
HAKI
SAFETY
ANNUAL REPORT 2023
AND SUSTAINABILITY REPORT
HAKI Safety AB (publ)
NEVER
COMPROMISE
ON SAFETY

CONTENTS

Board of Directors' report
HAKI Safety's Annual Report is published in Swedish and English. The Swedish version constitutes the original version. The audited and reviewed annual accounts and consolidated accounts for the financial year 2023 are found on pages 21–57. The Board of Directors' report is found on pages 21–24.

Other external assurance
The auditor has performed a limited assurance of the sustainability report, pages 14–18, in accordance with FAR's standard RevR 12 The auditor's opinion regarding the statutory sustainability report. The auditor has examined the corporate governance statement, pages 63–66, in accordance with FAR's standard RevU 16 Auditor's examination of the corporate governance report.

FROM CONGLOMERATE TO FOCUSED INDUSTRIAL GROUP

HAKI Safety, formerly Midway Holding, is an international industrial group, focusing on safety products and solutions that create safe working conditions at temporary workplaces. The Group has annual sales of about SEK 1.2 billion and has since 1989 been listed on Nasdaq Stockholm Small Cap. HAKI Safety offers a wide range of products and solutions within system scaffold, work zone safety, and digital and technical solutions that help customers achieve safety and efficiency in their various environments.

- System scaffold: system and frame scaffolding, weather protection, stair solutions, bridge systems, etc.
- Work zone safety: catchfans, barrier systems, fall protection, stairsways, spaghetti mats, etc.
- Digital solutions and technical support: surveying instruments and equipment for land surveying, and construction laser level tools. Digital design and construction tools for planning and visualising complex projects

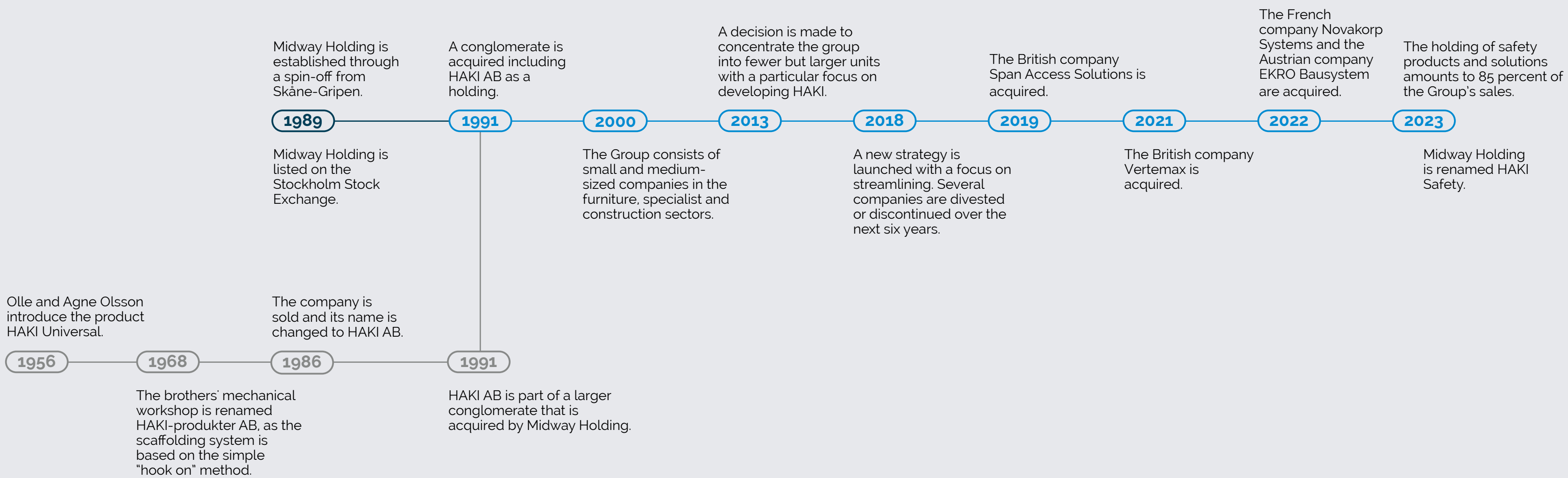
Innovation and improvement are at the heart of everything HAKI Safety does. The Group strives for growth, and to find new business opportunities and develop new ways to help its customers.

Global trends such as population growth and legal requirements for ever safer workplaces are favourable for HAKI Safety. The Group's safe and sustainable, cost-effective and innovative products and solutions meet the needs of the future.

But as important is what the Group's products and solutions actually do: make life safer for those working at or passing by a temporary workplace.

Financial reporting 2023
In the annual report's financial reporting, the Group's safety products and solutions are included in the Safe Access Solutions business area. The Group's two portfolio companies, where FAS Converting Machinery was divested in January 2024, are part of the Industrial Services business area.

Financial reporting 2024
In March 2024, the Group announced that it is discontinuing its two business areas in favour of one reporting segment, with a new reporting structure, which will be reflected in the Group's report for the first quarter of 2024.



KEY FIGURES 2023

Net sales, SEK million

1,188

2022 **1,168**

Operating profit, SEK million

99

2022 **102**

Sales, SEK million

Safe Access Solutions

1,018

2022 **1,006**

Net profit, SEK million

62

2022 **71**

Earnings per share, SEK

2.27

2022 **2.60**

170

2022 **162**

Industrial Services

Equity/assets ratio, %

48

2022 **42**

Interest-bearing net debt, SEK million

376

2022 **406**

EBITA, SEK million

90

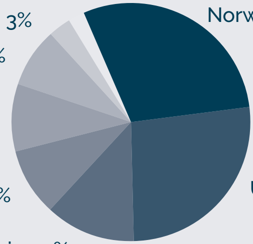
2022 **84**

HAKI Safety's main markets

Austria · Benelux · Canada · Denmark
France · Norway · Slovakia · Sweden
United Kingdom

Sales by country

Safe Access Solutions



FINANCIAL TARGETS FOR HAKI SAFETY

In March 2024, HAKI Safety communicated financial targets for the Group. The targets are considered both realistic and compatible with responsible risk-taking.

NET SALES

Net sales of SEK 2,000 million by 2027

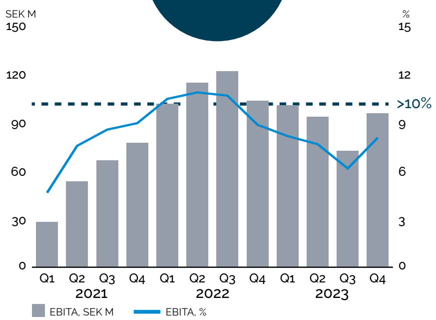
2,000 SEK m

Net sales is to amount to SEK 2,000 million by 2027. The net sales increase will be based on a combination of organic growth, organic growth projects and acquired growth.

ADJUSTED EBITA MARGIN

Adjusted EBITA margin >10%

>10%

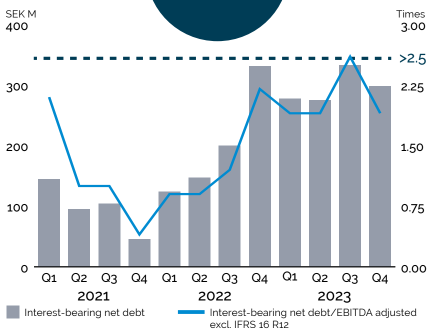


The adjusted EBITA margin is to amount to more than 10 percent. Adjusted EBITA margin is deemed to give a fair picture of the profitability of the underlying business as it excludes amortisation and write-downs of acquisition-related intangible assets and non-recurring items.

FINANCIAL NET DEBT/ADJUSTED EBITDA

Financial net debt in relation to adjusted EBITDA <2.5

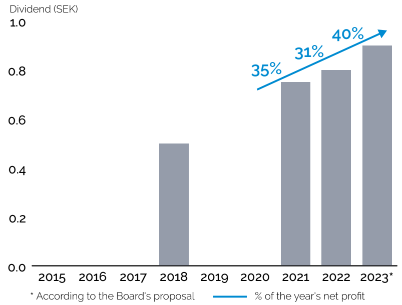
<2.5



Net financial debt divided by adjusted EBITDA is to be less than 2.5. The key figure shows the relation of net debt to adjusted EBITDA. The financial net debt refers to interest-bearing liabilities with deductions for cash and adjusted EBITDA as operating profit excluding depreciation, amortisation and write-downs and non-recurring items. The measures are measured excluding the effects of IFRS 16.

DIVIDEND POLICY

The dividend is to amount to 25-50 percent of the year's net profit. Proposals for dividends will consider the shareholders' expectation of a reasonable dividend yield and the business's need for financing.



HAKI SAFETY – AN INDUSTRIAL GROUP FOR SAFE WORKING CONDITIONS IN TEMPORARY WORKPLACES

Sverker Lindberg, President and CEO of HAKI Safety. The Group has a new name. Is it also a new company?

It is very much a new company, and has actually been so for some time.

The strategic transformation that the Group has undergone in recent years was clarified in December 2023 by the name change to HAKI Safety. Our previous name, Midway Holding, represented the conglomerate, with diversified holdings.

HAKI Safety represents safe working conditions for everyone working at temporary workplaces. By focusing on and further developing the holding of the Swedish company HAKI, we have grown through acquisitions, both geographically and product-wise. Today, HAKI Safety is an international group that offers a wide range of products and solutions for temporary workplaces within system scaffold, work zone safety, digital and technical solutions.

What has the strategy change meant in practice?

After several years of divesting and discontinuing operations to strengthen the balance sheet of what was then Midway Holding, work began in 2017 to develop a strategy that was launched at the end of 2018. At that time, we determined that there was significantly greater long-term potential in building an industrial group based on safe working conditions at temporary workplaces centred around HAKI's system scaffolding, rather than continuing as a conglomerate. Most of the remaining portfolio companies were divested over the next few years, while four companies were acquired, adding both products and geographical breadth to HAKI's operations.

We have shifted from being a conglomerate to a focused industrial group. And we have shifted from offering a range of system scaffold to a broader range of workplace safety products, in a greater number of geographical areas and industrial sectors.

So, the strategic transformation took place in two stages, and somewhat in parallel.

So what happens now?

We will further develop our existing operations, including an increasingly strong digital offering. We will continue to streamline our supply chain, which will reduce our costs. And we will seek more acquisitions, which provide not only growth and synergies, but also greater risk diversification.

How would you summarise the financial year?

The year started well and we reported increased sales and organic growth as well as improved cash flow, despite challenges in some markets. The next two quarters saw increasing turmoil in the world around us, causing high inflation and higher interest rates. This resulted in our customers awaiting larger orders, which had a negative impact on our earnings. However, we saw an upturn towards the end of the third quarter, and the last quarter of the year ended well, with improved profitability and a strong cash flow.

> We are less sensitive to economic fluctuations in individual industrial sectors today than before, thanks to our international acquisitions of recent years.

Are you less sensitive to economic fluctuations now than before?

We are less sensitive to economic fluctuations in individual industrial sectors today than before, thanks to our acquisitions. This became particularly clear in the fourth quarter, when a slowdown in demand in Austria at the end of the quarter was balanced by an upturn in Sweden. Similarly, weaker demand in the residential housing sector in Norway was balanced by strong demand for products for projects in the energy sector.

The spread of risk, as well as our offering to customers, has broadened geographically, product-wise and to more industrial sectors.

How did the geographical markets develop in 2023?

It is quite clear that markets in which we are involved in new residential construction have impacted us negatively during the year. This applies in particular to Sweden and Canada. However, these countries currently only account for eight and three percent of the Group's turnover.

We also note that more and more of our products and solutions in Sweden are used in infrastructure projects, which are not quite as sensitive to the economic cycle.

Our largest markets in terms of sales, Norway and the UK, have had a better and more stable development. They have been positively affected by a strong energy sector and continued good developments in commercial real estate and infrastructure. In February 2024, we announced that we will meet the increasing demand for the energy sector in Norway by establishing a warehouse and office in Stavanger. The establishment enables continued growth in system scaffold for the energy and construction sectors along the west coast of Norway.

Safe workplaces are at the heart of all our activities. The Group's solutions are the result of decades of experience and knowledge.

How are you exposed to various industrial sectors?

The acquisitions and developments in recent years have significantly changed our exposure to different industrial sectors. For example, our exposure to residential construction has decreased and our exposure to the infrastructure and energy sectors has increased.

But we cannot accurately measure our sales in different sectors as we do not know with certainty in which industrial sectors our products ultimately end up. In general terms, infrastructure, energy, industry, and construction and civil engineering are sectors that use both our system scaffolds and products in what we call work zone safety, such as catchfans or safety barriers.

Please describe your near-term growth strategy.

We are evaluating different companies to acquire in order to grow geographically, product-wise and to more industrial sectors. We are also pursuing a number of growth initiatives to facilitate organic growth, such as developing the Group's e-commerce in more markets outside of Scandinavia. Overall, we are evaluating different strategies to grow in both French- and German-speaking Europe.

It is also of great strategic importance that we continue our focused efforts to streamline our supply chain. The potential to increase the turnover rate of our inventories is still significant.

How are you working with sustainability?

Like many other companies, we are preparing for the upcoming CSRD legislation, which HAKI Safety must comply with beginning financial year 2025.

However, sustainable workplaces, which we refer to as safe workplaces, are at the heart of all our activities, and the Group's safety solutions are the result of decades of experience and knowledge. We contribute to the circular economy by designing our products for long life and easy recycling. New products are also compatible with older ones to minimise waste. By using efficient production methods, such as robotic welding, we save energy, reduce waste and ensure a safe working environment.

A major event during the year was the divestment of FAS Converting Machinery.

Yes, we signed an agreement to divest FAS to CMD Corporation in December 2023, for a purchase price of USD 3.7 million on a debt-free basis. The deal was then finalised in January 2024. FAS had been part of the Group since 2009 and have served us well. But with our change in strategy, it simply did not fit into the future HAKI Safety that we are currently building.

You also announced an organisational change as recently as March 2024?

In connection with our Capital Markets Day in March, we announced that we are discontinuing our two business areas in favour of one reporting segment with a new reporting structure, which will be reflected in our report for the first quarter of 2024. This is a natural step for us in light of the changes that have taken place in recent years, enabling us to fully focus on creating safe working conditions for everyone working at temporary workplaces.

The potential to increase the turnover rate of our inventories is still significant.

How do you envisage the future of HAKI Safety?

Events in the outside world still represent uncertainty for short-term market development.

However, the overall market is driven by a number of underlying trends, which create opportunities for profitable growth for many years. The most important driver is world population growth. The UN estimates that the population will grow from around eight billion to almost ten billion by 2050. With population growth comes the need to improve and expand infrastructure, initiate new sustainable energy and industrial initiatives, and make both residential and commercial buildings more efficient. Increasing urbanisation leads to densification of inner city environments, which requires work at high heights, with the associated additional safety requirements. All this drives the long-term growth of our products and solutions in our different geographical markets. All in all, we have a positive view of the future.

Malmö, March 2024

Sverker Lindberg
President and CEO

IN BRIEF:

- HAKI Safety – new name for the Group to highlight the company's change in strategy.
- Focus on safety products and solutions that create safe working conditions at temporary workplaces.
- Evaluating strategies for growth in French- and German-speaking Europe.
- Financial targets were introduced in 2024.
- Underlying global trends enable profitable growth.

VALUE CREATION IN HAKI SAFETY

HAKI Safety's vision is to create safe working conditions for everyone working at temporary workplaces.

The Group offers a wide range of products and solutions for temporary workplaces within system scaffold, work zone safety, and digital and technical solutions that help customers achieve safety and efficiency in their various environments.

USE OF RESOURCES

Natural resources

- Primary raw materials: steel and aluminium
- Manufacturing: four owned facilities, supplemented by contract manufacturing and third party merchandise
- Energy consumption in own operations: 2.6 GWh

Human capital

- Number of employees in the Group at year-end: 311
- Number of countries with employees: 9

Capital

- Average capital employed: SEK 1,058 million
- Investments in innovation and product development: SEK 26 million

HAKI SAFETY

Innovation and improvement are at the heart of everything HAKI Safety does. The Group strives for growth, and to find new business opportunities and develop new ways to support its customers.

- System scaffold
- Work zone safety
- Digital and technical solutions
- Other business branches

Sustainability commitment:

- Partner who take environmental responsibility
- Leader in safety
- Responsible group

Core values:

- Safe & healthy working environment
- Quality at all stages
- Adaptability
- Long-term partnership

Competitive advantages

- Product guarantees
- Technical support
- Digital tools
- Premium products
- Value-based pricing
- Focus on development and continuous improvement
- Market share by helping customers win business rather than winning over competitors' customers

CUSTOMERS AND MARKETS

Rental companies
Rental

Scaffolders
Scaffolding assembly and rental

Industrial service companies
Scaffolding assembly, rental and servicing

End customers
Direct sales to major projects

Industrial sectors

- Infrastructure
- Energy
- Industry
- Construction and civil engineering

Sales, %

Norway	29
UK	26
Austria	12
Denmark	9
France	9
Sweden	8
Canada	3
Other markets	2

VALUE CREATION

Customers
Increased workplace safety
Sustainable products
Product guarantees

Suppliers
Payment for materials and services
Supplier evaluation

Employees
Salaries and benefits
Health & safety
Job satisfaction
Personal development

Shareholders
Dividends and increased value

Society
Tax revenue
Job opportunities

Creditors
Interest income

FIVE REASONS TO INVEST IN HAKI SAFETY

HAKI Safety is working continuously to create value for all its stakeholders. For those who have already, and those who are considering HAKI Safety as an investment, there are a number of factors that form the basis for the Group's value creation.

1

Delivering according to strategy

HAKI Safety has followed and delivered on the strategy of building an industrial group based on the well-established Swedish brand HAKI. The strategy transformation has been profound, and the conglomerate officially ceased with the name change to HAKI Safety in December 2023.

In parallel, the Group has transformed HAKI from being a system scaffold supplier to offering a wide range of safety solutions at temporary workplaces.

The Group's focus is on developing customer offerings in the area of safety products and solutions that create safe working conditions at temporary workplaces. Through acquisitions, the Group has broadened both its product offerings and its geographical presence, making it less sensitive to economic fluctuations in individual industrial sectors.

2

Favourable global trends

Overall, HAKI Safety's market is driven by a number of underlying trends that create opportunities for growth.

Population growth

The UN estimates that the population will grow from around eight billion to almost ten billion by 2050. With population growth comes the need to improve and expand infrastructure, initiate new sustainable energy and industrial initiatives, and make both residential and commercial buildings more efficient. Increasing urbanisation leads to densification of inner city environments, which requires work at high heights, with the associated additional safety requirements. By law, working conditions must be safe for people working in or moving about at temporary workplaces, whether it be new construction or maintenance of a tunnel or skyscraper.

Increasing demands for safe worksites

Occupational health and safety is a key element of the Action Plan of the European Pillar of Social Rights, adopted at the Lisbon Social Summit in 2021. At the EU level, there is legislation on minimum standards for the protection of workers, but Member States may have stricter regulations. A growing number of Member States are also increasing safety requirements for workplaces in their respective countries to ensure that no one is injured or killed on the job.

3

Contributing to a sustainable society

Sustainable workplaces, refering to safe workplaces, are at the heart of all of HAKI Safety's activities, and the Group's safety solutions are the result of decades of experience and knowledge.

Furthermore, the Group contributes to the circular economy by designing its products for long life and easy recycling. New products are also compatible with older ones to minimise waste. By using efficient production methods, such as robotic welding, HAKI Safety saves energy, reduces waste and ensures a safe working environment.

The safety aspect applies not only to the products and solutions that the Group offers its customers, but also to the internal culture of HAKI Safety. Moreover, the Group strives to be a model of ethics and equality in its industry.

4

Market with business opportunities

HAKI Safety conducts a pronounced and active acquisition work and continuously evaluates acquisition candidates that may be driving forces in safety and have clear synergies with existing operations.

The work zone safety market is fragmented, and there are good opportunities for HAKI Safety to consolidate it.

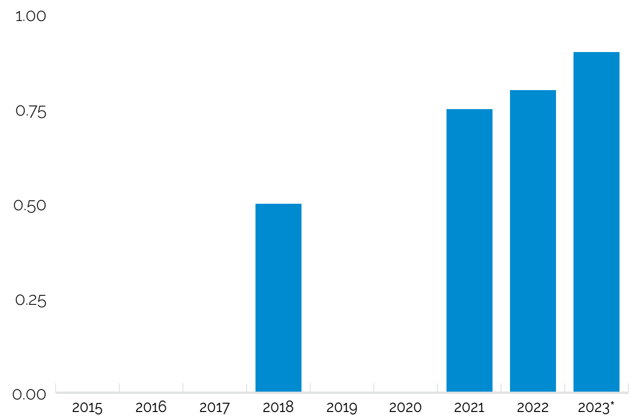
The acquisition ambition is to make one to two acquisitions per year.

5

Long-term principal owners

HAKI Safety has long-term principal owners who have been instrumental in the Group's strategic transformation from a conglomerate to today's industrial group focused on safety products and solutions. The owners' commitment, networks and expertise contribute to the Group's stability and enable the acceleration of its growth.

Dividends 2015–2023



* According to the Board's proposal

FOCUS ON SAFETY PRODUCTS AND SOLUTIONS

HAKI Safety is working continuously to develop and strengthen the Group, primarily in Europe. The Group is guided by seven strategic pillars that individually and collectively contribute to the Group achieving its goal.

After several years of divesting and discontinuing operations to strengthen the balance sheet of what was then Midway Holding, work began in 2017 to develop a strategy that was launched at the end of 2018. The new strategic direction was: "from conglomerate to industrialist". It had been determined that there was significantly greater long-term potential in building an industrial group based on safe working conditions at temporary workplaces centred around HAKI's system scaffolds, rather than continuing as a conglomerate.

The Group's product portfolio and geographical presence has been broadened in recent years through acquisitions. The acquisitions have increased the Group's exposure to a greater number of industrial sectors, and have broaden the range of safety products and solutions. The acquisitions have also created synergies in procurement, production, logistics and sales. The Group has evolved from mainly offering system scaffold to offering a broader range of safety solutions.

HAKI's expanding offering and geographic presence make the Group less sensitive to economic fluctuations, which is a prerequisite for generating long-term returns for shareholders.

