment (p. 40–51), Detailed Sustainability information (p. 105-110), Consolis triple bottom line (p. 107)			
Environmental Product Declaration (EPD)	Business Unit Countries having third party verified EPDs in place	Detailed Sustainability information (p. 105-110)			
GRI 305: Emissions 2016	305-4 GHG emissions intensity	Environment (p. 44–51), Detailed sustainability information (p. 105-110)	NA biogenic CO_2 emissions. Source of the emission factors and the global warming potential (GWP) rates used are available on request.	Information unavailable/ incomplete	
GRI 302: Energy 2016	302-3 Energy intensity	Environment (p. 44–51), Detailed sustainability information (p. 105-110)			
Water consumption	Water intensity	Environment (p. 44–51), Detailed sustainability information (p. 105-110)			
Waste generated	Waste intensity	Environment (p. 44–51), Detailed sustainability information (p. 105-110)			
Waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework and Environment (p. 40–51), Detailed sustainability information (p. 105-110)			
GRI 306: Waste 2020	306-3 Waste generated	Environment (p. 44-51), Detailed sustainability information (p. 105-110)	NA a breakdown of total waste generated by composition of the waste.	Information unavailable/ incomplete	A breakdown of total waste generated by composition of the waste, to be obtained during the next reporting period.
Responsible sourcing					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework and Environment (p. 40–51), Detailed sustainability information (p. 105-110)			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Environment (p. 44-51), Detailed sustainability information (p. 105-110)			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Environment (p. 44-51), Detailed sustainability information (p. 105-110)			

GRI standard/ other source	Disclosure	Location	Omission: Requirement(s) omitted	Omission: Reason	Omission: Explanation
Health & Safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 40-43), People (p. 52–63), Detailed sustainability information (p. 105-110), Consolis triple bottom line (p. 107)			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	People (p. 52-63), Detailed sustainability information (p. 105-110)			
	403-2 Hazard identification, risk assessment, and incident investigation	People (p. 52-63), Detailed sustainability information (p. 105-110)			
	403-3 Occupational health services	People (p. 52-63), Detailed sustainability information (p. 105-110)			
	403-4 Worker participation, consultation, and communication on occupational health and safety	People (p. 52-63), Detailed sustainability information (p. 105-110)			
	403-5 Worker training on occupational health and safety	People (p. 52-63), Detailed sustainability information (p. 105-110)			
	403-6 Promotion of worker health	People (p. 52-63), Detailed sustainability information (p. 105-110)			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People (p. 52-63), Detailed sustainability information (p. 105-110)			
	403-9 Work-related injuries	People (p. 52-63), Detailed sustainability information (p. 105-110)			
People development					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 40-43), People (p. 52-63), Detailed sustainability information (p. 105-110) Consolis triple bottom line (p. 107)			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	People (p. 52-63), Detailed sustainability information (p. 105-110)			
	404-3 Percentage of employees receiving regular performance and career development reviews	People (p. 52-63), Detailed sustainability information (p. 105-110)			
Diversity & Inclusion					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 40-43), People (p. 52–63), Detailed sustainability information (p. 105-110)			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	People (p. 52–63), Detailed sustainability information (p. 105-110)			
Corporate Governance					
GRI 3: Material Topics 2021	3-3 Management of material topics	Consolis' sustainability framework (p. 40-43), Governance (p. 68–69), Detailed sustainability information (p. 105-110), Consolis' Triple Bottom Line (p. 107)			
GRI 2: General Disclosures 2021	Disclosure 2-9 Governance structure and composition	Governance (p. 68–69)			

Contacts

Investor relations
Vilhelm Sund
Director Group Planning, Analysis & Investor Relations
vilhelm.sund@consolis.com

Daniel Warnholtz,
Chief Financial Officer
daniel.warnholtz@consolis.com

Corporate communications
Helen Spalding,
Communications Director
helen.spalding@consolis.com