The Group's goal is to continue to develop HAKI's strong position in Europe and to strengthen its range of safety products and solutions for projects in industrial sectors such as infrastructure, energy, industry, and construction and civil engineering through organic growth initiatives and complementary acquisitions.

The Group sees the work zone safety market in particular as being fragmented and offering good opportunities for acquisitions. Global trends such as population growth and legal requirements for ever safer workplaces are favourable for HAKI Safety. The Group's safe and sustainable, cost-effective and innovative products and solutions meet the needs of the future.

But as important is what the Group's products and solutions actually do: contribute to a safer life for those working at or passing by a temporary workplace.

STRATEGIC PILLARS OF THE GROUP

HOW?

1 Growth through acquisitions

2 Organic growth

WHERE?

3 Geographical focus

4 Segments with complex needs

WHAT?

5 Adapt the organisation and offering to customers

6 Strengthen the customer offering

7 Optimise the supply chain

① Growth through acquisitions

HAKI Safety conducts a pronounced and active acquisition work and continuously evaluates acquisition candidates that have the potential to complement the existing range of safety products and solutions at temporary workplaces. The acquisitions must contribute to growth and strengthened positions in the market, as well as to risk diversification and more efficient production capacity.

Selection criteria:
- Growth
- Risk diversification
- Synergies

The work zone safety market is fragmented, and there are good opportunities for consolidation.

The long-term goal is to acquire one to two companies per year. Although acquisition candidates were evaluated in 2023, the work mainly focused on consolidating the acquisitions made in 2022.

Midway Holding was established in 1989 with the express goal of being a diversified international group operating in technology and consumer-related areas. When it was deemed more effective for another stakeholder to own a company, the business concept also included the divestment of individual companies or groups of companies. A very large number of companies have been under the ownership of Midway Holding over the years: technology company DORO, lighting manufacturer Asp-Holmblad, kitchen manufacturer Tibro Kök and circuit board manufacturer Eribel, to name a few.

The strategy launched at the end of 2018 involved a clear streamlining of the Group, and most of the remaining companies in the portfolio were divested in the years that followed. The business concept of diversified ownership was ended in favour of HAKI and acquired companies, active in products and solutions for safe working conditions at temporary workplaces.

Divestments 2018–2023

2023	FAS Converting Machinery AB [1]	Manufacturer of machinery for converting plastic film material into products supplied on rolls
2019	Gustav E Bil AB	Car dealer
	MidTrailer AB [2]	Manufacturer of trailers
2018	Sigarth AB	Manufacturer of suspension systems and accessories for the radiator industry
	Stans & Press Industriservice i Olofström AB	Engineering company specialising in subcontract manufacturing
	Gustav E Bil i Vara [3]	Car dealer
	AB Sporrong	Manufacturer of metal products such as medals and uniform accessories
	Remaining share of Lundgrens Montage i Hjärup AB	Real estate company

1 An agreement to divest operations was signed in December 2023. The divestment was finalised in January 2024

2 Discontinued

3 Transfer of assets and liabilities

Acquisitions 2019–2022

2022	Novakorp Systems SARL	Products and solutions for safety at high heights
	EKRO Bausystem GmbH	System scaffold for temporary workplaces, access protection
2021	Vertemax Group Ltd	Products and solutions for safety at high heights
2019	Span Access Solutions Ltd	Platform solutions for temporary workplaces

Four companies have been acquired since 2019, which broadened both the product portfolio and the Group's geographic presence.

The UK company Span Access Solutions (2019) was the first company acquired as part of the Group's streamlining. It offers customised solutions – including a proprietary suspended platform – that contribute to safe and efficient solutions in complex environments.

The acquisition of Vertemax (2021), based in the UK with offices in Canada and Slovenia, provided both geographical expansion and a broader product range for safe working at height with products such as barrier systems and catchfans as well as stairways and bridge systems.

The French company Novakorp Systems (2022) complemented the Group geographically in French-speaking Europe as well as in terms of products, with solutions for safe work at height, such as barrier systems and catchfans as well as stairways and spaghetti mats.

EKRO Bausystem (2022), with its home market in Austria, expanded the Group into German-speaking parts of Europe, adding a range of products for safe workplaces such as system scaffold, lifts and barrier systems.

EKRO continues to be a brand within the Group. The products of the other companies have been renamed to the HAKI brand.

② Organic growth

Conditions for organic growth are provided by investing in the existing operations and in special initiatives.

One such growth initiative is strategic rental, which is a way for new customers to familiarise themselves with the Group's products and solutions by first renting them and then later buying them. It is a concept for customers who want to test new geographies, industry sectors or products, often in combination with complex projects.

Strategic rental is used, for example, by customers in Norway working in the energy sector. It is also common in the UK and France, where customers are often active in the construction and maintenance of complex, unique commercial properties.

Demand for strategic rental remained strong in 2023 and the Group has gained market share with the concept, which will be further developed and expanded.

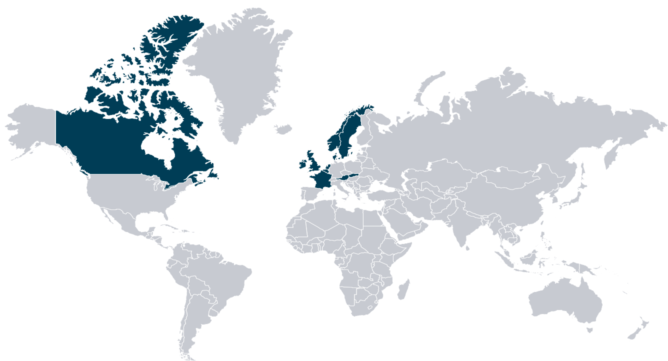
Another sales channel is the Group's e-commerce platform targeting the Scandinavian market, which was launched in December 2022. The sales channel has mainly attracted new customer groups. Over time, the e-commerce service will be expanded to include more products and target more geographical markets.

Resources are also being devoted to developing the Group's other digital offerings to meet customer demand for faster and simpler solutions. This involves helping customers to build right – right from the start – using cost-effective solutions, and includes everything from laser scanning to building virtual models to estimate the right quantities of materials and create detailed cost estimates.

In terms of digitalisation, HAKI Safety is at the forefront of its industry, which strengthens the Group's position in the market.

③ Geographical focus

HAKI Safety has strengthened its position in French- and German-speaking Europe and Central Europe through acquisitions in recent years. The Group as a whole is thus less affected by economic fluctuations in individual countries. At the same time, the broadened



geographical presence has also broadened the Group's exposure to different industrial sectors, which, among other things, has resulted in decreased exposure in relation to residential construction and increased exposure in relation to infrastructure and energy.

4 Segments with complex needs

Close cooperation with customers is a central aspect of HAKI Safety's business model. This is particularly true in very large and complex projects for the construction and maintenance of infrastructure and large commercial properties.

System scaffold and modern catchfans are key elements in these projects, which require experience, cost-effectiveness and sustainability. The Group continually invests in product development and new digital solutions to proactively meet customer demand for various innovative and effective solutions.

Examples of complex projects include:

- CONSTRUCTION AND MAINTENANCE OF COMMERCIAL PROPERTIES
- MAINTENANCE OF HISTORIC BUILDINGS
- CONSTRUCTION AND MAINTENANCE OF TUNNELS
- MAINTENANCE OF OFFSHORE PLATFORMS
- CONSTRUCTION AND MAINTENANCE OF BRIDGES
- CONSTRUCTION AND MAINTENANCE OF INDUSTRIAL PROPERTIES

HAKI Safety gains market share by working with its customers to help them win business rather than winning over competitors' customers. Another major competitive advantage for HAKI Safety is its commitment to providing guarantees for drawings and products, as well as its digital offering.

5 Adapt the organisation and offering to customers

The Group continuously develops its organisation and service based on the specific needs of its customers.

Large customers involved in complex projects are offered customised solutions, such as the 3D tool Lasco. It is a cutting-edge tool that creates realistic and full-scale 3D visualisations of free-form system scaffolds. Customers can use the tool to build customised scaffolding, and mix modules from different HAKI systems to accurately meet the needs of their project. The game engine integrated into the tool allows customers to share and collaborate with others on the same project, providing unique flexibility. The customer offering also includes training on scaffolding erection and safety, as well as other technical support and advice.

The Group's e-commerce is primarily aimed at smaller customers in the construction industry, such as home builders, scaffolding companies, craftsmen and private individuals with a DIY project, both for interior and exterior construction projects. E-commerce in Scandinavia was launched at the end of 2022, and the range has been gradually expanded in response customer demand.

6 Strengthen the customer offering

The Group is working continuously to improve the overall offering to its customers. HAKI's traditional system scaffolds with various frame scaffolding, weather protection, stair solutions, bridge systems, etc. has been supplemented with other work zone safety products and solutions, such as catchfans, barrier systems, fall protection, stairsways and spaghetti mats.

Digital design and engineering tools for planning and visualising complex projects have been developed in parallel with traditional product development.

7 Optimise the supply chain

Supply chain activities are focused on optimising processes, from procurement and production to inventory management and logistics. The aim is to improve the ability to meet customer needs and ensure customer focus at all stages, while optimising efficiency and working capital.

The Group's work in this respect is based on three focus areas:

- Streamlining, which aims to optimise flows and eliminate waste by ensuring that an order, from supplier to customer, arrives in the right quantity, is of the right quality and is delivered on time.
- Broadening, which involves working towards standardisation and finding synergies between products, markets and units.
- Strengthening, which focuses on partnerships with both suppliers and customers in order to increase availability and other customer benefits.

The near-term priority is to increase the inventory turnover rate, which has positive effects on working capital.

THE HAKI SAFETY SHARE IN 2023

HAKI Safety has been listed on Nasdaq Stockholm since 1989 and can be found on the exchange's Small Cap, under HAKI A and HAKI B. HAKI Safety was previously called Midway Holding (MIDW A and MIDW B).

Share performance

In 2023, the price of the B share decreased by 17.5 percent, which can be compared to the Stockholm Stock Exchange's small cap index (Nasdaq OMX Small Cap Sweden PI), which decreased by 24.7 percent.

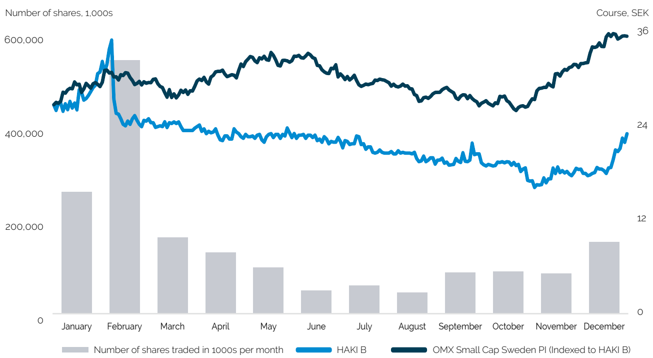
Share turnover and purchase price

A total of 1.8 million B shares (2.2) in HAKI Safety were traded in 2023, at a total value of SEK 42.4 million (59.7). This meant an average B share turnover of 7,000 shares (9,000) or SEK 0.17 million (0.24) per trading day. There were 251 trading days (253) out of 251 possible trading days (253).

The highest trading price at the close of the stock exchange in 2023 was recorded on February 7, at SEK 35.00, while the lowest was recorded on October 30, at SEK 16.20.

HAKI Safety's total market capitalisation, A and B shares, amounted to SEK 611 million (703) on December 31, 2023.

HAKI Safety's B share development January 1 to December 31, 2023



Share capital and shareholders

HAKI Safety has been listed on Nasdaq Stockholm since 1989 and can be found on the exchange's Small Cap, under HAKI A and HAKI B. HAKI Safety was previously called Midway Holding (MIDW A and MIDW B).

As of December 31, 2023, the share capital amounted to SEK 273,291,360 divided into 27,329,136 shares, of which 9,584,697 A shares and 17,744,439 B shares, each with a quota value of SEK 10. Class A shares carry ten votes each and Class B shares carry one vote each.

The majority shareholder in HAKI Safety is Tibia Konsult AB, with 53.5 percent of the votes. Tibia Konsult was founded by Sten K Johnson, who was also Midway Holding's founder and long-time CEO and Chairman of the Board. The company is currently managed by the family.

Dividend

For the financial year 2023, the Board of Directors proposes a dividend of SEK 0.90 per share (0.80), which corresponds to approximately 40 percent of the profit for the year after tax.

The dividend is proposed to be paid in equal parts on two separate occasions, in spring 2024 and autumn 2024.

Key figures per share, SEK

	2023	2022	2021	2020	2019
Earnings per share	2.27	2.60	2.12	-0.02	2.30
Earnings per share, total operations	2.27	2.60	2.12	-0.02	1.66
Earnings per share after full dilution [1]	2.24	2.57	2.12	-0.02	2.30
Earnings per share after full dilution, total operations [1]	2.24	2.57	2.12	-0.02	1.66
Cash flow per share, total operations	0.89	-0.29	0.26	-0.22	-2.25
Equity per share	23.53	22.25	20	17	18
Equity per share after full dilution [1]	23.23	21.97	20	17	18
Listed price, Class B share/Equity, %	87	116	119	100	114
Listed price, Class B share at year-end	22.10	25.90	23.50	17.25	20.0
P/E ratio, times	10	10	11	–	9
Dividend	0.90 [2]	0.80	0.75	0.00	0.00
Dividend yield, %	4.1	3.1	3.2	0.0	0.0

Earnings per share after full dilution: Profit/loss for the year in relation to the average number of shares, adjusted for the dilution effect of outstanding convertible instruments. The dilution effect for convertible instruments is the number of shares that may be added upon full conversion. Reported for continuing and total operations.

1 Takes into account the full potential dilution effect of warrant programmes. Dilution effects are only taken into account if they result in a deterioration of earnings per share.

2 The Board of Director's proposal to the 2024 Annual General Meeting.

THE SHARE AND OWNERSHIP

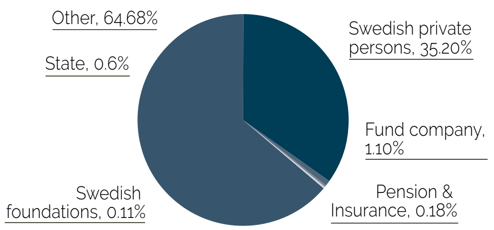
Largest shareholders as of 31/12/2023, A and B shares*

Name	Number of shares	Capital, %	Votes, %
Tibia Konsult AB	12,335,209	45.14	53.45
Marknadspotential AB	3,303,264	12.09	29.08
Kenneth Lindqvist, privately and through company	1,352,597	4.95	1.19
Svante Nilo Bengtsson and family	1,188,463	4.35	1.05
Avanza Pension	569,917	2.09	0.50
Inger Bergstrand	420,000	1.54	2.27
Peter Svensson	416,096	1.52	0.37
Jonas Jonsson	338,000	1.24	0.44
Leif Göransson and family	326,283	1.19	0.37
Håkan Blomdahl	318,645	1.17	0.28
Total 10	20,568,474	75.26	88.99
Others	6,760,662	24.74	11.01
Total number of shareholders	**4,015**		
Total number of shares	**27,329,136**		

* See www.hakisafety.com/the-share/ownership-structure for current holdings.

Concentration	Concentration	Capital, %	Votes, %	Number of shares
The 10 largest shareholders	10	75.26	88.99	20,568,474
The 20 largest shareholders	20	81.57	92.84	22,293,308
The 30 largest shareholders	30	83.63	94.32	22,855,901

Shareholder types, % of capital



Ownership structure by holdings	Capital, %	Votes, %	Number of shares	Number of known shareholders
1,-,1,000	3.01	1.25	821,782	3,221
1,001–10,000	7.58	2.76	2,072,456	693
10,001–20,000	2.10	0.73	573,200	37
20,001,-	88.64	95.57	24,244,646	64
Unknown holding size	-1.33	-0.31	-362,948	-
Total	**100**	**100**	**27,329,136**	**4,015**

Source: Modular Finance AB. Compiled and processed data from Euroclear, Morningstar, Swedish Financial Supervisory Authority, and others.

Types of shares, number of shares, capital and votes

Type of shares	Number of shares	Capital, %	Votes, %
A shares	9,584,697	25.1	84.4
B shares	17,744,439	64.9	16.6
Total	**27,326,136**	**100**	**100**

SKYSCRAPER CONSTRUCTION

Slovakia's first skyscraper, rising 45 storeys to a height of 168 metres, is being completed in the capital Bratislava.

HAKI Safety's barrier system, catchfan safety nets and personal fall protection systems have been used during construction. The products are used for work at height and in confined spaces as well as to ensure that neither the public nor workers are endangered by falling objects.

READ MORE HERE

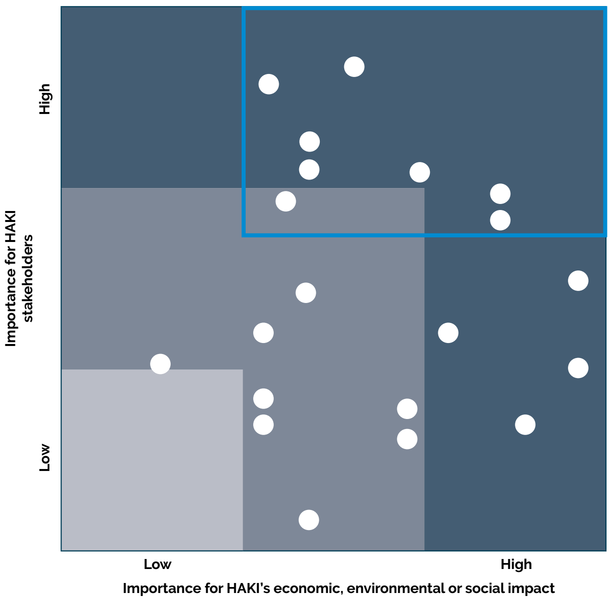
HAKI SAFETY'S STRATEGY FOR SUSTAINABLE DEVELOPMENT

Sustainable workplaces, refering to safe workplaces, are at the heart of all of HAKI Safety's activities, and the Group's safety solutions are the result of decades of experience and knowledge.

The Group contributes to the circular economy by designing its products for long life and easy recycling. New products are also compatible with older ones to minimise waste. By using efficient production methods, such as robotic welding, HAKI Safety saves energy, reduces waste and ensures a safe working environment.

The safety aspect applies not only to the products and solutions that the Group offers its customers, but also to the internal culture of HAKI Safety. Moreover, the Group strives to be a model of ethics and equality in its industry.

STAKEHOLDERS



Materiality analysis

A materiality analysis was conducted in 2019 for the former Midway Holdings' largest holding, HAKI. The analysis helped to identify the HAKI's key sustainability issues, and how these relate to the UN Sustainable Development Goals.

The safety products and solutions companies acquired since 2019 have successively aligned with the sustainability commitments and associated activities, operational targets and metrics that were subsequently identified. Together with HAKI, they accounted for 85 percent of the Group's sales in 2023.

The materiality analysis was based on the following areas:

- Environmental impact
- Economic impact
- Social impact

Climate emissions, waste, and hazardous waste management were considered essential in relation to the environment. Sustainable procurement became the economic impact activity considered most essential and an area for the group to prioritise. Most material areas were categorised under social impact: corruption and bribery, decent working conditions, equality, health & safety, and human rights.

All areas are described in the following pages, some of which are presented with quantifiable outcomes.

Three sustainability commitments

Through its three sustainability commitments, HAKI Safety will be:

- a partner that takes environmental responsibility by playing an active role in the sustainable development of the industry

- a leader in safety that takes social responsibility by striving to provide safe and healthy working environments

- a responsible Group that, through its governance, is a model of ethical business practices and gender equality in its industry

Based on these commitments, several concrete activities, operational objectives and measurement points have been identified.

A double materiality analysis will be conducted in 2024 and a new sustainability strategy with associated targets will be presented during the year.

HAKI Safety's portfolio companies were not included in the 2019 materiality analysis. A separate double materiality analysis will be conducted in 2024 for the remaining portfolio company within the Group.

Overall responsibility

The Board of Directors has ultimate responsibility for the Group's sustainability work. From 2024, it will be regularly involved in the Group's development in a number of key areas. The ambition is to introduce sustainability reporting in the Group's quarterly reports in 2025.

Governance and operational responsibilities

The organisation and governance of HAKI Safety's sustainability work will be strengthened and clarified in 2024 with the introduction of an internal Sustainability Steering Group headed by the Sustainability responsible and consisting of employees with responsibilities from the three different focus areas: Environmental Responsibility, Social Responsibility and Governance. The Sustainability responsible is part of the Group Management Team, which meets monthly.

ORGANISATION

Board of Directors

CEO/Management Team

Sustainability Steering Group
Employees from the focus areas Environmental Responsibility, Social Responsibility and Governance

The main policy documents related to the Group's sustainability management are:

- Group Code of Conduct
- Supplier Code of Conduct
- Sustainability Policy
- Whistleblower Policy
- Business Continuity Policy
- Financial Policy (tax related)

Climate-related risks

Climate change affects society at large and will become increasingly important for business operations in the future. HAKI Safety has a responsibility to minimise its climate impact through production and other business activities. Some of this work may lead to changes in products, services and supply chains. At present, HAKI Safety does not believe that these factors constitute any significant uncertainty regarding estimates, assessments and presentations in this Annual Report.

Management of sustainability risks

A key aspect of HAKI Safety's risk management is about identifying and mitigating risks. The work also includes assessing potential environmental and occupational health and safety risks. Each identified risk is assessed in terms of severity and likelihood. The measures that are then implemented focus on eliminating the hazard and reducing the likelihood of each significant risk. Read more about the Group's risks on pages 23–24.

In connection with enhanced governance of HAKI Safety's sustainability work in 2024, a renewed review will also be made of the more specific sustainability risks at the Group level.

EU taxonomy

The EU taxonomy is a legislative classification system for economic activities, intended to influence societal investment in an environmentally sustainable direction.

Several of the Group's products and solutions contribute to the circular economic and reduced climate impact, while making a positive contribution to the Group's revenue. However, HAKI Safety's main economic activities are not covered by the taxonomy. For this reason, no accounting is done according to the taxonomy's disclosure requirements.

Corporate Sustainability Reporting Directive (CSRD)

The Corporate Sustainability Reporting Directive (CSRD) applies to HAKI Safety from financial year 2025. The first reporting under the Directive will therefore take place in the annual report for 2025, which is set for publication in March 2026.

External review

The auditor has performed a limited assurance of HAKI Safety's sustainability report. The auditor's statement together with an index of disclosures in relation to the Annual Accounts Act can be found on page 70.

FOCUS AREA – ENVIRONMENTAL RESPONSIBILITY: A PARTNER WHO TAKES AN ACTIVE ROLE IN INDUSTRY DEVELOPMENT

12 Responsible consumption and production
Target 12.2 Sustainable use of resources
Target 12.5 Waste management
Target 12.6 Sustainable practices

HAKI Safety's ambition is to play an active role in the development of the industry by reducing its environmental impact and thus becoming an attractive partner for its customers. The Group is striving to reduce emissions and increase recycling through continuous innovation and optimisation of products, services and working methods. The work also focuses on efficient waste management and sustainable procurement.

The Group contributes to the circular economy by designing its products for long life and easy recycling. New products are also compatible with older ones to minimise waste. By using efficient production methods, such as robotic welding, HAKI Safety saves energy, reduces waste and ensures a safe working environment.

Raw materials and chemicals

The Group's primary raw materials are steel and aluminium. HAKI uses chemicals as a natural part of its operations in Sibbhult, Sweden, with the aim of gradually reducing their use. An inventory conducted in 2022 resulted in use of a number of chemicals being eliminated, while an external consultant conducted a risk analysis of chemical management. When new chemicals are acquired, a screening process is now undertaken based on usage and management, thereby reducing the health and safety risks and the risk to the environment as a whole.

Energy and climate

The production unit in Sibbhult, Sweden, is the facility with the greatest environmental impact of the Group. The facility is environmentally certified to ISO 14001, which provides a clear framework for reducing the facility's environmental impact and ensuring that statutory requirements are met. The ambition is for other operations within the Group to also achieve ISO 14001 certification. Most of the Group's operations are already ISO 9001 certified, which provides a framework for continuous improvement in the form of a quality management system.

The majority of the Group's energy consumption, as well as its direct climate impact, comes from purchased ecolabelled electricity and district heating.

Energy consumption within the Group decreased by 35 percent during the year, mainly driven by lower production levels. On a general level, the Group is actively engaged in cutting its energy consumption, and is implementing several energy-saving measures.

Direct emissions, Scope 1, are reported for 2023 for all operations, including the Industrial Services business area. During the year, direct emissions increased because acquired companies were included on a full-year basis, unlike in 2022 when they were only included for a few months. Similarly, the Group's indirect emissions from e.g. purchased energy and heating, Scope 2, have increased. However, the underlying trend shows positive developments in some areas, such as transport.

HAKI climate offsets its Scope 1 and Scope 2 emissions. For 2023, an investment was made via an external actor in a solar energy project in India, which has a proven climate benefit according to the UN.

2023 outcome in the area of environmental responsibility

	2023	2022	2021	2020
Energy consumption, kWh The Group	2,578,707	3,995,377	3,782,762	3,606,279
Safe Access Solutions	1,859,977	2,473,412	2,342,889	2,085,279
Industrial Services	718,730	1,521,965	1,439,873	1,521,000
Direct emissions – Scope 1, tonnes CO_2e	607	377	303	268
Safe Access Solutions	556			
Industrial Services	51			
Indirect emissions – Scope 2, tonnes CO_2e The Group	44	44.4	41.4	63.4
Safe Access Solutions	43	43	40	62
Industrial Services	2	1.4	1.4	1.4

FOCUS AREA – SOCIAL RESPONSIBILITY FOCUS: A LEADER IN SAFETY

3. Good health and well-being
Target 3.4 Healthy workplace

8. Decent working conditions and economic growth
Target 8.8 Safe working environments

HAKI Safety's business concept is to offer a wide range of safety products and solutions that create safe working conditions at temporary workplaces. This includes system scaffold, work zone safety, and digital and technical solutions that help customers achieve safety and efficiency in their various environments.

The safety aspect includes HAKI Safety's internal culture, where a healthy lifestyle is also promoted among all employees.

Working environment – health & safety

The number of reported occupational accidents increased during the year, mainly due to improved and stricter incident reporting. As even minor incidents are now given attention, the total number of occupational accidents has increased. This also means that the Group receives more detailed information about risks in the working environments, which will contribute to prevention.

However, the number of occupational accidents resulting in absences of more than eight hours decreased to four during the year. Two of these accidents involved crushing injuries, which led to a review and improvement of procedures to prevent recurrence.

In 2023, accident reporting began to be categorised in a new and clearer way. In addition to observations and/or near misses, incidents are reported in four different categories, ranging from minor injury to permanent injury. The new categories are accompanied by clear divisions of responsibility and action plans to speed up response and prevent recurrence.

Human rights

Human rights relate to fundamental rights defined by conventions and declarations, including child labour, forced labour, freedom of association, discrimination/diversity, gender equality and the right to collective bargaining. These areas are addressed in the Group's Code of Conduct.

None of the Group's operations are considered to have a significant risk of human rights violations. HAKI Safety has signed statements on the management of issues relating to forced labour, child labour and trafficking/modern slavery, in accordance with the UK Modern Slavery Act and the Norwegian Transparency Act (Åpenhetsloven).

All of the Group's 30 largest suppliers have certified that they comply with the UN conventions on human rights.

Freedom of association

Employees covered by collective agreements remained at 51 percent in 2023 and concern employees in HAKI AB. This group is mainly employees working in Sweden and part of the Safe Access Solutions business area.

Diversity & inclusion

HAKI Safety endeavours to achieve a balanced mix in terms of factors such as ethnicity, age and gender, taking into consideration the type of operation being pursued. Diversity and inclusion are generally considered important elements in situations such as recruitment, training, evaluation, salary setting and succession planning. Both the Board of Directors and Group Management comprise 40 percent women.

Performance reviews & skills development

The proportion of the Group's employees who underwent performance reviews during the year was 100 percent. From 2023, the employees of the most recently acquired companies are also included in the Group's procedures for these reviews.

The Group prioritises giving employees the opportunity to develop their skills. During the year, investments in training were made in an amount corresponding to SEK 2,554 per employee. The amount is lower than the previous year due to cost savings efforts in the Group in 2023.

In order to promote a healthy lifestyle among all employees, all employees in the Group have access to a wellness allowance.

2023 outcome in the area of social responsibility

	2023	2022	2021	2020
Number of occupational accidents	18	14	7	7
Number of occupational accidents leading to absence (8 hours or more)	4	5	1	2
Employees covered by collective agreements, %	51	51	51	60
Employees who have undergone regular performance reviews, %	100	78	100	78
Annual investment in training per employee, SEK	2,554	3,319	3,324	3,168

FOCUS AREA – GOVERNANCE: A RESPONSIBLE GROUP

5. Gender equality
Target 5.5 Equal participation and representation

10. Reduced inequalities
Target 10.3 Equal opportunities

16. Peace, justice and strong institutions
Target 16.5 Eliminate corruption and bribery

HAKI Safety strives to be a model of ethics and equality in its industry, and also strives to promote this in its value chain.

The Group promotes the values of fair competition and is actively engaged in combating all forms of bribery and corruption within its own organisation and value chain.

Regulatory compliance

Based on the Group's Code of Conduct, HAKI Safety works both internally and throughout the value chain to promote exemplary business behaviour based on compliance with laws, regulations and international agreements. Together with the whistleblower policy, it constitutes an important cornerstone of the organisation's compliance.

The Group's whistleblower policy states that every employee has the right to report suspected violations of laws or regulations without any repercussions. During the year, a total of 0 cases (0) were reported via the whistleblower system and other channels, related to alleged harassment, security breaches, unfairness or conflicts of interest.

Supplier evaluation and follow-up

The Group's goal is for all strategically important suppliers to have signed the Group's Code of Conduct, which addresses issues related to human rights, health and safety, environmental management and social responsibility. The number of strategically important suppliers totalled about 30 in 2023, with 38 percent of suppliers documented as having signed the Code. The relatively low proportion is explained by a change in the supplier base, as new acquisitions have been made, as well as a reassessment of the functioning of the entire supply chain, which during the year did not show in the results in these evaluations.

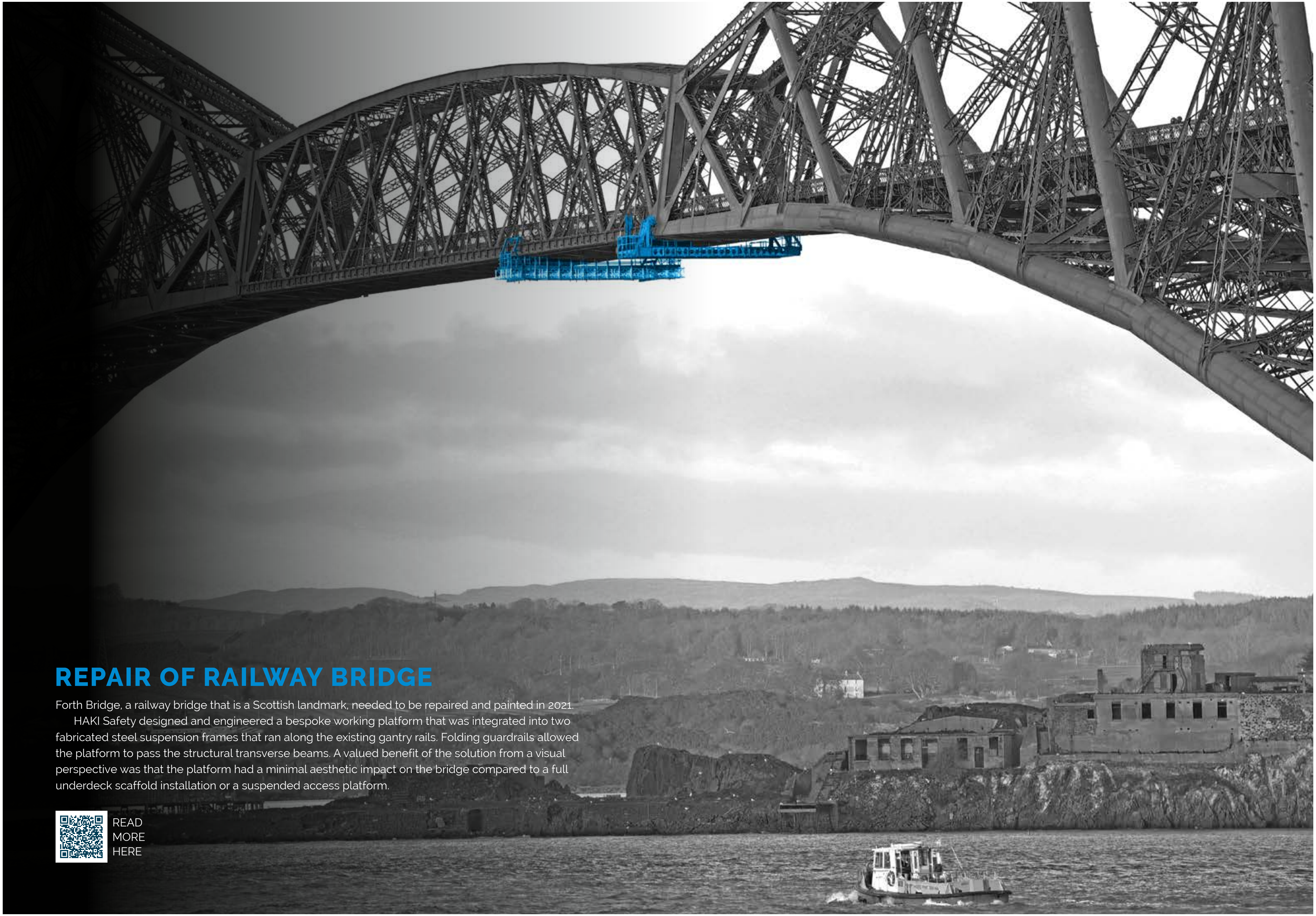
Active role in the public debate

HAKI Safety is a member of several interest groups, including the European Union of Scaffolding Companies (UEG), the British National Access and Scaffolding Confederation (NASC) and the Norwegian Samarbeid for sikkerhet (SFS). The Group is active in the public debate on safety at temporary workplaces. The focus in recent years has been to highlight the importance of planning and foresight in order to improve safety in an industry characterised by time pressure and short lead times.

2023 outcome in the area of governance

	2023	2022	2021	2020
Number of corruption-related incidents reported	0	0	0	0
Whistleblower cases	0	0	0	0
Number of GDPR-related incidents	2 [1]	0	1	2

[1] Of which one case was reported to the Swedish Authority for Privacy Protection.



REPAIR OF RAILWAY BRIDGE

Forth Bridge, a railway bridge that is a Scottish landmark, needed to be repaired and painted in 2021.

HAKI Safety designed and engineered a bespoke working platform that was integrated into two fabricated steel suspension frames that ran along the existing gantry rails. Folding guardrails allowed the platform to pass the structural transverse beams. A valued benefit of the solution from a visual perspective was that the platform had a minimal aesthetic impact on the bridge compared to a full underdeck scaffold installation or a suspended access platform.

READ MORE HERE

A GOOD FINANCIAL YEAR DESPITE MARKET CHALLENGES

Tomas Hilmarsson, CFO of HAKI Safety, how would you summarise the financial year?

Under the market conditions that prevailed in 2023, HAKI Safety reported a good year. The gross margin improved and profitability was maintained, but net income was negatively impacted by higher interest rates.

HAKI Safety has new financial targets since March 2024; tell us more about them.

It is the first time we have financial targets for the Group and I am very pleased that they were presented in connection with HAKI Safety's first Capital Markets Day. The intention is, of course, for investors to better be able to follow and gain an understanding of the Group's development. The targets we are working towards align with our strategic plan and are both realistic and compatible with responsible risk-taking.

How are you working with the debt level of the Group?

The Group's level of debt remained stable during the year, but was higher than in previous periods. In the current market situation, we are therefore conservative with new investments. Our main focus is to reduce inventory levels, which, together with other streamlining measures, is helping to reduce debt.

How do you work with acquisitions?

Our long-term goal is to acquire one to two companies per year. We evaluated several acquisition candidates in 2023, but the work was primarily focused on consolidating the acquisitions that were completed in 2022. The acquisitions we are interested in should contribute to both growth and strengthened positions in the market, but also to risk diversification and more efficient production capacity.

Why do your results vary so much between quarters and years?

This is because larger individual customer orders are not season-dependent. The results tend to vary quite significantly between quarters, depending on the timing of these orders, which makes quarterly comparisons difficult to assess. We therefore prefer to follow the underlying rolling trend of the operations. Although the Group has not yet reached historical profitability levels, we saw a clear improvement in the EBITA margin over the last 12-month period.

What are your seasonal variations?

Activity levels have historically been higher in the second and third quarters than in the first and fourth quarters. The weather largely influences the demand for our products and solutions, even though many projects in infrastructure, industry or commercial real estate, for example, are now run all year round.

Please explain what strategic rental is and how it drives growth.

Strategic rental is a way for new customers to familiarise themselves with the Group's products and solutions by first renting them and then later buying them. We offer the concept when our customers want to test new geographies, industry sectors or products, often in combination with complex projects.

In the current market situation, it is a good business for us. Demand is high, we are taking market share with the concept, and we will both further develop and broaden the concept.

Which key figures do you monitor practically every day?

The key figures that I follow on a daily basis are largely the same as the group's financial targets. In addition, I have a focus on cash flow, which is important to be able to continue our growth journey.

Malmö, March 2024

Tomas Hilmarsson
Chief Financial Officer

BOARD OF DIRECTORS' REPORT

The Board of Directors and the CEO of HAKI Safety AB (publ) (556323-2536) hereby submit the following report for the year 2023. The statements of comprehensive income, balance sheets, cash flow and equity analyses, as well as the accounting policies, risk reporting and notes form part of the annual accounts.

HAKI Safety AB is a public Swedish limited company, and is a subsidiary of Tibia Konsult AB (556154-8008). Tibia Konsult AB, based in Malmö, owns 45.1 percent of the capital and 53.5 percent of the votes in HAKI Safety AB. HAKI Safety's registered office and headquarters are located in Malmö.

HAKI Safety AB is listed on Nasdaq Stockholm Small Cap.

Operations in 2023

HAKI Safety AB, known as Midway Holding until December 20, 2023, is an international industrial group. Since 2020, operations have been divided into two segments:

- Safe Access Solutions consists of the businesses HAKI, Vertemax, Novakorp, EKRO and Norgeodesi and is focused on safety products and solutions for temporary workplaces. Vertemax and Novakorp were renamed HAKI in 2023 and early 2024, respectively, and market their products under the HAKI brand. EKRO and Norgeodesi are both individual company names and brands.
- Industrial Services consisted of two companies: FAS Converting Machinery and Landqvist Mekaniska Verkstad, which develop, produce and sell machinery for converting plastic film materials and provide contract manufacturing of components to industrial customers, respectively.

In March 2024, the Group announced that it is discontinuing its two segments in favour of one reporting segment with a new reporting structure, which will be reflected in the Group's first interim report of 2024.

Based on the well-established Swedish brand HAKI, founded in 1956, the Group's product portfolio and geographical presence has been broadened in recent years through acquisitions. The holding of safety products and solutions amounted to 85 percent of the Group's sales in 2023. The Group's goal is to continue to develop HAKI's strong position in Europe, together with the EKRO and Norgeodesi brands. The range of safety products and solutions for projects is sold to mainly in Europe, and to industrial sectors such as infrastructure, energy, industry, and construction and civil engineering.

For a more detailed description of Safe Access Solutions, see pages 1–10, 14–18 and note 1.

The Group's focus for the Industrial Services portfolio companies has been to develop them together with their management teams, with organic growth as a priority. FAS Converting Machinery is a global company that develops, produces and sells machinery for converting plastic film materials into products on rolls. Using the machine equipment, customers mainly produce waste bags and disposable aprons in polyethylene plastic and industrial film. FAS Converting Machinery was divested in January 2024. Landqvist Mekaniska Verkstad is an engineering company that specialises in contract manufacturing of components for international industrial customers and regional operators in Sweden. The company works with advanced components in small and medium-sized series for the trailer, construction and automotive industries.

SIGNIFICANT EVENTS IN 2023

Date	Event
29/12/2023	Agreement is signed to divest FAS Converting Machinery
20/12/2023	HAKI Safety is traded under HAKI A and HAKI B on Nasdaq Stockholm
12/12/2023	Extraordinary General Meeting decides on the name change
09/11/2023	The Board proposes that an Extraordinary General Meeting changes the name of Midway Holding Aktiebolag to HAKI Safety AB
25/10/2023	Interim report July–September 2023 is published
19/07/2023	Interim report April–June 2023 is published
25/04/2023	Annual General Meeting is held
24/04/2023	Interim report January–March 2023 is published
12/04/2023	New segment reporting is presented, where Norgeodesi is transferred from Industrial Services to Safe Access Solutions
08/02/2023	Year-end report 2022 is published

Significant events after year-end

The divestment of the Group's portfolio company FAS Converting Machinery was finalised on January 24, 2024. The business was deconsolidated on the same day.

Financial targets for the Group were presented in connection with HAKI Safety's Capital Markets Day on March 14, 2024. For more information about the targets, see page 3.

Corporate governance report

The corporate governance report can be found on pages 63–66.

Financial performance 2023

Group sales amounted to SEK 1,188 million (1,168), an increase of 2 percent compared to 2022. Organic sales decreased by 12 percent and acquired growth was 13 percent. The impact of changes in exchange rates had a positive net effect of 1 percent.

Safe Access Solutions increased sales to SEK 1,018 million (1,006), corresponding to an increase of 1 percent. Geographically, good demand was noted in Denmark, Norway and the UK during the year. Lower demand was noted in Sweden during the year, but with recovery during the last quarter. In Austria and France, demand was stable but with a slight decline at the end of the year. In Canada, demand was weak throughout the year. Industrial Services increased sales to SEK 170 million (162), corresponding to an increase of 5 percent. In Landqvist Mekaniska Verkstad, growth was mainly an effect of good underlying demand. FAS Converting Machinery had good demand for both machine deliveries and service.

The gross margin amounted to 33.4 percent (31.0), where the increase compared to the previous year was related to a better balance in pricing towards customers to cover for increased prices on raw materials and overheads as well as cost savings.

The Group's EBITA amounted to SEK 90 million (84), corresponding to an EBITA margin of 7.6 percent (7.2). Group EBITA is defined excluding amortisation of intangible assets related to acquisitions and revaluation of contingent considerations. Restructuring costs negatively impacted earnings by SEK 5 million (11) and related to the closure of one of the Group's inventory depots in Canada.

Operating profit amounted to SEK 99 million (102), corresponding to an operating margin of 8.3 percent (8.7). Revaluation of contingent considerations linked to acquisitions and impairment of acquisition-related assets had a net effect on operating profit amounting to SEK 18 million (25). Amortisation of acquisition-related intangible assets amounted to SEK 9 million (6).

Cash flow from operating activities amounted to SEK 153 million (-53). Changes in working capital decreased by SEK 21 million. Cash flow from investment activities amounted to SEK -73 million (-158), mainly related to the payment of a contingent consideration for Vertemax. Cash flow from financing activities amounted to SEK -55 million (203). From the first quarter 2023, net investments in assets related to strategic rental material are presented as part of cash flow from operating activities, which amounted to SEK 3 million (-87) in the period.

Net financial items during the period amounted to SEK -21 million (-11). Net financial items for the period include interest expenses of SEK -23 million (-8) and exchange rate effects of SEK 2 million (-3).

Profit after tax amounted to SEK 62 million (71), corresponding to SEK 2.27 per share before dilution (2.60) and SEK 2.24 after dilution (2.57), and was affected by higher interest expenses compared to the previous year. The Group's net debt decreased by SEK 30 million compared to 31 December 2022, and amounted to SEK 376 million (406). Net debt excluding IFRS 16 lease liabilities amounted to SEK 298 million.

Board of Directors' report, *continued*

Business acquisitions

No acquisitions were made in 2023.

Operating profit for the fourth quarter was positively affected by the revaluation of earnouts of SEK 28 million (18) relating to the acquisition of EKRO Bausystem and Novakorp Systems. For EKRO Bausystem, financial targets for the payment of additional purchase price were not achieved. The earnout for Novakorp Systems was renegotiated due to the postponement of specific customer projects. The maximum additional purchase price has been reduced to EUR 5 million from EUR 7 million and the vesting period has been extended to 31 December 2024. Payment will be made in July 2025 at the earliest. In connection with the evaluation of impairment tests for the Safe Access Solutions business area, an impairment of acquisition-related assets in the form of goodwill of SEK 21 million was made in the fourth quarter, which is related to the French operation. The transactions had no cash flow effect.