Production: Narva Communications AB

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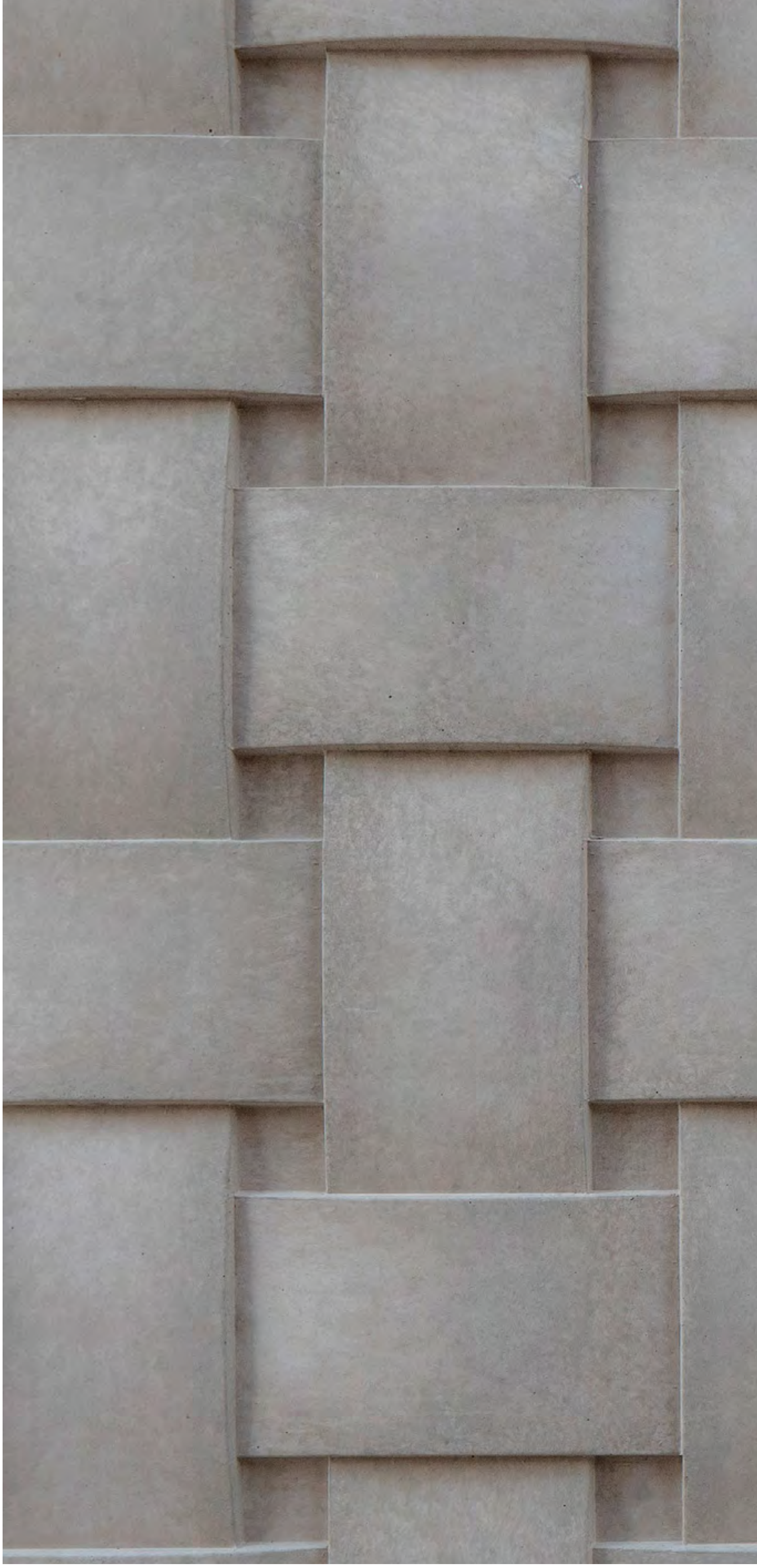
for well-being



Consolis
4 Rue du Général Foy
75008 Paris, France
www.consolis.com

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