Divestments

In December 2023, HAKI Safety announced that it had signed an agreement to divest FAS Converting Machinery to the American company CMD Corporation. The business is part of the Industrial Services business area. The purchase price amounted to USD 3.7 million on a debt-free basis, subject to customary working capital adjustments. The transaction will not have any significant impact on the group's profit after tax.. The Group's cash flow and net debt will be positively affected by an amount equivalent to the purchase price.

The transaction was finalised on January 24, 2024, and the business was deconsolidated from January 2024.

Parent company

The parent company's operations consist mainly of administration. The parent company had 7 employees at the end of 2023. For the parent company, the profit/loss after financial items amounted to SEK -15 million (-5). The equity/assets ratio in the parent company amount to 50 percent (50).

Non-financial performance indicators

The Group's non-financial performance indicators are described in the sustainability report on pages 14–18.

Environment and statutory sustainability report

Three of the Group's subsidiaries in Sweden conduct activities subject to a notification requirement under the Environmental Code. Two of these are subject to a permit requirement. All of these have the permits required to operate and no violations occurred during the year.

In accordance with Chapter 6, Section 11 of the Annual Accounts Act, HAKI Safety has prepared a statutory sustainability report; see pages 14–18. The table on the right provides guidance on where the statutory information can be found in the Annual Report.

AREA	Page
Business model	6
Policies, frameworks, stakeholders and key issues	14–15
Environmental responsibility	16
Employee relations and social responsibility	17
Human rights	17
Preventing corruption	18
Risks and risk management	23–24
Diversity in the Board and Management	17, 41

Research and development

Innovation and improvement are at the heart of everything HAKI Safety does. The Group strives for growth, and to find new business opportunities and develop new ways to help its customers. HAKI Safety holds around 20 patents and design protections. The Group's research and development costs for 2023 amounted to SEK 26 million (21).

Guidelines for remuneration and other terms of employment for senior management

The guidelines for remuneration and other terms of employment for senior management were adopted at the 2021 Annual General Meeting. The guidelines are essentially in line with previous years' remuneration principles and are based on agreements already entered into between the company and senior executives. The Board has appointed a Remuneration Committee to negotiate remuneration with the CEO and authorised the CEO to negotiate remuneration with other members of management. Final agreements are presented to the Board.

HAKI Safety shall offer market-based total compensation that enables the recruitment and retention of senior executives. Remuneration to senior management consists of fixed salary, pension, a limited amount of variable remuneration based on the fixed salary, and other remuneration. Altogether, these elements constitute the individual's total compensation. The fixed salary should take into account the individual's responsibilities and experience.

Senior management is entitled to pensions, which shall be defined contribution. The retirement age is 65.

Other remuneration and benefits shall be on market terms and contribute to facilitating the executive's ability to perform their duties. The employment contracts of senior management include termination provisions. Under these agreements, employment can be terminated at the request of the employee or the company with a notice period of three to twelve months.

The Board is entitled to deviate from the above guidelines if the Board deems that there are special reasons for doing so in an individual case.

For further information on remuneration of senior executives, see note 5. Full guidelines are available on the Group's website. At least three weeks before the Annual General Meeting, the Board publishes its Remuneration Report for the financial year 2023 on the website.

Call option programme

In November 2022, Group Management acquired call options in accordance with the long-term incentive programme resolved by the 2022 Annual General Meeting. The call options were acquired at market value in accordance with a valuation by an independent third party.

The CEO acquired 150,000 call options and other senior executives 300,000 call options, of which 100,000 were synthetic call options, in accordance with the principles established by the Annual General Meeting. Karin Larsson, who joined the Group Management in September 2023, acquired 50,000 call options in September 2023, which covered to the remaining call options in the programme. Thus, the call options programme from the 2022 Annual General Meeting is fully subscribed by the Group Management. An updated market valuation by a third party was obtained in connection with the acquisition of the call options.

The call options entitle the holder to subscribe for new B shares in the company during the period May 1, 2025, up to and including June 30, 2025, at a subscription price of SEK 35.80, corresponding to 135 percent of the volume-weighted average price according to Nasdaq Stockholm's official price list for the share during the five trading days immediately following the 2022 Annual General Meeting, adjusted for share dividends during the period. Full dilution was assumed in the calculation of earnings per share.

Proposal for the allocation of profits

At the disposal of the Annual General Meeting are in the parent company (SEK):

Retained earnings	119,682,141
Profit/loss for the year	4,828,581
Total	**124,510,722**

The Board of Directors proposes that profits be appropriated as follows (SEK):

Dividend to shareholders SEK 0.90 per share	24,596,222
Carried forward	99,914,500
Total	**124,510,722**

The Board of Directors finds that the proposed appropriation of profits is in accordance with the precautionary rule in Chapter 17, Section 3 of the Swedish Companies Act as follows: The Board of Directors finds that the distribution of profits is justifiable with regard to the requirements that the nature, scope and risk of the operations place on the size of the equity, the company's and the Group's consolidation needs, liquidity and position in general.

Outlook

Events in the outside world still represent uncertainty for future market development. The market is difficult to assess, and several customers have and may continue to delay placing large orders. However, global megatrends, such as continued population growth and urbanisation, are increasing the demand for energy and infrastructure, while demands for safety at temporary worksites are increasing. Given these trends, the overall future of the Group is positive.

RISKS AND RISK MANAGEMENT

An important element of HAKI Safety's strategic planning is identification of business-critical risks that could have a negative impact on the Group.

Risks and risk management

A new cross-functional risk management process was introduced in 2023 to address risks across the Group. The risks are grouped into four categories:

- Strategic risks
- Operational risks
- Compliance risks
- Financial risks

The four risk categories include sustainability risks, such as climate impact, occupational health and safety risks, human rights risks and risks related to non-compliance with laws and regulations, both within the Group and in the supply chain.

The highest governance body for risk management is the Board of Directors and its Audit Committee. Day-to-day risk management is coordinated by the Quality, Health, Safety & Environment (QHSE) function, which brings together staff from the commercial organisation and functions such as finance, IT, HR, communications and sustainability. Risks are also addressed in forums such as:

- Sales & Operation Planning (S&OP)
- Sustainability Steering Committee, starting in 2024

Risk management

Each identified risk is assessed on a five-point scale based on severity and likelihood. The actions that are then implemented focus primarily on reducing the likelihood of each significant risk.

A risk with a low overall value does not require any action, while risks with medium values should be managed by defining the appropriate action and establishing a deadline for such action to be taken.

Result	Risk	Assessment
1–5	Low	Acceptable risk – no action needed
6–12	Medium	Risk mitigation measures should be considered
13–25	High	Risk mitigation measures are required

GROUP RISKS

LIKELIHOOD \ IMPACT	1	2	3	4	5
5	5	10	15	20	25
4	4	8	12	16	20
3	3	6	9	12	15
2	2	4	6	8	10
1	1	2	3	4	5

MAJOR GROUP RISKS

- Volatility of demand
- Changing customer behaviours
- Increased dependence on large customers
- Development of acquisitions
- Sub-optimal resource allocation
- Product liability
- Production stoppage
- Disruptions to critical IT systems and cyber-related risks
- Over- or undercapacity in production
- Large stockholding

RISKS WITH HIGH AGGREGATE VALUES

	Risk	Focus and management
Strategic risks		
Changing customer behaviours	Risk of changing customer behaviours in general, as well as competitors' actions affecting the demand for different products and their profitability	Focus on customers and suppliers, competitor analysis, product development and risk diversification measures
Increased dependence on large customers	Risk of the Group becoming too dependent on large individual customers	Focus on having a broad customer base and a broad customer offering
Development of acquisitions	Risk that integration of acquired entities is complex and synergies take longer to realise than expected	Focus on consistent and predefined Group-wide processes
Sub-optimal resource allocation	Risk of sub-optimisation of operations	Focus on centralising processes and warehouses while keeping sales local to improve customer service and free up capital
Product liability	Risk of delivery delays and/or quality problems	Focus on processes, procedures and quality management systems via ISO 9001 at the Group's sites
Production stoppage	Risk of production stoppages due to unforeseen events, such as power outages, subcontractor failures, raw material shortages, etc.	Focus on flexible production, action plans, outsourcing, use of multiple suppliers
Operational risks		
Disruptions to critical IT systems and cyber-related risks	Risk of neglected IT upgrades and IT attacks bringing operations to a standstill	Focus on regular upgrades and preventive measures to protect business-critical information
Overcapacity in production	Risk of not being able to deliver products according to contracts and needs	Focus on promoting continuous improvement for efficient production and high flexibility in the production process
Financial risks		
Volatility of demand	Risk of widespread financial crisis and economic downturn affecting performance and results	Focus on action plans combined with a focus on complementary products and geographic markets to diversify risk
Stockholding	Risk of overstocking leading to a lack of capital that prevents necessary investments	Focus on the Sales & Operation Planning process and stock optimisation
Undercapacity in production	Risk of loss of revenue	Focus on increased insourcing and optimisation of the number of production units
Compliance risks		
Currently no risks with high aggregate values		

Macroeconomic risks

Wars and conflicts can give rise to global geopolitical effects that could have an impact on HAKI Safety. Russia's war with Ukraine has been ongoing in the relative vicinity of the Group since February 2022. The war gave rise to increased energy prices, which fuelled incipient inflation and subsequently sharp increases in interest rates, affecting the general economic situation and thereby negatively impacting the Group. HAKI Safety mitigated the negative development through a mix of cost-cutting measures and price increases. Otherwise, the Group had or has no exposure in relation to either Russia or Ukraine. In the armed conflict between Israel and Hamas from October 2023, there is a risk that transport from Asia to Europe will be prevented or slowed down due to difficulties in transporting goods via the Red Sea. Where the Group is affected by this, alternative European suppliers have been identified and utilised.

Financial risks and risk management

HAKI Safety's financial risk management is described in Note 19 Financial risk management and financial instruments.

Sustainability risks

HAKI Safety's sustainability work and associated risks are described on pages 14–18.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

OPERATING INCOME AND EXPENSES, SEK m	Note	2023	2022
Net sales	1	1,188	1,168
Cost of goods sold		-791	-807
GROSS PROFIT		**397**	**361**
Selling expenses		-211	-167
Administrative expenses	7	-81	-99
Research and development costs		-26	-21
Other operating income	9	43	30
Other operating expenses	9	-22	-2
OPERATING PROFIT/LOSS	1, 2 ,3, 4, 5, 6, 7, 9, 10	**99**	**102**
Net financial income			
Finance income	11	32	17
Finance costs	11	-53	-27
PROFIT/LOSS BEFORE TAX		**78**	**92**
Income tax	12	-16	-22
PROFIT/LOSS FOR THE YEAR		**62**	**71**
STATEMENT OF COMPREHENSIVE INCOME			
Translation differences		-2	19
Items that will be subsequently reversed in the income statement		**-2**	**19**
Revaluation of net pension liabilities		-1	-1
Items that will not be reversed in the income statement		**-1**	**-1**
Other comprehensive income for the period, net after tax		**-3**	**18**
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**58**	**89**
Profit for the year attributable to:			
Parent company shareholders		62	71
Non-controlling interests			-
Total comprehensive income for the year attributable to:			
Parent company shareholders		58	89
Non-controlling interests		-	-
Earnings per share, before dilution, attributable to parent company shareholders.		2.27	2.60
Earnings per share, after dilution, attributable to parent company shareholders.		2.24	2.57
Average number of shares during the period, before dilution		27,329,136	27,329,136
Average number of shares during the period, after dilution		27,679,136	27,679,136
Proposed dividend per share		0.9	0.8

CONSOLIDATED BALANCE SHEET

ASSETS, SEK m	Note	31/12/2023	31/12/2022
FIXED ASSETS			
Intangible assets	13		
Capitalised expenditure and other intangible fixed assets		60	79
Goodwill		345	363
TOTAL INTANGIBLE ASSETS		**405**	**442**
PROPERTY, PLANT AND EQUIPMENT	6, 13		
Buildings and land		86	104
Plant and machinery		35	35
Equipment, tools and installations		196	224
Construction in progress and advances in respect of property, plant and equipment		0	2
TOTAL PROPERTY, PLANT AND EQUIPMENT		**317**	**365**
Financial fixed assets			
Deferred tax assets	12	0	0
Participations in associated companies		0	0
Other non-current receivables	16, 19	10	15
TOTAL FINANCIAL FIXED ASSETS		**10**	**15**
TOTAL FIXED ASSETS		**733**	**822**
CURRENT ASSETS			
Inventories etc.	15		
Raw materials and supplies		32	66
Goods in progress		30	54
Finished goods and goods for resale		276	303
TOTAL INVENTORIES		**338**	**423**
Current receivables			
Accounts receivables	16, 19	118	139
Tax receivables		4	3
Other receivables		15	11
Prepaid expenses and accrued income	17	9	8
TOTAL CURRENT RECEIVABLES		**145**	**161**
Cash and cash equivalents	18, 19	53	32
TOTAL CURRENT ASSETS		**536**	**617**
Assets held for sale	30	64	-
TOTAL ASSETS		**1,333**	**1,439**

EQUITY AND LIABILITIES, SEK m	Note	31/12/2023	31/12/2022
Capital and reserves attributable to parent company shareholders			
Share capital	20	273	273
Reserves		16	9
Retained earnings		355	326
		643	**608**
Non-controlling interests		**-**	**-**
TOTAL EQUITY		**643**	**608**
Non-current liabilities			
Liabilities to credit institutions	21, 22	375	371
Deferred tax liability component	12	22	20
Other liabilities	22	53	80
Provisions	23, 24	26	24
TOTAL NON-CURRENT LIABILITIES		**476**	**495**
Current liabilities			
Liabilities to credit institutions	21, 22	42	52
Customer prepayments		1	9
Accounts payable		60	103
Tax liabilities		11	19
Other provisions		-	-
Other liabilities	22	20	85
Accruals and deferred income	26	58	67
TOTAL CURRENT LIABILITIES		**192**	**336**
Liabilities directly associated with assets held for sale	30	22	-
TOTAL EQUITY AND LIABILITIES		**1,333**	**1,439**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to parent company shareholders					
	Share capital	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
Equity, 01/01/2023	**273**	**9**	**326**	**608**	**0**	**608**
Comprehensive income						
Profit/loss for the year	-	-	62	62	-	62.0
Other changes		10	-10	0	-	0
Other comprehensive income	-	-2	-1	-3	-	-3
TOTAL COMPREHENSIVE INCOME	**0**	**8**	**51**	**58**	**-**	**58**
Transactions with owners						
Dividend	-	-	-22	-22	-	-22
TOTAL TRANSACTIONS WITH OWNERS	**-**	**-**	**-22**	**-22**	**-**	
Equity, 31/12/2023	**273**	**16**	**355**	**643**	**0**	**643**

	Equity attributable to parent company shareholders					
	Share capital	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
Equity, 01/01/2022	**273**	**-10**	**276**	**540**	**0**	**540**
Comprehensive income						
Profit/loss for the year	-	-	71	71	-	71
Other comprehensive income	-	18	-	18	-	18
TOTAL COMPREHENSIVE INCOME	**0**	**18**	**71**	**89**	**-**	**89**
Transactions with owners						
Dividend	-	-	-21	-21	-	-21
TOTAL TRANSACTIONS WITH OWNERS	**-**	**-**	**-21**	**-21**	**-**	**-21**
Equity, 31/12/2022	**273**	**9**	**326**	**608**	**0**	**608**

Reserves relate mainly to exchange rate differences arising from the translation at current rates of the financial statements of foreign operations and other reserves in subsidiaries.

CONSOLIDATED CASH FLOW STATEMENT

SEK m	Note	2023	2022
PROFIT/LOSS FROM OPERATING ACTIVITIES			
Continuing operations			
Profit/loss before tax		78	92
of which interest paid		-25	-9
of which interest received		2	1
Adjustment for items not included in cash flow		-49	-21
Depreciation/amortisation	13	115	78
Taxes paid		-13	-18
Cash flow from operating activities before changes in working capital		**132**	**132**
Change in working capital			
Change in inventories		50	-190
Change in current receivables		2	26
Change in current liabilities		-31	-21
Cash flow from operating activities		**153**	**-53**
Investment activities			
Investments in intangible fixed assets	13	-8	-17
Investments in property, plant and equipment	13	-15	-38
Property, plant and equipment sold	13	0	12
Acquired subsidiaries	29	-50	-123
Change in other financial fixed assets, incl. long-term accounts receivables		0	1
Increase/decrease in current financial investments and receivables		0	6
Cash flow from investment activities		**-74**	**-158**
Financing activities	27		
Amortisation of loans		-21	-100
Change in leasing liability		-23	-4
Borrowings		17	328
Change in current financial liabilities		-6	-
Dividend		-22	-21
Cash flow from financing activities		**-55**	**203**
Cash flow for the year		24	-8
Cash and cash equivalents at start of year		32	40
Effects of exchange rate differences on cash and cash equivalents		-3	0
Cash and cash equivalents at end of the period		**53**	**32**
Specification of the line 'Adjustment for items not included in cash flow'			
Cancellation of additional purchase price		-39	-25
Restructuring and pension provision		-8	8
Other items		-2	-3
		-49	**-21**

From 2023 onwards, net investments in assets related to strategic rental materials are presented as part of cash flow from operating activities. Comparative figures have been recalculated.

PARENT COMPANY INCOME STATEMENT

OPERATING INCOME AND EXPENSES, SEK m	Note	2023	2022
Administrative expenses	7	-24	-23
Other operating income		9	3
OPERATING PROFIT/LOSS		**-15**	**-20**
Results from financial investments			
Income from participations in associate companies	8	10	17
Interest income and similar items	11	16	10
Interest expense and similar items	11	-26	-13
PROFIT/LOSS AFTER FINANCIAL ITEMS		**-15**	**-5**
Appropriations		19	54
Current tax on profits for the year	12	1	-7
PROFIT/LOSS FOR THE YEAR		**5**	**42**

The parent company's profit/loss is consistent with the parent company's comprehensive income.

PARENT COMPANY BALANCE SHEET

ASSETS, SEK m	Note	31/12/2023	31/12/2022
FIXED ASSETS			
Intangible assets			
Capitalised expenditure and other intangible fixed assets		2	0
TOTAL INTANGIBLE ASSETS		**2**	**0**
TOTAL TANGIBLE AND FINANCIAL FIXED ASSETS			
Inventories		1	0
Shares in Group companies	14	196	196
Other long-term holdings of securities		3	2
Deferred tax assets	12	2	1
TOTAL INVENTORIES AND FINANCIAL FIXED ASSETS		**202**	**200**
TOTAL FIXED ASSETS		**202**	**200**
CURRENT ASSETS			
Current receivables			
Receivables from Group companies		600	646
Tax receivables		0	0
Other receivables		0	1
Prepaid expenses and accrued income	17	1	1
TOTAL CURRENT RECEIVABLES		**601**	**648**
Cash at bank and in hand	18	**10**	**2**
TOTAL CURRENT ASSETS		**611**	**649**
TOTAL ASSETS		**815**	**849**

EQUITY AND LIABILITIES, SEK m		31/12/2023	31/12/2022
Equity			
Restricted equity			
Share capital (27,329,136 shares, quota value SEK 10)	20	273	273
Reserve fund		11	11
TOTAL RESTRICTED EQUITY		**284**	**284**
Non-restricted equity			
Retained earnings		120	99
Profit/loss for the year		5	42
TOTAL NON-RESTRICTED EQUITY		**125**	**142**
TOTAL EQUITY		**409**	**426**
Provisions		**3**	**3**
Non-current liabilities			
Liabilities to credit institutions	21	310	310
TOTAL NON-CURRENT LIABILITIES		**310**	**310**
Current liabilities			
Liabilities to credit institutions	21	0	10
Accounts payable		2	1
Liabilities to Group companies		86	94
Other liabilities		2	0
Accruals and deferred income	26	4	5
TOTAL CURRENT LIABILITIES		**93**	**111**
TOTAL EQUITY AND LIABILITIES		**815**	**849**

PARENT COMPANY EQUITY

	Share capital	Reserve fund	Non-restricted reserves	Total
Equity, 01/01/2023	**273**	**11**	**142**	**426**
Comprehensive income				
Profit/loss for the year	-	-	5	5
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME	**0**	**0**	**5**	**431**
Transactions with owners				
Dividend	-	-	-22	-22
TOTAL TRANSACTION WITH OWNERS			**-22**	**-22**
Equity, 31/12/2023	**273**	**11**	**125**	**409**

	Share capital	Reserve fund	Non-restricted reserves	Total
Equity, 01/01/2022	**273**	**11**	**120**	**404**
Comprehensive income				
Profit/loss for the year	-	-	42	42
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME	**0**	**0**	**42**	**42**
Transactions with owners				
Dividend	-	-	-21	-21
TOTAL TRANSACTION WITH OWNERS	**0**	**0**	**-21**	**-21**
Equity, 31/12/2022	**273**	**11**	**142**	**426**

PARENT COMPANY CASH FLOW STATEMENT

SEK m	Note	2023	2022
Profit/loss after financial items and appropriations		-15	-5
of which interest paid		-22	-8
of which interest received		11	10
Adjustment for items not included in cash flow		6	4
Taxes paid		0	0
Cash flow from operating activities before changes in working capital		**-9**	**-2**
Change in working capital			
Change in current receivables		64	-278
Change in current liabilities		-13	50
Cash flow from operating activities		**42**	**-230**
Investment activities			
Investments in tangible and intangible assets	13	-2	0
Divested subsidiaries		0	1
Change in other financial assets and current investments		0	32
Cash flow from investment activities		**-2**	**32**
Financing activities	27		
Amortisation of loans		-20	-100
Borrowings		11	320
Dividends paid		-22	-21
Cash flow from financing activities		**-31**	**200**
Cash flow for the year		**8**	**2**
Cash and cash equivalents at start of year		2	0
Cash and cash equivalents at end of the period	**18**	**10**	**2**
Specification of the item 'Adjustment for items not included in cash flow'			
Depreciation/amortisation		0	0
Anticipated dividends from subsidiaries		0	0
Other items		6	3
		6	**4**

The item "Change in current liabilities" also includes the effect of non-cash Group contributions and changes in balances/liabilities in Group bank accounts.

ACCOUNTING POLICIES AND RISK REPORTING

All amounts in SEK million unless otherwise stated in the text.

HAKI Safety AB (publ) (556323-2536) - listed on Nasdaq Stockholm - is a subsidiary of Tibia Konsult AB (556154-8008). Tibia Konsult AB, based in Malmö, owns 45.1 percent of the capital and 53.5 percent of the votes in HAKI Safety AB. The Group's registered office and headquarters are in Malmö. The business is divided into two segments, Safe Access Solutions and Industrial Services.

The financial statements were authorised for issue by the Board of Directors on March 21, 2024.

The consolidated financial statements for HAKI Safety AB have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Rules for Groups and International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRIC) as adopted by the EU. The parent company's functional currency is the Swedish krona, which is also the reporting currency for both the parent company and the Group. The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- financial assets available-for-sale, financial assets and liabilities (including derivative instruments),
- assets held for sale - measured at fair value less selling costs,
- defined benefit pension plans - plan assets measured at fair value

New and amended standards adopted by the Group

There are minor changes to standards that were approved for application from 2023, but no changes that are deemed to have a significant impact on the Group's financial statements. The same applies to the interpretative statements issued by IFRS IC.

The Group also elected to adopt the following amendments early:
- Annual Improvements to IFRS Standards 2018-2020; and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments listed above had no impact on the consolidated financial statements.

A number of new standards and interpretations are effective for annual periods beginning after January 1, 2023, and have not been applied in preparing these financial statements. These new standards and interpretations are not expected to have a material impact on the Group's financial statements in the current or future periods or on future transactions.

Leases

Leases where the Group is the lessee

The Group's leases are divided into the asset classes of premises, machinery, equipment and vehicles. The Group assesses whether a contract is or contains a lease at the inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability for all leases in which the Group is the lessee, except for short-term leases (leases with a maximum lease term of 12 months) and for leases where the underlying asset is of low value. For leases that meet the criteria for the short-term or low-value relief rules, the Group recognises lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic method of allocating the lease payment provides a more accurate picture. The lease liability is initially measured at the present value of the the future lease payments that have not been paid at the commencement date. for the lease, discounted at the implicit rate, or if this cannot be readily determined, the incremental borrowing rate. The incremental borrowing rate is the interest rate that HAKI Safety would have to pay for financing by borrowing over a similar period, and with equivalent security, for the right to use an asset. in a similar economic environment. Lease payments included in the measurement of lease liabilities include the following:

- fixed charges (including substantially fixed charges), after deduction of any benefits associated with the signing of the lease to be received, variable lease payments that depend on an index or price, initially valued using the index or price at the commencement date,
- amounts expected to be paid by the lessee under residual value guarantees,
- the exercise price of an option to purchase if the lessee is reasonably certain to exercise such an option; and
- penalties payable on termination of the lease, if the lease term reflects that the lessee will exercise an option to terminate the lease.

Lease liabilities are presented together with financial liabilities in the balance sheet with a specification in the notes. Lease liabilities are recognised in subsequent periods by increasing the liability to reflect the effect of interest and reducing it to reflect the effect of lease payments made. Lease liabilities are revalued with a corresponding adjustment to the right-of-use asset in accordance with the rules found at in the standard.

Right-of-use assets are presented in the balance sheet together with property, plant and equipment with a specification in the notes. The right-of-use asset is initially recognised at the value of the lease liability, plus lease payments made on or before the commencement date of the lease and initial direct costs. The right-of-use asset is recognised in subsequent periods at cost less depreciation and impairment. If the Group incurs obligations to dismantle a leased asset, restore land or restore and refurbish an asset to a contractually agreed condition, a provision for such obligations is recognised in accordance with IAS 37. Such provisions are included in the cost of the right-of-use asset unless they are related to the production of inventory.

Right-of-use assets are depreciated over their estimated useful life or, if shorter, over the contractual lease term. If a lease transfers ownership at the end of the lease term or if the cost includes a probable exercise of a call option, the right-of-use asset is amortised over its useful life. Amortisation begins at the commencement date of the lease.

The Group applies the principles in IAS 36 for impairment of right-of-use assets and accounts for this in the same way as described in the principles for property, plant and equipment accounted for under IAS 16.

Accounting policies and risk management, continued

Variable lease payments that do not depend on an index or price are not included in the measurement of lease liabilities and right-of-use assets. Such lease payments are recognised as an expense in operating income in the period in which they are incurred.

Leases where the Group is the lessee

HAKI Safety rents scaffolding materials and machinery. Revenue is recognised on a straight-line basis in the income statement, as are the costs associated with the repair and maintenance of rented property.

Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the different entities The Group's entities are valued using the currency of the primary financial environment in which the entity operates ('the functional currency'). The consolidated accounts use SEK, which is the parent company's functional and reporting currency.

(b) Transactions and balances

In the parent company and the Swedish companies, transactions in foreign currency are translated into SEK at the exchange rates prevailing on the transaction date.

Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in the profit/loss for the year. Translation differences for non-monetary items, such as shares measured at fair value through profit/loss for the year, are recognised as part of the fair value gain/loss.

(c) Group companies

The results and financial position of all Group companies that have a functional currency other than the reporting currency are translated into the consolidated reporting currency as follows:

- assets and liabilities for each of the balance sheets are translated at the closing rate.
- income and expenses for each of the income statements are translated at the average exchange rate (unless this average rate is not a reasonable approximation of the cumulative effect of the rates prevailing at the date of the transaction, in which case income and expenses are translated at the date of the transaction), and
- any resulting exchange differences are recognised in other comprehensive income.

Exchange rates used in the preparation of the consolidated financial statements

	2023		2022	
	Average price	Balance sheet price	Average price	Balance sheet price
DKK	1.5403	1.4888	1.429	1.497
NOK	1.0054	0.9871	1.052	1.057
EUR	11.4765	11.096	10.632	11.128
GBP	13.1979	12.768	12.467	12.581
CAD	7.8637	7.5782	7.771	7.706
USD	10.6128	10.0416	10.125	10.437

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The Group controls an entity when it is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its influence over the entity. Subsidiaries are fully consolidated from the date on which influence is transferred to the Group. They are excluded from the consolidated accounts from the date on which influence ceases.

The acquisition method is used to account for the Group's acquisitions of subsidiaries. The cost of an acquisition is the fair value of assets given as consideration, equity instruments issued and liabilities incurred or assumed at the date of transfer. The purchase price also includes the fair value of any assets or liabilities resulting from a contingent consideration agreement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The excess consisting of the difference between the cost and the fair value of the Group's share of identifiable net assets acquired is recognised as goodwill. If the acquisition cost is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the profit/loss for the year.

Revenue recognition

The Group recognises revenue when the Group meets a performance obligation, which is when a promised product or service is delivered to the customer and the customer takes control of the goods or services. Control of a performance obligation can be transferred over time or at a point in time. Revenue is the amount that the Group expects to receive as consideration for goods or services transferred. In order for the Group to recognise revenue from contracts with customers, each customer contract is analysed in accordance with the five-step model set out in the standard:

- Step 1: Identify an agreement between at least two parties where there is a right and an obligation.
- Step 2: Identify the different commitments.
- Step 3: Determining the transaction price, i.e. the amount of compensation that the company expects to receive in exchange for the promised goods or services. The transaction price should be adjusted for variable elements, such as any discounts.
- Step 4: Allocate the transaction price to the different performance commitments.
- Step 5: Recognise revenue when the performance obligations are fulfilled, i.e. control is transferred to the customer. This is done at one time or over time if any of the criteria listed in the standard are met.

The Group's revenue is primarily from the sale of goods to customers. The Group also has revenues over time mainly related to sales of software licenses but these amount to insignificant amounts, see further in note 1. Typically, an agreement with a customer is identified by HAKI receiving a written order confirmation or a signed sales agreement. There are some framework agreements with major customers within the Group, but it is only when orders are confirmed that final terms and conditions, and therefore the Group's enforceable rights and obligations, are confirmed.

In the normal case and for the majority of the Group's sales of goods, there is no longer time between order confirmation and actual delivery of the goods, delivery is typically within four to six weeks from order confirmation.

In general, each separate product in the order is considered a separate performance obligation. The transaction price depends on

Accounting policies and risk management, continued

the variable elements, which are usually discounts, bonuses and to some extent penalties. These are allocated to the performance obligations identified under each contract, where more than one performance obligation exists. Revenue is recognised when control of the products has passed from HAKI Safety to the customer, which for the majority of the Group's revenue is at one point in time, namely when the delivery of the product has been completed. This coincides with the transfer of the risks and benefits of the product to the customer, which also corresponds to the fact that the customer has normally obtained legal ownership of the product. The variable parts of the transaction price (i.e. discounts, bonuses and any penalties) are treated as a reduction in revenue at the time of the transaction. In cases where, after the transaction date, the customer is found not to be entitled to the discounts or bonuses issued, or becomes liable for a penalty, revenue is recognised only when the Group considers that it is no longer probable that the revenue may need to be reversed. A further description and breakdown of revenue is given in note 1.

In rare cases, the Group enters into contracts with customers that contain significant financing components. For example, this was done for HAKI's major sale to a customer in Sweden in 2023. In this case, the Group took the financing component into account when determining the transaction price and the financing component is instead recognised as interest income over the term of the credit, which is 36 months. The financing component of this agreement does not amount to a significant amount. In addition to this agreement, the Group sometimes enters into customer agreements that contain a smaller financing component, but where the credit period is less than 12 months.

In these cases, the Group applies the practical expedient in accordance with paragraph 63 of IFRS 15 and therefore does not adjust the amount of compensation. The financing components of these contracts are also not expected to be significant.

Development expenditure

Expenditure on product adaptations is normally charged to operating profit on an ongoing basis and is recognised as Research and development costs in the profit/loss for the year. For those development costs that meet the criteria for capitalisation, an intangible asset is recognised in the balance sheet.

Current and deferred income tax

In the income statement item Income tax, current and deferred income tax is reported for Swedish and foreign Group companies according to the applicable tax rate in each country. The state income tax in Sweden amounted to 20.6 percent in 2021 and 21.4 percent in 2020 and is calculated on the reported profit plus non-deductible items and minus non-taxable income and other deductions, mainly tax-free dividends from subsidiaries.

The balance sheet method is used to account for deferred taxes. Under this approach, deferred tax liabilities and assets are recognised for all temporary differences between the carrying amounts and tax bases of assets and liabilities and for other tax deductions or losses. Deferred tax liabilities and assets are calculated using the current tax rate without discounting. Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in the income statement, except when the tax relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. The change in the tax rate in Sweden to 20.6 percent from 2021 did not have a material impact on the Group's recognised deferred taxes.

Intangible assets

Goodwill represents the excess of the cost of acquisition over the fair value of the Group's share of the acquired subsidiary's identifiable net assets at the date of acquisition. Goodwill on acquisitions of subsidiaries is recognised as intangible assets. Goodwill is tested at least annually and when there is an indication of impairment to identify any impairment and is recognised at cost less accumulated impairment losses. The gain or loss on disposal of an entity includes the residual carrying amount of the goodwill relating to the disposed entity. Goodwill is allocated to cash-generating units when testing for impairment. Other intangible fixed assets consist of capitalised development expenditure, trademarks and customer relationships. Internally generated customer relationships are not recognised in the balance sheet but in the profit/loss for the year when the cost is incurred. Reported customer relationships arise from business combinations and have a definite useful life. Acquired customer relationships are recognised at cost less accumulated amortisation and any accumulated impairment losses.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at cost less accumulated depreciation according to plan and any impairment losses. Incremental expenditure is added to the carrying amount of the asset or recognised as a separate asset, depending on which one is appropriate, only when it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of the replaced part is removed from the balance sheet. All other forms of repairs and maintenance are recognised as expenses in the income statement in the period in which they are incurred.

Depreciation according to plan is based on the acquisition cost with reference to any impairment losses and is accrued on a straight-line basis over the estimated useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Depreciation is not applied to land. All of the Group's properties are classified as operating properties as the properties are mainly used for the production of goods and services.

Depreciation/amortisation

Depreciation according to plan is based on the cost of the assets and their estimated useful life;

Customer relations	10-20%
Computer software etc.	10-20%
Buildings	2-5%
Machinery and other technical installations	10-30%
Equipment and tools	10-30%

Impairment of non-financial assets

Assets with an indefinite useful life are not depreciated but are tested annually for impairment. Assets subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Accounting policies and risk management, continued

A value in use is calculated based on estimated future cash flows and the estimated residual value at the end of the useful life. In calculating value in use, future cash flows are discounted at a rate that takes into account the market's assessment of the risk-free rate and the risk associated with the specific asset, also known as the WACC or discount rate. In calculating value in use, the Group uses actual results, forecasts for future periods, business plans and relevant available market data.

Financial assets and liabilities

Financial instruments are any form of contract that gives rise to a financial asset in one enterprise and a financial liability or equity instrument in another enterprise. Financial instruments are classified on initial recognition, including the purpose for which the instrument was acquired and is managed. This classification determines the valuation

Accounting and deletion

A financial asset or financial liability is recognised in the balance sheet when the entity becomes a party to the contractual provisions of the instrument. Account receivables are recognised in the balance sheet when an invoice has been sent and the company's right to compensation is unconditional. A liability is recognised when the counterparty has performed and there is a contractual obligation to pay, even if an invoice has not yet been received. Accounts payable are recognised when an invoice is received. A financial asset and financial liability are offset and netted in the balance sheet only when there is a legally enforceable right to offset the amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.
A financial asset is derecognised when the rights in the contract are realised, expire or the company loses control over them. A financial liability is removed from the balance sheet when the contractual obligation is discharged or otherwise extinguished. The same applies to part of a financial asset or financial liability. Gains and losses from derecognition and modification are recognised in the profit/loss to the extent that hedge accounting is not applied.

Classification and measurement of financial assets

Financial assets are classified based on the business model in which the asset is managed and the cash flow characteristics of the asset. If the financial asset is held within a business model whose objective is to collect contractual cash flows (hold to collect) and the contractual terms of the financial asset at specified times give rise to cash flows consisting solely of payments of principal and interest on the principal amount outstanding are recognised at amortised cost If, instead, the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets (hold to collect and sell), and the contractual terms of the financial asset give rise, at specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding, the asset is recognised at fair value through other comprehensive income. All other business models (other) where the purpose is speculative, held for trading or where the cash flow characteristics preclude other business models involve fair value accounting through profit or loss.

The Group applies the hold to collect business model for all financial assets. The Group's financial assets are initially recognised at fair value and subsequently at amortised cost using the effective interest method, less provision for impairment.

As of December 31, 2023, the Group does not have any assets classified at fair value through the income statement or fair value through other comprehensive income.

Classification and measurement of financial liabilities

Financial liabilities are measured at fair value through the income statement if they are a contingent consideration to which IFRS 3 applies, if they are held for trading or if they are initially designated as liabilities at fair value through the income statement. The Group's financial liabilities, excluding contingent considerations, consist of accounts payable, loans and other current liabilities and are measured at amortised cost.

Fair value of financial instruments

The fair value of financial assets and liabilities that are traded in an active market is determined by reference to quoted market prices. The fair value of other financial assets and liabilities is determined using generally accepted valuation models such as discounting future cash flows and using information derived from current market transactions.

For all financial assets and liabilities, the carrying amount is considered to be a good approximation of its fair value, unless specifically stated otherwise.

Amortised cost and effective interest method

The amortised cost of a financial asset is the amount at which the financial asset is measured on initial recognition less the principal amount, plus the cumulative amortisation using the effective interest method of any difference between that principal amount and the outstanding principal amount, adjusted for any impairment losses. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjustments for any loss allowance. Financial liabilities are measured at amortised cost using the effective interest method or at fair value through the income statement.

The effective interest rate is the rate that, by discounting all future expected cash flows over the expected term, results in the initial recognition of the financial asset or financial liability.

Impairment of financial assets

The Group recognses a loss allowance for expected credit losses on financial assets measured at amortised cost. At each balance sheet date, the Group recognises the change in expected credit losses since initial recognition in the profit/loss.

For all financial assets, the Group measures the loss allowance at an amount equal to 12 months of expected credit losses. For financial instruments for which there have been significant increases in credit risk since initial recognition, an allowance based on credit losses is recognised for the full term of the asset (the general model). The Group's account receivables are subject to the simplified impairment model.

Cash and cash equivalents are subject to the general impairment model. For cash and cash equivalents, the low credit risk exemption is applied. Long-term receivables and accrued income are also included in the general model.

The Group defines default as when it is deemed unlikely that the counterparty will meet its obligations due to indicators such as financial difficulties and missed payments. Regardless, default is considered to occur when the payment is 90 days late. The Group writes off a receivable when no possibility of further cash flows is deemed to exist.

Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events and it is more likely than not that an

Accounting policies and risk management, continued

outflow of resources will be required to settle the obligation and the amount has been reliably estimated. The calculation is made using a pre-tax discount rate that reflects current time and risk.

Contingent liabilities are recognised when there is a possible obligation confirmed by one or more uncertain future events and it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured with sufficient accuracy.

Government grants

The Group applies IAS 20 for accounting for government grants. Government grants are recognised in the balance sheet as deferred income when there is reasonable assurance that the grant will be received and that HAKI Safety will comply with the conditions attached to the grant. Grants are systematically accrued in the income statement as cost reductions over the same periods as the costs they are intended to offset. If the grant has been received before the conditions for recognising it as revenue have been met, the grant is recognised as a liability. When assessing the Group's ability to meet the conditions associated with the grant with reasonable certainty and the probability of receiving the grant, events after the balance sheet date are also taken into account. If the grant has been received before the conditions for recognising it as cost reduction have been met, the grant is recognised as a liability. Any obligation to repay government grants will be recognised as a change in estimates and judgments and will primarily reduce the remaining deferred income related to the grants.

Inventories

The Group's inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress consists of raw materials, direct labour, other direct costs and attributable indirect production costs (based on normal production capacity). Borrowing costs are not included. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling costs.

Employee benefits

Some executives have, in addition to their fixed salary, a performance-based bonus. All bonuses are in cash and limited to a certain percentage of the fixed salary. Bonuses are expensed during the vesting year based on estimates from Group management and are paid out the following year.

Severance pay

The Group recognises severance payments when it is obliged to pay for such things.

Pension obligations

The Group has both defined benefit and defined contribution pension plans. A defined benefit pension plan is a pension plan that specifies an amount of pension benefit an employee will receive after retirement, usually based on one or more factors such as age, length of service or salary. A defined contribution pension plan is a pension plan under which the Group pays fixed contributions to a separate legal entity, usually an insurance company.

The Group does not have any legal or constructive obligations to pay additional contributions if the insurance company does not have sufficient assets to pay the employee benefits related to the employees' service in the current or prior periods.

The liability recognised in the balance sheet for defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, with adjustments for unrecognised actuarial gains/losses for past service. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of high-quality corporate or government bonds that are denominated in the same currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Commitments for retirement and survivors' pensions for officials

In Sweden it is covered by an insurance policy with Alecta. According to UFR 10 of the RFR, this is a multi-employer defined benefit plan. For the 2023 financial year, the company has not had access to information that makes it possible to recognise this plan as a defined benefit plan. The ITP pension plan secured through an insurance policy with Alecta is therefore reported as a defined contribution plan. Alecta's surplus can be distributed to policyholders and/or insured persons.

The collective consolidation level should normally be allowed to vary between 125 and 175 percent. If Alecta's collective consolidation level falls below 125 percent or exceeds 175 percent, measures shall be taken to create the conditions for the consolidation level to return to the normal range. At the end of 2023, Alecta's surplus in terms of the collective consolidation level amounted to 158 percent (2020: 172 percent).

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operations are regularly reviewed by the entity's chief operating decision maker to make decisions about the allocation of resources to the segment and assess its performance, and about which independent information is available. HAKI Safety manages and measures its business in two segments, Safe Access Solutions and Industrial Services. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. In the Group, this function has been identified as the Group of senior managers who make strategic decisions. Safe Access Solutions and Industrial Services are described on page 21 of the Annual Report. Information on the nature of revenue and revenue and expense recognition for the segments is provided in note 1.

As of January 1, 2023, NOM Holding/Norgeodesi is included in the Safe Access Solutions business area. To facilitate comparisons with the previous year, restated financial information for the segments for the years 2021-2022 is available on the Group's website www.hakisafety.com. Comparative figures for the segments in the Annual Report have been restated in accordance with the segment structure.

Accounting policies and risk management, continued

Significant estimates and judgements

The Group tests annually whether goodwill is impaired in accordance with the accounting policies described under the heading of intangible assets above. The recoverable amount of cash-generating units (CGUs) has been determined by calculating the value in use. The calculations are based on estimated future cash flows, which for 2023 are based on financial budgets prepared by the management of each CGU, see Note 13. In this valuation, management makes assumptions and estimates about future conditions, which form the basis for calculating the recoverable amount. For the purposes of this Annual Report, management has assessed that no reasonable changes in the key assumptions would cause the estimated aggregate recoverable amount of each cash-generating unit to be less than their aggregate carrying amount.Significant estimates and judgements exist regarding the valuation of additional purchase considerations, inventory obsolescence and impairment of accounts receivable and long-term receivables. The model for the provisioning of accounts and long-term receivables is described in a separate section under accounting policies.

Alternative performance measures

HAKI Safety presents certain financial measures that are not defined in IFRS. The purpose of presenting these measures is to provide some additional information to the reader that may be useful in understanding the financial information. These alternative measures should be seen as complements rather than substitutes for measures defined under IFRS. The definition of alternative performance measures is presented on on HAKI Safety's website www.hakisafety.com.

PARENT COMPANY ACCOUNTING POLICIES

The parent company's financial statements have been prepared in accordance with the SAAA and RFR 2. RFR 2 contains exemptions from applying IFRS 9 in legal entities. The amendments that came into force on 1 January 2018 mean that the impairment requirements in accordance with IFRS 9 must also be applied by companies that choose to apply the exemption.

Financial instruments

The parent company applies the exemption in RFR 2 regarding IFRS 9 in legal entities. On initial recognition, financial instruments are measured at cost, which is the amount of expenditure incurred to acquire the asset plus transaction costs directly attributable to the acquisition. A financial asset or financial liability is derecognised from the balance sheet when the contractual right to the cash flow from the asset has expired or been settled and when the contractual obligation has been fulfilled or expired.

Group contributions and shareholder contributions

Both Group contributions received and paid are reported as appropriations in the parent company, as their main purpose is to distribute taxable income within the Group. Dividends from subsidiaries are recorded as income from shares in Group companies. Shareholders' contributions paid are recognised by the donor as an increase in the item Shares in group companies, after which an assessment is made as to whether an impairment of the value of the shares is required. Shareholders' contributions received are recognised by the recipient directly in equity.

Group companies

Shares in subsidiaries are recognised in the parent company in accordance with the cost method. The company only recognises revenue for dividends received that relate to profits earned after the acquisition. Dividends in excess of the profits earned after the acquisition are recognised as a repayment of the original investment and thus reduce the carrying amount of the investment.

CONTENT NOTES

NOTES

NOTE 1 SEGMENT INFORMATION

Information on reportable segments

As of January 2020, HAKI Safety has two business areas, Safe Access Solutions and Industrial Services. The segmentation follows an operational organisational structure that supports how HAKI Safety strategically manages and monitors its activities. Safe Access Solutions and Industrial Services are reported as operating segments in accordance with IFRS 8.

The basis for the division into segments is the different customer offerings that each business area provides. The customer offerings in each segment are as follows:

- **Safe Access Solutions** offers market-leading total solutions for safe working conditions in complex and demanding environments. The business area includes brands such as HAKI, EKRO and Norgeodesi. It is a fully integrated functional organisation with a geographical focus on Europe and Canada.

- **Industrial Services** develops, manufactures, markets and sells goods and services for professional use in a variety of industries. During the financial year, the business area consisted of the operations FAS Converting and Landqvist Mekaniska Verkstad, which are reported and monitored jointly by the Group's highest executive decision-maker.

What is reported under Central includes the parent company and other common functions.

Inter-segment transactions are rare. Transfer prices between Group companies are set according to the arm's length principle. Assets and investments are reported where the asset is located and are essentially based on the legal entities of each segment.

Income statement	Safe Access Solutions		Industrial Services		Central		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
External revenue from sales of goods	900	924	170	162	-	-	1,070	1,086
External income from rentals	118	81.6	-	-	-	-	118	82
Total external revenue *	**1,018**	**1,006**	**170**	**162**	**-**	**-**	**1,188**	**1,168**
Cost of goods sold	-664	-684	-127	-121	-	0	-791	-807
Selling expenses	-195	-158	-8	-9	-	-	-202	-167
Administrative expenses	-51	-68	-11	-10	-18	-20	-81	-99
R&D costs	-18	-15.4	-8	-6	-	-	-26	-21
Other income and expense items	12	27	0	0	-	1	12	28
Operating profit/loss	**101**	**107**	**16**	**17**	**-18**	**-20**	**99**	**102**
Net financial income							-21	-10
Income tax							-17	-22
Profit/loss for the year							**62**	**71**

* No significant internal sales have been made between segments.

Revenue from external customers by geographical area	Safe Access Solutions		Industrial Services		Total	
	2023	2022	2023	2022	2023	2022
Sweden	85	167	76	72	161	239
Denmark	95	59	4	-	99	59
Norway	296	350	0	2	296	353
UK	268	247	2	2	270	249
France	96	46	10	-	106	46
Austria	124	28	0	-	124	28
North America	35	99	49	43	84	141
Other countries	19	10	29	44	48	54
Total revenue	**1,018**	**1,006**	**170**	**162**	**1,188**	**1,168**

Revenue over time and direct sales	Safe Access Solutions		Industrial Services		Total	
	2023	2022	2023	2022	2023	2022
Over time	22	19	0	0	22	22
Direct sales	996	987	170	162	1,188	1,146
of which income from rentals	118	81.6	-	-	118	82
Total revenue	**1,018**	**1,006**	**170**	**162**	**1,188**	**1,168**

Invoicing for rental income is mainly done on a monthly basis for the current month.

Balance sheet

	Safe Access Solutions		Industrial Services		Central		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Assets	979	878	93	157	261	404	1333	1,439
Liabilities	560	583	35	96	95	151	690	831
Net investments **	42	355	6	11	1	1	49	368
Depreciation/amortisation	86	67	7	10	1	1	94	78

** Refers to investments for the year - disposals, scrapping for the year.

Fixed assets and net investments by geographical area

	Fixed assets		Net investments	
	2023	2022	2023	2022
Sweden	464	576	11	278
Other Nordic countries	147	145	21	60
Other countries	111	86	16	30
Total	**722**	**807**	**49**	**368**

Information on major customers

The HAKI Safety Group does not have revenues from any individual customer that amount to 10 percent or more of the turnover and thus this is not recognised.

NOTE 2 AVERAGE NUMBER OF EMPLOYEES

Average number of employees broken down by parent company and subsidiaries

	2023		2022	
	Number of employees	Of which men	Number of employees	Of which men
Parent company	7	3	3	2
Subsidiaries	304	247	320	249
Total	**311**	**250**	**323**	**251**

Average number of employees by country

	2023		2022	
	Number of employees	Of which men	Number of employees	Of which men
Sweden	125	99	124	100
Norway	37	30	49	30
Denmark	11	9	11	9
UK	45	37	50	40
France	14	12	11	10
Austria	54	40	54	41
Hungary	14	14	16	16
Slovakia	4	3	2	1
Canada	5	4	6	4
USA	2	2	-	-
Total	**311**	**250**	**323**	**251**

NOTE 3 GENDER BALANCE OF MANAGEMENT

	2023		2022	
Group	Male	Female	Male	Female
Boards	21	4	22	3
CEO and other senior executives	14	8	14	7

	2023		2022	
Parent company	Male	Female	Male	Female
Boards	3	2	3	2
CEO and other senior executives	3	2	3	1

NOTE 4 SALARIES, OTHER REMUNERATION AND SOCIAL SECURITY COSTS

	2023			2022		
	Salaries and other reimbursements	Social security costs	Of which pension costs	Salaries and other reimbursements	Social security costs	Of which pension costs
Parent company	9	5	3	7	4	2
Subsidiaries	189	58	16	156	41	10
Total	**198**	**63**	**18**	**164**	**44**	**12**

Of the parent company's pension costs, SEK 1.4 million relates to the Board and CEO group (1.1).
Of the parent company's pension costs, SEK 2.0 million relates to the Board and CEO group (2.0).

Salaries and other remuneration broken down between the parent company and subsidiaries and between Board members and the CEO and other employees

	2023		2022	
	Board of Directors and CEO (of which bonuses and gratuities)	Others employees	Board of Directors and CEO (of which bonuses and gratuities)	Others employees
Parent company	4	5	4	3
	(0.2)	(0.3)	(0.6)	(0.6)
Subsidiaries	10	179	11	146
	(0.5)	(0.6)	(1.0)	(3.0)
Total	**13**	**185**	**15**	**149**
	(0.7)	(0.9)	(1.6)	(3.6)

NOTE 5 REMUNERATION AND OTHER BENEFITS TO SENIOR EXECUTIVES

Parent company 31/12/2023	Basic salary Directors' fees	Variable remuneration	Other benefits	Pension cost	Total
Chairman of the Board, Lennart Pihl	0.4	0	0	0	0.4
Executive Director, Sverker Lindberg	3.1	0.2	0.1	1.4	4.8
Other senior executives	5.6	0.3	0.4	0.8	7.1
Other Board members					
Svante Nilo Bengtsson	0.2	0	0	0	0.2
Anders Bergstrand	0.1	0	0	0	0.1
Susanne Persson	0.2	0	0	0	0.2
Anna Söderblom	0.2	0	0	0	0.2
Total	**9.8**	**0.5**	**0.5**	**2.2**	**13.0**

Parent company 31/12/2022	Basic salary Directors' fees	Variable remuneration	Other benefits	Pension cost	Total
Chairman of the Board, Lennart Pihl	0.4	-	0.0	0.0	0.4
Executive Director, Sverker Lindberg	3.0	0.6	0.1	1.1	4.8
Other senior executives	3.2	0.8	0.2	0.6	4.8
Other Board members					
Svante Nilo Bengtsson	0.2	0.0	0.0	0.0	0.2
Anders Bergstrand	0.1	0.0	0.0	0.0	0.1
Susanne Persson	0.2	0.0	0.0	0.0	0.2
Anna Söderblom	0.2	0.0	0.0	0.0	0.2
Total	**7.3**	**1.4**	**0.3**	**1.7**	**10.7**

Additional information

Other senior executives include four people during 2023.

Other benefits include a company car. Pension conditions under the ITP plan (defined contribution). Pensions are paid for life from 65 years old. Pensions refers to the cost that affected the profit/loss for the year. All pension benefits are vested and not conditional on future employment.

The Chairman of the Board negotiates the salary and other conditions for the CEO. The CEO negotiates the salary and other conditions for other senior executives. Final agreements on these issues are reported to the Board. The CEO and other senior executives are included in the long-term incentive scheme decided at the 2022 Annual General Meeting, where all members of Group Management have acquired calloptions at market value. For further information on the call option scheme, see page 22.

Share-based payments

In the Group's long-term incentive scheme, Group management has been offered the opportunity to acquire call options at market value, see further information in Note 31. As market value is paid, there is no cost to be recognised for these.

Notice periods

For the CEO, the employment contract has a notice period of 12 months for the company and 6 months for the CEO. There is no special severance pay.

Employment contracts for other senior managers are subject to a mutual notice period of three to six months without severance pay.

NOTE 6 LEASING

Leases where the Group is the lessee

The Group operates buildings, machinery, equipment and vehicles under leases in accordance with IFRS 16. The majority of the Group's leases contain buy-out clauses at the end of the lease.
Where the Group considers it probable that the asset will be purchased at the end of the contract, the buyout option has been included in the cost.

Amounts recorded in the Balance Sheet

Right-of-use assets IB/UB by leasing class

SEK m	Buildings		Machinery & Equipment		Vehicles		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
Opening balance 1 January	61	34	21	25	12	11	95	69
Investments	7	1	4	2	6	2	17	5
Acquisition of subsidiary	0	25	0	2	0	9	0	35
Depreciation/amortisation	-15	-15	-10	-9	-6	-5	-31	-29
Revaluations	13	15	0	3	0	-4	13	15
Currency effects	-1	1	0	0	-1	0	-2	1
Closed contracts	0	0	0	-1	0	0	0	-1
Total 31 December	65	61	15	22	11	12	92	95

Lease liabilities under IFRS 16 recognised in the balance sheet

SEK m	31/12/2023	31/12/2022
Short-term lease liability	24	22
Long-term lease liability	55	54
Total	**79**	**76**

Lease liabilities are included in the lines liabilities to credit institutions, long-term and short-term, in the balance sheet and relate to additional contracts under IFRS 16 and lease liabilities relating to contracts previously recognised as finance leases under IAS 17.

Amounts recognised in the Income Statement

SEK m	2023	2022
Depreciation of right-of-use assets	-25	-29
Interest expense on lease liabilities	-4	-2
Costs related to short-term leases	-1	-1
Costs related to low value leases	0	0
Costs related to variable lease payments	0	0

The total cash flow for leases was SEK 22.5 million (3.6) in 2023.

Leases where the Group is the lessee

The Group's rental business is mainly related to HAKI where the Group owns scaffolding equipment that is rented to customers. The rental of scaffolding equipment is largely on a rolling contract basis with no end date. Rental contracts usually last 3-24 months. The equipment is returned at the end of the rental period or rental customers are offered to buy rental equipment on normal commercial terms based on comparable market prices. The rental agreements are classified as leases with HAKI Safety as the operating lessor. Revenue is recognised in the income statement. The profit/loss for 2023 reported rental income of SEK 118.0 million (81.6), which is primarily attributable to scaffolding material in HAKI. Rental equipment is recorded as fixed assets and is depreciated over its expected life. The cash flow effect of rentals, investments and purchase of rental equipment is presented as part of operating activities.

Rental equipment leased out under operating leases

As of 31 December 2022	
Cost	318.2
Accumulated amortisation and impairment	-144
	175
Carrying amount 1 January - 31 December 2023	
Opening carrying amount	175
Exchange rate differences	-5
Purchasing	76
Sales/disposals/ reclassifications	-84
Enterprises bought/sold	0
Impairment charge	-4
Depreciation/amortisation	-26
Carrying amount	131

As of 31 December 2023	
Cost	183
Accumulated amortisation and impairment	-51
Carrying amount	**131**

Leasing costs parent company

The parent company has cars under leasing contracts at an estimated cost of SEK 0.9 million (0.4). Leasing costs in 2023 amounted to SEK 0.1 million (0.1). Remaining leasing costs amount to SEK 0.1 million (0.1).

Leasing costs in 2023 amounted to SEK 0.5 million (0.4). The current lease agreement runs until 2025. Costs for 2024 0.5 million, 2025 0.1 million.

All leases are recognised as operating leases in the parent company.

NOTE 7 REMUNERATION TO AUDITORS

	The Group 2023	Parent company 2023	The Group 2022	Parent company 2022
Deloitte				
Audit assignments	2	1	2	1
Audit activities other than the audit engagement	-	-	0	0
Tax advice	-	-	0	-
Other services	-	-	0	-
Total	**2**	**1**	**2**	**1**
Other auditors				
Audit assignments	1	-	1	-
Audit activities other than the audit engagement	-	-	-	-
Tax advice	-	-	-	-
Other services	-	-	-	-
Total	**1**	**0**	**1**	**-**
Total	**3**	**1**	**3**	**1**

An audit assignment refers to the statutory audit of the annual and consolidated financial statements and accounting records and the administration of the Board of Directors and the CEO, as well as audits and other reviews carried out in accordance with an agreement or contract. This includes other tasks that the company's auditor is required to perform as well as advice or other assistance resulting from observations made during such an audit or the performance of such other tasks.

NOTE 8 INCOME FROM PARTICIPATIONS IN ASSOCIATE COMPANIES

	2023	2022
Impairment of shares in subsidiaries	0	0
Profit/loss from sale of shares in subsidiaries	0	1
Dividend from shares in subsidiaries	10	17
Total	**10**	**17**

NOTE 9 OTHER OPERATING INCOME AND EXPENSES

The Group	2023	2022
Exchange rate gains	1	1
Rental income	-	2
Gain on disposal of fixed assets	1	1
FORA reimbursement of AGS	-	0
Government grants	2	1
Other items	-	0
Cancellation of additional purchase prices	39	25
Total other operating income	**43**	**30**
Exchange rate losses	-	-1
Acquisition-related costs	-	-
Structural costs	-	-
Impairment of goodwill	-21	-
Other items	-1	-1
Total other operating expenses	**-22**	**-1**

NOTE 10 BREAKDOWN OF COSTS BY TYPE OF COST

	2023	2022
Material costs	579	626
Staff costs	256	218
Depreciation/amortisation	94	78
Leasing costs*	1	1
Freight	35	37
Other expenses	144	134
Total	**1,109**	**1,094**

* Refers to short-term and low-value contracts.

NOTE 11 FINANCIAL INCOME AND EXPENSES

The Group	2023	2022
Interest income	2	4
Exchange rate gains	29	12
Total	**32**	**17**
Interest expense	-25	-12
Exchange rate losses	-28	-14
Total	**-53**	**-27**

Parent company	2023	2022
Interest income, internal	9	9
Interest income, external	2	1
Foreign exchange, net	7	-
Total	**18**	**10**
Foreign exchange, net	-7	-3
Interest expense, internal	-2	-2
Interest expense, external	-19	-7
Total	**-28**	**-13**

All income and expenses arise from instruments measured at amortised cost.

NOTE 12 CURRENT TAX ON PROFITS FOR THE YEAR

Income tax - Group	2023	2022
Current tax	-15	-17
Deferred tax	-1	-5
Income tax	**-16**	**-22**
Current tax		
Tax expense for the year attributable to foreign operations	-14	-15
Tax expense for the year in Sweden	-1	-2
Tax attributable to previous years	-	-
Total	**-15**	**-17**
Deferred tax		
Tax losses	-	-8
Change in untaxed reserves	-2	4
Change in temporary differences	1	0
Total	**-1**	**-5**

Temporary differences in the tax and accounting values of assets and liabilities have resulted in deferred tax liabilities and assets for the following items:

2023	Deficit	Untaxed reserves	Temporary differences	Other	Total
Opening balance	0	-5	-14	-1	-20
Transfers	-	5	-5	-	0
Exchange rate differences	-	-	-	-1	-1
Reported in the income statement	-	-2	-1	2	-1
Reported in equity, other comprehensive income	-	-	-	-	0
Change due to change in tax rate	-	-	-	-	0
Deferred tax attributable to acquired companies	-	-	-	-	0
Closing balance	**0**	**-2**	**-20**	**0**	**-22**

The capitalised tax loss carry-forward has no time limit, is expected to be utilised in 2023 and is attributable to Sweden

2022	Deficit	Untaxed reserves	Temporary differences	Other	Total
Opening balance	10	-8	-8	0	-6
Transfers	-1	0	2	-	0
Exchange rate differences	-	0	0	-1	-1
Reported in the income statement	-8	4	-	-	-5
Change due to change in tax rate	-	-	-	-	-
Deferred tax attributable to acquired companies	-	-	-8	-	-8
Closing balance	**0**	**-5**	**-14**	**-1**	**-20**

Tax on profit for the year - Parent company	2023	2022
Current tax	-	-
Deferred tax	1	7
Current tax on profits for the year	**1**	**7**

Tax rate reconciliation - Group	2023	2022
Nominal tax rate	20.60%	20.60%
Profit/loss before tax	78	92
Tax at the applicable rate	-16	-19
Non-taxable income and expenses	6	-3
Difference in overseas tax rates	-6	-3
Tax effect of non-capitalised losses	0	0
Tax effect of other temporary differences	0	4
Tax effect of previous year's tax adjustment	0	-1
Current tax on profits for the year	**-16**	**-22**

Non-capitalised tax losses are mainly related to tax losses incurred in countries where the Group cannot make it probable that the losses can be used against future taxable income, and tax losses in divested subsidiaries.

Tax rate reconciliation - Parent company	2023	2022
Nominal tax rate	20.60%	20.60%
Profit/loss after financial items and appropriations	4	49
Tax at the applicable rate	-1	-10
Tax effect of non-deductible expenses mainly related to business shares	3	0
Tax effect of non-taxable dividends and profit from shares in Group companies	-2	4
Current tax on profits for the year	**0**	**-7**

NOTE 13 INTANGIBLE AND TANGIBLE FIXED ASSETS

The Group **As of 1 January 2023**	Other intangible assets	Goodwill	Buildings and land	Machinery	Work in progress	Inventories	Total
Opening carrying amount	79	363	104	35	2	224	807
Exchange rate differences	1	4	-2	0	0	-6	-4
Purchasing	8	0	22	5	6	98	139
Sales/disposals/ reclassifications	0	0	-18	11	-7	-76	-90
Assets classified as held for sale and other disposals	-10	0	-3	0	0	0	-13
Impairment charge	0	-21	0	0	0	0	-21
Depreciation/amortisation	-18	0	-17	-15	0	-44	-94
Carrying amount	**60**	**345**	**86**	**35**	**0**	**196**	**722**
As of 31 December 2023							
Cost	97	372	205	176	0	298	1,144
Accumulated amortisation and impairment	-37	-26	-118	-141	0	-102	-420
Carrying amount	**60**	**345**	**86**	**35**	**0**	**196**	**722**
of which carrying amount of right-of-use assets	-	-	*66*	*20*	-	*11*	*97*
1 January - 31 December 2022							
Opening carrying amount	42	216	73	42	1	123	498
Exchange rate differences	2	11	1	-	-	6	19
Purchasing	17	-	20	2	5	135	178
Sales/disposals/ reclassifications	-	-	-	-2	-4	-43	-49
Enterprises bought/sold	30	136	35	0	-	38	239
Impairment charge	-	-	0	0	-	0	0
Depreciation/amortisation	-11	-	-25	-7	-	-35	-78
Carrying amount	**79**	**363**	**104**	**35**	**2**	**224**	**807**
As of 31 December 2022							
Cost	104	369	205	159	2	312	1,152
Accumulated amortisation and impairment	-26	-6	-101	-123	-	-88	-344
Carrying amount	**79**	**363**	**104**	**35**	**2**	**224**	**807**
of which carrying amount of right-of-use assets	-	-	*78*	*17*	-	-	*95*

For further information on right-of-use assets, see note 6.

Equipment includes rental equipment of SEK 131 million (175). Most of these assets are located in HAKI. Rentals are usually for 3-6 months. The equipment is normally returned to HAKI Safety after the rental period, but rental customers may also be offered to purchase rental equipment on normal commercial terms based on comparable market prices. Rental income from HAKI Safety's rental activities is shown in note 1. More information on rental equipment can be found in note 6.

Impairment testing of goodwill and trademarks

The Group's reportable operating segments are Safe Access Solutions and Industrial Services. Goodwill and intangible assets (trademarks) with indefinite useful lives are allocated to the Group's cash-generating units

(CGUs). For these brands, there is no predictable limit to the period of time over which the brand is expected to generate net payments. The assumptions used to calculate the value in use are the same for goodwill and trademarks. The Group's CGU is Safe Access Solutions where operations are monitored jointly and has significant central group functions in the areas of Supply Chain (product supply, warehousing and distribution), IT, Quality and Research and Development, and to the subsidiary Landqvist in Industrial Services where operations are monitored individually. In determining the applicable discount rate, the starting point has been a reasonable distribution between interest-bearing liabilities and equity, stability in value in the event of variance in earnings over time and responsiveness to the business cycle. The applied discount rate is 11.3 percent (10.3 after tax has been used).

The recovery amount for CGUs is based on value in use calculations. The calculations are based on estimated future cash flows, which for 2024 are based on financial budgets prepared by the management of each CGU. For the period from 2025-2028, the average historical outcome has been weighted against the company's budget for 2024 and the company's long-term plans. Significant assumptions used in the value in use calculations were expected sales growth, gross margins, discount rate and assumptions about growth after the end of the forecast period. The growth rate is set at 2 percent beyond 5 years (2). In connection with the evaluation of impairment tests for the Safe Access Solutions business area, an impairment of acquisition-related assets in the form of goodwill of SEK 21 million has been made, which is related to the French operations.

Goodwill

	Goodwill		Brand name	
	2023	2022	2023	2022
Safe Access Solutions	325	343	5	5
Landqvist	20	20	-	-

NOTE 14 SHARES IN GROUP COMPANIES

	Company registration number	Registered office	Share of capital	Voting rights	Number of shares	Carrying amount
FAS Converting Machinery AB	556198-8378	Burlöv	100%	100%	40,000	10
FAS Inc	0100-1827-98	USA	100%	100%	-	-
Haki AB	556075-5067	Ö Göinge	100%	100%	1,550,000	114
Haki Rental AB	559080-7490	Ö Göinge	100%	100%		
Haki Ltd	1203497	England	100%	100%		
Turnbrock Ltd	551743	Scotland	100%	100%		
Span Access Solutions Ltd	402211	Scotland	100%	100%		
ODA Systems Ltd	476157	Scotland	100%	100%		
Haki A/S	89391814	Denmark	100%	100%		
Haki AS	982,736,765	Norway	100%	100%		
Haki SAS	329088731	France	100%	100%		
Haki Hungary Kft	10-09-026591	Hungary	100%	100%		
Haki Australia Pty Ltd	43 159 720 635	Australien	100%	100%		
Vertemax Group Ltd	7799556	England	100%	100%		
Vertemax Ltd	7254120	England	100%	100%		
Vertemax Inc	712561323BC0001	Canada	100%	100%		
Vertemax S.r.o.	52805581	Slovakia	100%	100%		
Elebia Ltd	9889325	England	100%	100%		
Novakorp Systems SARL	528,104,078	France	100%	100%		
EKRO Bausystem GmbH	562496a	Austria	100%	100%		
MÄTIM Group AB	556728-6561	Malmö	100%	100%	1,000	0
Landqvist Mekaniska Verkstad AB	556087-7168	Essunga	100%	100%		
NOM Holding AS	899249852	Norway	100%	100%	2,474,940	17
Normann Olsen Maskin AS	921502958	Norway	100%	100%		
Norgeodesi AS	971052201	Norway	100%	100%		
Optiol Holding AB	556652-1117	Malmö	100%	100%	1,000	0
AB Prosparitas	556239-7850	Malmö	100%	100%	17,433,333	54
Total						**196**

The parent company's acquisitions amount to SEK 0.0 million (0.0). The carrying amount of the year's sales amounted to SEK 0.0 million (0.0). The capital contribution for the year amounted to SEK 0.0 million (0.0). Impairment for the year amounted to SEK 0.0 million (0.0). The number of legal entities in the Group amounted to 28 (28).

NOTE 15 INVENTORIES ETC.

Inventories	Gross value of stocks 31/12/2023	Reserved for obsolescence	Net value of stocks 31/12/2023
Raw materials and supplies	35	-3	32
Goods in progress	31	-1	30
Finished goods and goods for resale	284	-8	276
Closing balance	**350**	**-12**	**338**

Inventories	Gross value of stocks 31/12/2022	Reserved for obsolescence	Net value of stocks 31/12/2022
Raw materials and supplies	68	-2	66
Goods in progress	54	0	54
Finished goods and goods for resale	324	-20	303
Closing balance	**446**	**-22**	**423**

Development of the obsolescence reserve	Obsolescence reserve at the beginning of the year	Change in obsolescence reserve for the year	Obsolescence reserve 31/12/2023
Raw materials and supplies	-2	-1	-3
Goods in progress	0	-1	-1
Finished goods and goods for resale	-20	12	-8
Closing balance	**-22**	**10**	**-12**

NOTE 16 ACCOUNTS RECEIVABLES

	2023	2022
Accounts receivable, gross	120	155
Less provision for depreciation	-2	-6
Account receivables, net	**118**	**150**
of which not due	77	95
of which due within 30 days	27	44
of which overdue between 31 and 60 days	13	9
of which overdue between 61 and 90 days	2	2
of which overdue between 91 and 120 days	0	2
of which overdue between 121 and 150 days	0	2
of which overdue between 151 and 180 days	-	-
of which due within 180 days	1	2
	120	**155**
Reserve for depreciation at the beginning of the year (-)	**-6**	**-9**
Receivables written off during the year (+)	0	5
Provision for the year for bad debts (-)	0	-7
Reversal of unused provision (+)	3	5
Sold subsidiaries	0	-
Reserve for depreciation at the end of the year (-)	**-2**	**-6**

As of December 31, 2023, overdue account receivables amounted to SEK 43 million (60), of which SEK 2 million (6) was reserved. The amount of the provision is estimated to represent credit losses for the next 12 months.

Other non-current receivables amounted to SEK 10 million (11) gross. No provision for expected credit losses over the next 12 months has been made. The carrying amount of the remaining long-term receivables, for which no provision is deemed necessary, amounted to SEK 10 million.

NOTE 17 PREPAID EXPENSES AND ACCRUED INCOME

The Group	2023	2022
Prepaid rents	2	3
Prepaid license fees	2	2
Prepaid insurance	2	2
Others	3	2
Total	**9**	**8**
Parent company		
Others	1	1
Total	**1**	**1**

NOTE 18 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash and bank balances. Bank balances at the balance sheet date are as follows:

Bank	Rating (Dec 2023) Standard & Poor´s	2023	2022
SEB	AA-	7	1
Swedbank	A+	32	14
Others	-	14	18
Total		**53**	**32**

The parent company's cash and cash equivalents amounted to SEK 10 million (2). The Group's total liquidity is invested in major banks with high credit ratings. Other banks include Barclays and Clydesdale in the UK. Expected credit losses in the next 12 months are deemed immaterial. For the Group's and parent company's unused overdraft facilities, see note 21.

NOTE 19 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Financial risk management

HAKI Safety operates internationally and is therefore exposed to interest rate, financing and currency risks. The starting point for the Group's financial activities is to minimise the financial risks to which the company is exposed as a result of its business activities.

Financial policy and organisation

HAKI Safety's financial policy provides a framework for how different types of financial risks should be managed and with what risk exposure the business should be conducted. The main responsibility for all financial risks is centralised in the Group management. To achieve economies of scale and synergies and to minimise management risks, HAKI Safety's financial activities are mainly concentrated in the parent company.

The main approach is to aim for a low risk profile. In order to maximise the availability of and return on capital, flows in the group have been concentrated in group accounts in a large Swedish bank. The parent company acts as the Group's internal bank and is responsible, among other things, for borrowing the working capital of the subsidiaries.

Interest rate risk

Interest rate risk refers to the risk that changes in interest rates will have an upward or downward impact on the Group's financing costs. As of 31 December 2023, the Group's net cash and cash equivalents,current investments and interest-bearing liabilities, but excluding pension provisions, amounted to SEK 366 million (392).

A change in the average interest rate of 1 percentage point based on current net debt affects net financial items by around SEK 4 million (4). The Group's interest rate policy is to use a floating rate as far as possible, and the majority of the Group's liabilities are at a floating rate. A higher interest rate level would have a negative impact on the Group's net financial position in particular. In view of possible changes in outstanding credits, changes in interest rates are considered as part of the assessment.

Foreign exchange risk

Changes in exchange rates affect the Group's results, equity and competitive position in various ways.

Transaction exposure

The impact on earnings arises when purchases and sales are made in different currencies. HAKI Safety's export sales are in all material respects in SEK, NOK, DKK, EUR, GBP, CAD and USD. Some currency risk on sales in foreign currency is offset by purchases in the same currency. If the Swedish krona had weakened/strengthened by 5 percent in relation to EUR, NOK, DKK, CAD, and GBP with all other variables held constant, the recalculated operating profit as of 31 December 2023 would have been SEK 0.8 million lower/higher for EUR, SEK 2,8 million higher/lower in respect of NOK, 1.2 million higher/lower in respect of DKK, 0.7 million lower/higher in respect of AUD and 7.0 million higher/lower in respect of GBP, largely as a result of gains/losses on translation of liabilities and receivables denominated in these currencies. Other currencies, USD, CAD and PLN are not expected to give rise to any significant effects. The Group's transaction exposure is managed through a Multicurrency cash pool linked to a credit facility in SEK. The Group ensures monitoring of foreign cash flows and then undertakes regular purchase or sale transactions in the relevant currency to ensure sufficient balances in the respective currency. As at December 31, 2023, the Group had no outstanding interest rate or currency derivative contracts.

Translation exposure

Translation exposure arises from the impact of translating the results of foreign subsidiaries into Swedish kronor. The translation effect also affects equity when translating the net assets of foreign subsidiaries into Swedish kronor. When translating foreign subsidiaries' income statements, changes in exchange rates during 2023 affected HAKI Safety's operating profit by SEK 2 million (3).

As of December 31, 2023, the net assets of the Group's foreign subsidiaries, translated at the closing rate, amounted to SEK 202 million (131). Translation differences for the year, which are recognised in other comprehensive income, amounted to SEK -2 million (19).

The most significant currencies in the group are NOK, DKK, EUR, GBP, CAD and USD. Indirect exposure occurs mainly through the impact on the competitive situation between different companies because they have different currency bases for their costs and because the price of certain raw materials is determined on the basis of exchange rates other than SEK. A company's competitiveness is largely determined by production costs, which are strongly influenced by where in the world production takes place. Within the HAKI Safety Group, production is located in Sweden, except for a small proportion in Hungary.

Liquidity risk

Liquidity risk is managed by ensuring that the Group holds sufficient cash and short-term investments with a liquid market, available funding through committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the business, Group Finance maintains flexibility in funding by maintaining drawdown agreements. Management also monitors rolling forecasts of the Group's liquidity reserve based on expected cash flows. The Group's credit agreements contain customary loan conditions that are monitored and reported on a quarterly basis. In 2023 there were no breaches of the Group's loan covenants. The current main financing consists of a revolving facility agreement valid until March 2025. The company's financial liabilities carried on the balance sheet at amortised cost are presented in the table below at undiscounted amounts. The liabilities fall due as follows:

31/12/2023	>1 year	Between 1–2 years	Between 2–5 years	>5 years
Liabilities to credit institutions	20	318	-	-
Lease liabilities under IFRS16	22	29	18	10
Other non-current liabilities	-	53	-	-
Customer prepayments	1	-	-	-
Accounts payable	60	-	-	-
Other current liabilities	89	-	-	-
Total	192	400	18	10

31/12/2022	<1 year	Between 1–2 years	Between 2–5 years	>5 years
Liabilities to credit institutions	31	8	310	-
Lease liabilities under IFRS16	22	15	25	14
Other non-current liabilities	-	80	-	-
Customer prepayments	9	-	-	-
Accounts payable	103	-	-	-
Other current liabilities	172	-	-	-
Total	336	102	335	14

Capital risk

The Group's goal regarding the capital structure is to secure the Group's ability to continue its operations and to have a certain amount of over-consolidation in the short term in order to have financial flexibility when the conditions for acquisitions are deemed favourable. In the current Group structure, an equity ratio above 40 percent is considered as over-consolidation. The equity/assets ratio is calculated as equity including minority interests in relation to total assets and amounted to 48 percent (42) on the balance sheet date. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce liabilities.

Credit risk

Credit risk can be divided into commercial and financial risk. Commercial risk includes customers' ability to pay and is managed by each subsidiary by monitoring the ability to pay. The Group's policy is to perform ongoing credit checks on its customers. There is no commercial risk beyond the provisions made. Financial risks for the Group include the investment of surplus funds. The Group's maximum exposure to credit risk on the balance sheet date was SEK 197 million, which mainly consisted of accounts receivable, long-term receivables and cash and cash equivalents. The accounting policies for financial instruments have been applied to the following items:

31/12/2023	Financial assets measured at amortised cost (Hold to collect)	Financial assets measured at fair value through the income statement (Other)	Financial liabilities valued at amortised cost	Financial liabilities measured at fair value through the income statement	Carrying amount
Financial assets					
Other long-term holdings of securities	-	-	-	-	0
Other non-current receivables	10	-	-	-	9
Accounts receivables	118	-	-	-	118
Other receivables	15	-	-	-	16
Cash and cash equivalents	53	-	-	-	53
Total financial assets	**196**	**0**	**0**	**0**	**196**
Financial liabilities					
Liabilities to credit institutions, long-term	-	-	375	-	375
Liabilities to credit institutions, current	-	-	42	-	42
Conditional additional purchase prices	-	-	-	53	53
Accounts payable	-	-	60	-	60
Customer prepayments	-	-	1	-	1
Other current liabilities	-	-	89	-	89
Total financial liabilities	**0**	**0**	**567**	**53**	**620**

Disclosures on financial instruments measured at fair value through profit/loss for the year

The Group recognises conditional additional purchase prices as an other liability in the consolidated balance sheet and is measured at fair value through the profit/loss for the year. Measurement is in accordance with Level 3 of IFRS 13 Fair Value Measurement. HAKI Safety determines the fair value of conditional additional purchase prices by calculating a present value of expected future cash flows where future cash flows are discounted to the value at the end of the reporting period. The Group estimates expected future cash flows by assessing the probability of different outcomes for the gross profit of acquired businesses. At the end of each reporting period, an assessment of the most likely outcome is made, which means that changed assumptions about future outcomes can result in significant changes in the recognised amounts for conditional additional purchase prices.

2023	Financial assets measured at amortised cost (Hold to collect)	Financial assets measured at fair value through the income statement (Other)	Financial liabilities valued at amortised cost	Financial liabilities measured at fair value through the income statement	Total
Net financial income					
Interest income and exchange rate effects	32	-	-	-	32
Interest costs and exchange rate effects	-	-	-53	-	-53
Unrealised value changes	-	-	-	-	-
Total	**32**	**0**	**-53**	**0**	**-21**

2022	Financial assets measured at amortised cost (Hold to collect)	Financial assets measured at fair value through the income statement (Other)	Financial liabilities valued at amortised cost	Financial liabilities measured at fair value through the income statement	Total
Net financial income					
Interest income and exchange rate effects	17	-	-	-	17
Interest costs and exchange rate effects	-	-	-27	-	-27
Unrealised value changes	-	-	-	-	-
Total	**17**	**-**	**-27**	**-**	**-10**

31/12/2022	Financial assets measured at amortised cost (Hold to collect)	Financial assets measured at fair value through the income statement (Other)	Financial liabilities valued at amortised cost	Financial liabilities measured at fair value through the income statement	Carrying amount
Financial assets	-	-	-	-	-
Other long-term holdings of securities	-	-	-	-	-
Other non-current receivables	15	-	-	-	15
Accounts receivables	140	-	-	-	139
Other receivables	11	-	-	-	11
Current investments					
Cash and cash equivalents	32	-	-	-	32
Total financial assets	**197**	**0**	**0**	**0**	**197**
Financial liabilities	-	-	-	-	-
Liabilities to credit institutions long- term	-	-	371	-	371
Liabilities to credit institutions current	-	-	52	-	52
Conditional additional purchase prices	-	-	-	141	141
Accounts payable	-	-	103	-	103
Customer prepayments	-	-	9	-	9
Other current liabilities	-	-	23	-	23
Total financial liabilities	**0**	**0**	**559**	**141**	**700**

NOTE 20 SHARE CAPITAL

Distribution of shares	Number of shares	Number of votes
A shares, with a quota value of SEK 10 per share	9,584,697	95,846,970
B shares, with a quota value of SEK 10 per share	17,744,439	17,744,439
Total	**27,329,136**	**113,591,409**

Proposal for the allocation of profits

At the disposal of the Annual General Meeting is the parent company (SEK):	
Retained earnings	119,682,141
Profit/loss for the year	4,828,581
Total	**124,510,722**

The Board of Directors propose that profits be appropriated as follows:	
Dividend to shareholders (SEK 0.90 per share)	24,596,222
Carried forward	99,914,500
Total	**124,510,722**

NOTE 21 LIABILITIES TO CREDIT INSTITUTIONS

The Group

SEK m	2023	2022
Liabilities to credit institutions	320	318
Financial lease liabilities	55	53
Total long-term borrowings	**375**	**371**
Bank overdraft	0	0
Financial lease liabilities	22	22
Other short-term credit	0	0
Liabilities to credit institutions	20	30
Total current borrowings	**42**	**52**
Total borrowing	**417**	**424**

Parent company

SEK m	2023	2022
Bank overdraft	0	0
Liabilities to credit institutions	310	320
Total borrowing	**310**	**320**

Of the non-current liabilities of SEK 375 million (371) , SEK 347 million (23) falls due for payment between 1 and 2 years, SEK 18 million (335) falls due for payment between 2 and 5 years and SEK 10 million (14) falls due for payment more than 5 years after the balance sheet date.

The Group's loans are essentially denominated in SEK and at variable interest rates. The fair value is therefore deemed to correspond to the carry-forward.

The Group's approved overdraft facilities amounted to SEK 40.0 million (40.0), of which SEK 0.0 million (0.0) has been utilised.

Other credits amounted to SEK 380.0 million (380.0), of which SEK 310.0 nillion (320) has been utilised.

The Group's approved overdraft facilities amounted to SEK 40.0 million (40.0), of which SEK 0.0 million (0.0) has been utilised. Other credits amounted to SEK 380.0 million (380.0), of which SEK 310.0 nillion (320) has been utilised.

Reconciliation of net debt

The Group

SEK m	2023	2022
Cash and cash equivalents	53	32
Provision for pensions	-11	-15
Liabilities to credit institutions, due within one year	-44	-52
Liabilities to credit institutions, due after one year	-375	-371
Net debt	**-376**	**-406**

Liabilities directly associated with assets held for sale include liabilities related to finance leases of SEK 2 million.

SEK m	Cash and cash equivalents	Current investments	Provision for pensions	Liabilities to credit institutions < 1 year	Liabilities to credit institutions > 1 year	Total
Net debt as of 31 December 2023	**32**	**0**	**-15**	**-52**	**-371**	**-406**
Cash flow	24	-	0	10	-2	29
Exchange rate differences	-3	-	1	0	0	1
Other items not affecting cash flow	-	-	3	-2	-2	0
Net debt as of 31 December 2023	**53**	**0**	**-11**	**-44**	**-375**	**-376**

SEK m	Cash and cash equivalents	Current investments	Provision for pensions	Liabilities to credit institutions < 1 year	Liabilities to credit institutions > 1 year	Total
Net debt as of 31 December 2022	**40**	**0**	**-14**	**-86**	**-31**	**-91**
Cash flow	-8	-	2	41	-288	-253
Exchange rate differences	-	-	0	0	0	-1
Other items not affecting cash flow	-	-	-2	-7	-52	-61
Net debt as of 31 December 2022	**32**	**0**	**-15**	**-52**	**-371**	**-406**

Net debt is defined as interest-bearing liabilities including pension provisions less cash and cash equivalents and interest-bearing assets.

Collateral provided for liabilities to credit institutions

The Group	2023	2022
Property mortgages	-	-
Business mortgages	64	64
Other pledges	0	0
Total	**64**	**64**

Parent company

Other pledges	0	0
Total	**0**	**0**

NOTE 22 OTHER LONG-TERM AND CURRENT LIABILITIES

The Group, SEK m	31/12/2023	31/12/2022
Other long-term liabilities		
Conditional additional purchase price of business acquisition	53	75
Other liabilities	0	5
Total	**53**	**80**
Other current liabilities		
Conditional additional purchase price of business acquisition	0	66
Other liabilities	20	19
Total	**20**	**85**

Conditional purchase prices refers to the acquisitions of Vertemax, Novakorp Systems and EKRO Bausystem. The change in conditional purchase prices for the year is broken down in the following table:

Conditional additional purchase prices of business acquisition. SEK m	2023	2022
Opening balance	**141**	**71**
Future conditional additional purchase prices	0	92
Exchange rate change	0	6
Effect of discounting	1	-2
Assessment of conditional additional purchase prices	-39	-25
Conditional additional purchase prices paid	-50	0
Closing balance	**53**	**141**

Assessment of conditional additional purchase prices during the financial year resulted in a reversal of SEK 39 million (25.0), which was recognised as other operating income in the statement of comprehensive income. The remaining conditional additional purchase price relates to the acquisition of Novakorp Systems. For further information on the measurement and classification of conditional additional purchase price, see note 19 and note 29.

NOTE 23 PROVISIONS

The Group

Provisions have been made for pensions, guarantee commitments to customers and restructuring of operations.

	2023	2022
Opening balance	**24**	**15**
Provisions used	0	0
Other new provisions	3	9
Translation difference	-2	0
Closing balance	**26**	**24**
Change in defined benefit pensions (see note 25)	0	0
Allocated for other pensions	0	0
Closing balance	**26**	**24**

NOTE 24 POST-EMPLOYMENT BENEFITS FOR EMPLOYEES

The table below shows where in the financial statements the Group's post-employment benefits are recognised.

Recognition for defined benefit pension plans:	2023	2022
Liability in the balance sheet	11	12
Recognition in the operating profit/loss	-2	-0
Revaluation through other comprehensive income	1	-1

* Costs recognised in the operating profit/loss include current year service cost, previous year's service cost, net interest cost and gains and losses on settlements.

The Group has defined benefit pension plans in Sweden and Norway, which are subject to broadly similar regulations. The Group's defined benefit pension plans are mainly related to Norway. All of the plans are final salary pension plans, which provide benefits to employees in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on employees' length of service and their salary leading up to retirement. The plans are essentially exposed to broadly similar risks, as described below. The Group's defined benefit pension plans are, as of the balance sheet date, unfunded plans, for which the company pays benefits at maturity.

The amounts recognised in the balance sheet have been calculated as follows:

	2023	2022
Present value of funded obligations	-	-
Fair value of plan assets	-	-
Present value of unfunded obligations	11	12
Liability in the balance sheet	**11**	**12**

The change in the defined benefit obligation during the year is as follows:

	2023			2022		
	Present value of obligation	Fair value of the plan assets	Total	Present value of obligation	Fair value of the plan assets	Total
As of 1 January	**12**	**0**	**12**	**12**	**0**	**12**
Service costs in the current year	-	-	-	-	-	-
Interest expense/income	0	0	0	0	0	0
	0	**0**	**0**	**0**	**0**	**0**
Transfer on disposal of subsidiaries	-	-	-	-	-	-
Return on plan assets	-	-	-	-	-	-
Transfer to defined contribution plan	-	-	-	-	-	-
Gain / Loss due to change in assumptions	1	-	1	1	-	1
	0	**0**	**0**	**1**	**0**	**1**
Exchange rate differences	-1	0	-1	0	0	0
Fees	-	-	-	-	-	-
Remuneration paid	-2	0	-2	-2	0	-2
As of 31 December	**11**	**0**	**11**	**12**	**0**	**12**
of which pension obligations in Norway	11	0	11	12	0	12

The majority of the actuarial gains and losses were related to changes in demographic and experience assumptions and the remaining difference is financial assumptions. The main actuarial assumptions were as follows:

	2023		2022	
	Sweden	Norway	Sweden	Norway
Discount rate	3.70%	3.70%	3.20%	3.20%
Inflation	2.25%	2.25%	2.00%	2.00%
Wage increases	3.50%	3.50%	3.50%	3.50%
Pension increases	3.50%	3.50%	3.50%	3.50%

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions is:

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.5%/ (0.5%)	-1.5%/ (-1.6%)	1.6 %/ (1.7%)
Salaries	0.5%/ (0.5%)	0.0% / (0.0%)	0.0% / (0.0%)
Pensions	0.5%/ (0.5%)	1.6%/ (1.7%)	-1.5%/ (-1.6%)
Lifespan	1 år (1 år)	16.7%/ (16.3%)	-16.6% / (-16.2%)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to happen and changes in some of the assumptions may be correlated. In calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method is used (the present value of the defined benefit obligation using the projected unit credit method at the end of the reporting period) as in calculating the pension liability recognised in the statement of financial position.

At the end of the period there were no funded obligations and therefore no plan assets.

Through its defined benefit pension plans and post-employment medical plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields

A decrease in the yield on mortgage bonds will mean an increase in the liabilities of the plan.

Inflation risk

Most of the plan's obligations are linked to inflation, with higher inflation leading to higher liabilities.

Lifetime assumptions

The majority of the plans' obligations are to provide benefits for the life of the employee, so increases in life expectancy will result in an increase in the plans' liabilities.

Contributions to post-employment benefit plans for the 2023 financial year are expected to amount to SEK 0.0 million.

The expected maturity analysis of undiscounted pension and post-employment medical benefits is as follows:

	Within 1 year	1-2 years	2-5 years	>5 years
Pension benefits	2	2	6	1

NOTE 25 CONTINGENT LIABILITIES

The Group	2023	2022
Guarantees	0	0
Other contingent liabilities *	4	4
Total	4	4

*Refers to performance guarantees and advance payment guarantees.

Parent company		
Guarantee commitments for pensions	3	3
Total	3	3

On a property formerly owned by the now divested subsidiary Sporrong, measurements of the presence of hydrocarbons in the ground are continuing on the advice of the County Administrative Board. The measurements will last until the end of 2024. If the County Administrative Board subsequently assesses that there is a need for measures, the scope and responsibility can only be determined after the end of the measurement period.

NOTE 26 ACCRUALS AND DEFERRED INCOME

The Group	2023	2022
Accrued holiday pay and social security contributions	21	25
Accrued interest	2	1
Accrued payroll expenses	10	17
VAT	0	12
Others	24	12
Total	58	67

Parent company	2023	2022
Accrued holiday pay and social security contributions	1	1
Accrued interest	2	1
Others	2	3
Total	5	5

NOTE 27 CHANGE IN LIABILITIES IN FINANCING ACTIVITIES

			Non cash flow-affecting changes		
The Group	Opening balance 01/01/2023	Cash flow	Other changes	Acquired liabilities	Closing balance 31/12/2023
Non-current liabilities to credit institutions	371	-15	19	0	375
of which lease liabilities	53	-11	13	0	55
Current liabilities to credit institutions	52	-18	9	0	42
of which lease liabilities	22	-12	13	0	24
Total liabilities in financing activities	424	-33	28	0	417

			Non cash flow-affecting changes		
Parent company	Opening balance 01/01/2023	Cash flow	Other changes	Acquired liabilities	Closing balance 31/12/2023
Non-current liabilities to credit institutions	310	0	0	0	310
Current liabilities to credit institutions	10	-10	0	0	0
Total liabilities in financing activities	320	-10	0	0	310

For further information on lease liabilities, see note 6.

			Non cash flow-affecting changes		
The Group	Opening balance 01/01/2022	Cash flow	Other changes	Acquired liabilities	Closing balance 31/12/2022
Non-current liabilities to credit institutions	31	288	5	47	371
of which lease liabilities	29	-2	4	23	53
Current liabilities to credit institutions	86	-41	-6	13	52
of which lease liabilities	20	-2	-6	11	22
Total liabilities in financing activities	117	248	0	60	424

			Non cash flow-affecting changes		
Parent company	Opening balance 01/01/2022	Cash flow	Other changes	Acquired liabilities	Closing balance 31/12/2022
Non-current liabilities to credit institutions	0	310	-	-	310
Current liabilities to credit institutions	60	-60	-	-	10
Total liabilities in financing activities	60	250	0	0	320

NOTE 28 DIVESTED SUBSIDIARIES

No significant subsidiaries have been divested during the current financial year or in the previous financial year.

NOTE 29 BUSINESS ACQUISITIONS

No acquisitions were made in 2023. The information below refers to acquisitions made in 2022.

Novakorp Systems

On July 1, 2022, all shares in the French company Novakorp Systems were acquired. Novakorp Systems develops, sells and markets safety products for working at height. France is the largest market, with Paris dominating, and the main focus is on new construction. Novakorp is included in the Safe Access Solutions segment. In December 2023, Novakorp Systems renegotiated an additional purchase price linked to the postponement of specific customer projects. The maximum additional purchase price has been reduced to EUR 5 million from EUR 7 million and the vesting period has been extended to December 31, 2024. Payment will be made in July 2025 at the earliest. In connection with the evaluation of impairment tests for the Safe Access Solutions business area, an impairment of acquisition-related assets in the form of goodwill of SEK 21 million was made in the fourth quarter, which is related to the French operations. The transactions had no cash flow effect. For further information see note 13.

EKRO Bausystem

On October 4, 2022, all shares in the Austrian company EKRO Bausystem were acquired, which manufactures and sells products for working in temporary workplaces. Austria is the largest market. EKRO Bausystem was founded in 1949 and has its office, production and warehouse in Krieglach, south of Vienna. EKRO is included in the Safe Access Solutions segment. For EKRO Bausystem, financial targets for the payment of additional purchase price were not achieved.

Acquisition analyses were established in 2023. Apart from the adjustments described above, there were no adjustments to the preliminary acquisition analysis. The accounting effects of the adjustment of contingent considerations and impairment of acquisition-related assets have been recognised in the operating profit/loss for the 2023 financial year.

NOTE 30 ASSETS AND LIABILITIES IN THE DISPOSAL GROUP AS HELD FOR SALE

Assets held for sale	2023
Intangible assets	10
PROPERTY, PLANT AND EQUIPMENT	4
Accounts receivables	12
Inventories	37
Other receivables	1
Total assets and liabilities in the disposal group held for sale	**64**

Liabilities directly related to assets held for sale	2023
Customer prepayments	9
Accounts payable	5
Accruals and deferred income	6
Other liabilities	2
Total lliabilities in the disposal group held for sale	**22**

On December 29, HAKI Safety signed an agreement to divest FAS Converting Machinery. The business is part of the Industrial Services business area and had annual sales of SEK 90 million in 2023. The buyer is the US company CMD Corporation. The purchase price was USD 3.7 million on a debt-free basis, subject to working capital adjustments. The transaction will not have a material impact on the Group's profit/loss tax. The Group's cash flow and net debt will be positively affected by an amount equivalent to the purchase price. The deal was completed on January 24, 2024. In the balance sheet, assets and liabilities available for sale are presented as separate items. The activity is included in the full-year income statement.

NOTE 31 INFORMATION ON RELATED PARTIES

The parent company HAKI Safety AB conducts ongoing transactions with its subsidiaries in the form of invoicing of central costs and transactions concerning intra-Group interest and currency exchange. In 2023, the parent company's income from subsidiaries amounted to SEK 3.4 million.

For information on the parent company's internal interest income and expenses, see note 11.

The parent company's outstanding receivables from subsidiaries on the balance sheet date amount to SEK 600 million and outstanding liabilities to subsidiaries amount to SEK 86 million. For the company's other transactions with related parties, please refer to note 5 regarding remuneration to senior executives. No transactions between HAKI Safety and its related parties, which have had a significant impact on the company's position and results, have been carried out during the period.

In November 2022, Group management acquired call options in accordance with the long-term incentive program resolved by the 2022 Annual General Meeting. The options were acquired at market value in accordance with a valuation by an independent third party. The CEO acquired 150,000 call options and other senior executives 300,000 call options, of which 100,000 were synthetic call options, in accordance with the principles established by the Annual General Meeting. Karin Larsson, who joined the Group Management in September 2023, acquired 50,000 call options in September 2023, which covered to the remaining call options in the programme. Thus, the call options programme from the 2022 Annual General Meeting is fully subscribed by the Group Management. An updated market valuation by a third party was obtained in connection with the acquisition of the call options. The call options entitle the holder to subscribe for new B shares in the company during the period May 1, 2025, up to and including June 30, 2025, at a subscription price of SEK 35.80, corresponding to 135 percent of the volume-weighted average price according to Nasdaq Stockholm's official price list for the share during the five trading days immediately following the 2022 Annual General Meeting, adjusted for share dividends during the period. Full dilution was assumed in the calculation of earnings per share.

NOTE 32 EVENTS AFTER THE BALANCE SHEET DATE

On January 24, 2024, the divestment of FAS Convering Machinery was completed. For more information see note 30.

Financial targets for the Group were presented in connection with HAKI Safety's Capital Markets Day on March 14, 2024. For more information on the objectives, see page 3.

ADOPTION OF THE STATEMENTS OF COMPREHENSIVE INCOME AND BALANCE SHEETS

The statements of comprehensive income and balance sheets will be submitted to the Annual General Meeting for adoption on April 22, 2024.

The Board of Directors and the Chief Executive Officer certify that the consolidated financial statements have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of July 19, 2002 on the application of international accounting standards and give a true and fair view of the Group's financial position and performance. The Annual Report has been prepared in accordance with generally accepted accounting principles and gives a true and fair view of the parent company's position and results.

The Directors' Report for the Group and the Parent Company provides a true and fair view of the development of the Group's and the Parent Company's operations, financial position and results, and describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

Malmö, March 21, 2024

Lennart Pihl
Chairman of the Board

Svante Nilo Bengtsson
Board member

Anders Bergstrand
Board member

Susanne Persson
Board member

Anna Söderblom
Board member

Sverker Lindberg
CEO

Our audit report was issued on March 21, 2024.

Deloitte AB

Richard Peters
Authorised public accountant
Auditor-in-Charge

AUDITOR'S REPORT

To the general meeting of the shareholders of HAKI Safety AB (publ), corporate identity number 556323-2536

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of HAKI Safety AB (publ) for the financial year 1 January – 31 December 2023. The annual accounts and consolidated accounts of the company are included on pages 21-56 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2023 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act 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, and the Annual Accounts Act.

The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the annual general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014/EU) Article 11.

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 Responsibility section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of goodwill

Risk description

As of 31 December 2023, HAKI Safety AB (publ) accounts for goodwill in the consolidated balance sheet amounting to SEK 345 m. The value of the goodwill is dependent on future income and profitability in the cash-generating units, to which the goodwill refers, and is assessed for impairment at least once a year. Management bases its impairment test on several judgments and estimates, such as growth, EBIT development and cost of capital (WACC) as well as other complex circumstances.

Incorrect judgments and estimates may have a significant impact on the group's result and financial position.

For further information, please see note 13, where it is described how management has performed the impairment test together with important judgments and estimates.

Our audit procedures

Our audit included the following procedures, but was not limited to these:

- Review and assessment of HAKI Safety AB s' (publ) procedures and model for impairment tests of goodwill and evaluation of the reasonability of judgments and estimates made, that the procedures are consistently applied and that there is integrity in computations;
- Verification of input data in calculations including information from business plans for the forecast period approved by the Board of Directors;
- Test of head room for each cash generating unit by performing sensitivity analyses; and
- Review of the completeness in relevant disclosures to the financial reports. When performing this audit procedure our accounting experts have been involved.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and can be found on the pages 1-20, 61-62, 68-69 och 71-73. The remuneration report also constitutes as other information, and this have been obtained before the date of this auditor´s report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the Information otherwise appears to be materially misstated.

If we, based on the work performed concerning this Information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Auditor's Report, continued

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts. The Board of Directors and the Managing Director are 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 Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or have no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts 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 annual accounts and consolidated accounts.

An additional description of our responsibility for the audit of the annual report and consolidated accounts is available on the Swedish Inspectorate of Auditors website, www.revisorsinspektionen.se/revisorsansvar. This description forms a part of the Auditor's Report.

REPORT ON OTHER STATUTORY AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of HAKI Safety AB (publ) for the financial year 1 January – 31 December 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the annual general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's responsibility* section. We are independent of the parent company 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.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfil the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

An additional description of our responsibility for the audit of the administration is available on the Swedish Inspectorate of Auditors website, www.revisorsinspektionen.se/revisorsansvar. This description forms a part of the Auditor's Report.

THE AUDITOR'S EXAMINATION OF THE ESEF REPORT

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the ESEF report) pursuant to Chapter 16, Section 4a of the Swedish Securities Market Act (2007:528) for HAKI Safety AB (publ) for the financial year 2023-01-01 – 2023-12-31.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Auditor's Report, continued

Basis for opinion
We have performed the examination in accordance with FAR's recommendation *RevR 18 Examination of the ESEF report*. Our responsibility under this recommendation is described in more detail in the *Auditor's responsibility* section. We are independent of HAKI Safety AB (publ) 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of the ESEF report in accordance with the Chapter 16, Section 4a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors determine is necessary to prepare the ESEF report without material misstatements, whether due to fraud or error.

Auditor's responsibility
Our responsibility is to obtain reasonable assurance whether the ESEF report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4a of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the ESEF report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the ESEF report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

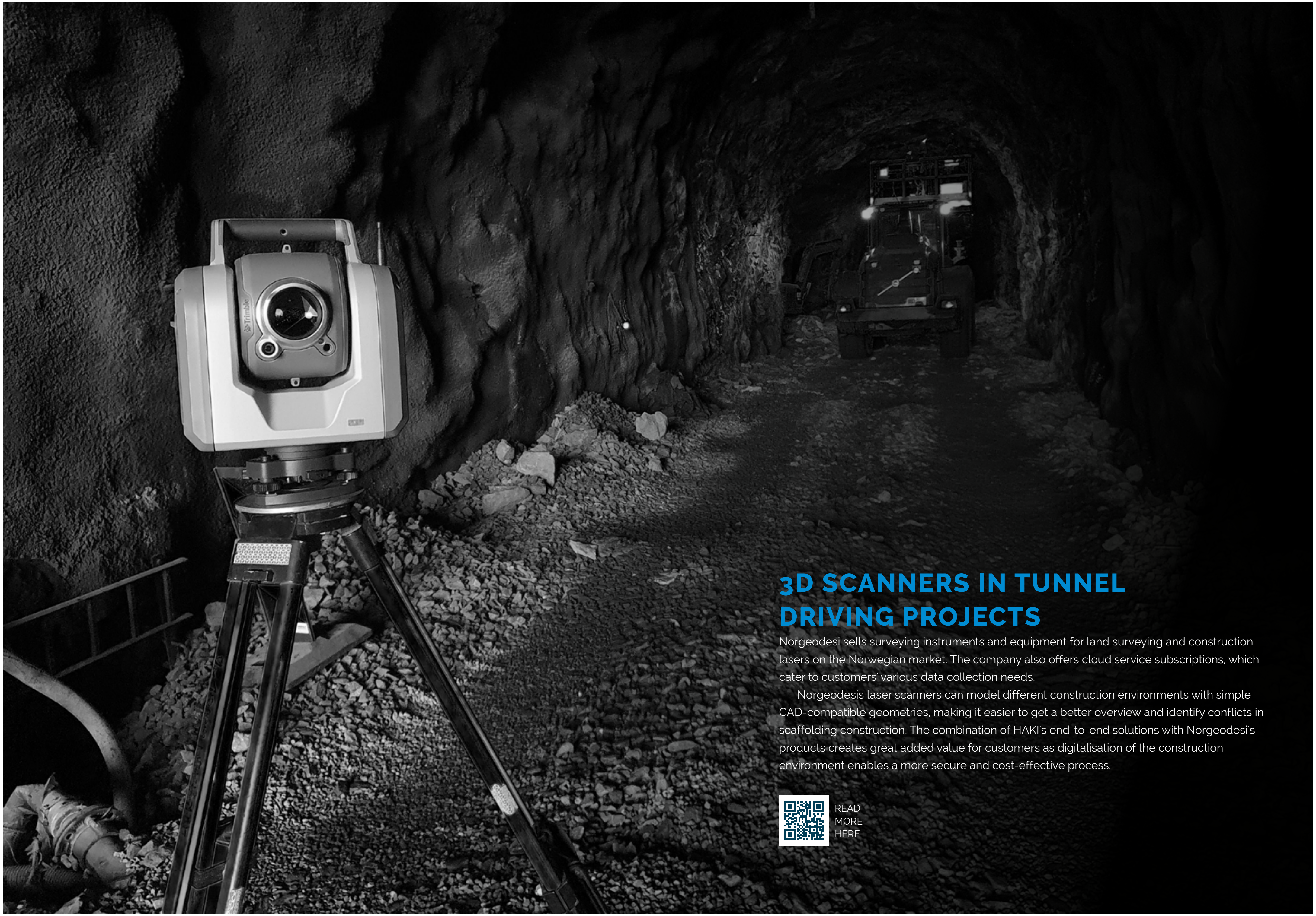
The procedures mainly include a validation that the ESEF report has been prepared in a valid XHTML format and a reconciliation of the ESEF report with the audited annual accounts and consolidated accounts. Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the ESEF report have been marked with iXBRL in accordance with what follows from the ESEF regulation.

Deloitte AB was appointed auditor of HAKI Safety AB (publ) by the annual general meeting of shareholders on the April 25th, 2023, and has been the auditor of the company since April 24, 2018.

Malmö 21 March 2024
Deloitte AB

Signature on Swedish original

Richard Peters
Authorized public accountant



3D SCANNERS IN TUNNEL DRIVING PROJECTS

Norgeodesi sells surveying instruments and equipment for land surveying and construction lasers on the Norwegian market. The company also offers cloud service subscriptions, which cater to customers' various data collection needs.

Norgeodesis laser scanners can model different construction environments with simple CAD-compatible geometries, making it easier to get a better overview and identify conflicts in scaffolding construction. The combination of HAKI's end-to-end solutions with Norgeodesi's products creates great added value for customers as digitalisation of the construction environment enables a more secure and cost-effective process.

READ MORE HERE

DEAR SHAREHOLDERS,

At the end of 2023, a new chapter in our company's 34-year history was written when Midway Holding changed its name to HAKI Safety AB. The new name clarifies the company's change from a conglomerate to today's industrial Group, focusing on safety products and solutions that create safe working conditions at temporary workplaces.

Today, HAKI and its safety products account for 85 percent of the Group's revenue and we can today say that we have delivered on the strategy established in 2018. We can now fully focus on further developing and strengthening HAKI both organically and through acquisitions. Through the development and growth of HAKI in terms of products and geography, the business today has better underlying risk diversification and is less sensitive to economic fluctuations. HAKI is strong and rigged for continued growth in an attractive market.

Corporate governance that supports operational activities

2023 began with high energy prices, high inflation and significant increases in interest rates. This affected the general economic situation, which had a negative impact on the Group. The Board's work during the year has therefore largely focused on short-term issues and the need to reduce costs. However, it is important to keep the focus on the long-term target of creating a growing, competitive and profitable company. Cooperation between the Board and management has been good during the year, with a good balance between short- and long-term issues that together support operational activities.

Corporate governance in the Group is based on a clear structure with clear rules and processes. As a result of the acquisitions and streamlining in recent years, a number of key governance processes and policies have been reviewed and developed so that the new subsidiaries can live up to the requirements and levels that apply. This also provides a good platform for future acquisitions and simplifies acquisition processes and integration of the acquired companies.

Due to the sharp rise in interest costs, issues related to profitability, cash flows and financing have been prioritised during the year. The Board has received clear reports and analysis from management at short intervals and action has been taken when needed. It should be noted that the commitment, network and knowledge of the company's long-term main owners contribute positively to stability and opportunities to accelerate the Group's growth.

A more transparent Group with financial targets

Due to the fact that the company is now a distinctly industrial Group, it is no longer relevant to divide the Group into several segments. As previously announced, the Board of Directors has therefore decided that reporting will be on a one segment basis, starting with the report for the first quarter of 2024. A decision has also been taken to publish the Group's financial targets. It is the Board's hope that this will give shareholders and investors an even better insight into the Group's performance.

Despite rather difficult conditions, HAKI Safety delivered a good 2023. The Board and I would like to thank all employees, the management team and the CEO for the past year. Thank you also to our shareholders for your continued trust and support.

Malmö, March 2024

Lennart Pihl
Chairman of the Board

CORPORATE GOVERNANCE REPORT 2023

HAKI Safety, formerly Midway Holding, is a Swedish public limited liability company listed on Nasdaq Stockholm, Small Cap, which complies with Nasdaq Stockholm's rules for issuers.

HAKI Safety also applies the Swedish Code of Corporate Governance (the Code), which is available at www.bolagsstyrning.se, where the Swedish model for corporate governance is also described.

The auditor's review has been conducted in accordance with FAR's standard Auditor's examination of the corporate governance report.

Compliance with the Swedish corporate governance code

HAKI Safety deviates on one point from the Code, in the section on the composition of the Nomination Committee. The explanation for this discrepancy is given in the text.

Compliance with applicable exchange trading rules

There were no breaches of applicable stock exchange rules in 2023. HAKI Safety's operations have been conducted in accordance with good stock market practice.

Shares and shareholders

As of December 31, 2023, the share capital amounted to SEK 273,291,360 divided into 27,329,136 shares, of which 9,584,697 A shares and 17,744,439 B shares, each with a quota value of SEK 10. Class A shares carry ten votes each and Class B shares carry one vote each.

At the end of 2023, HAKI Safety had 4,015 shareholders (4,026). The two largest shareholders were Tibia Konsult AB and Marknadspotential AB with 53.5 and 29.1 percent of the votes respectively. Tibia Konsult AB is represented by Anders Bergstrand and Marknadspotential AB is represented by Svante Nilo Bengtsson in the HAKI Safety Board.

For more information about the HAKI Safety share and the largest shareholders, see pages 11-12.

Key events in 2023

Midway Holding Aktiebolag's name was changed to HAKI Safety AB on December 20, 2023, following the Extraordinary General Meeting's decision and the Swedish Companies Registration Office's registration of the new name, and Nasdaq Stockholm's registration of the new ticker on the stock exchange.

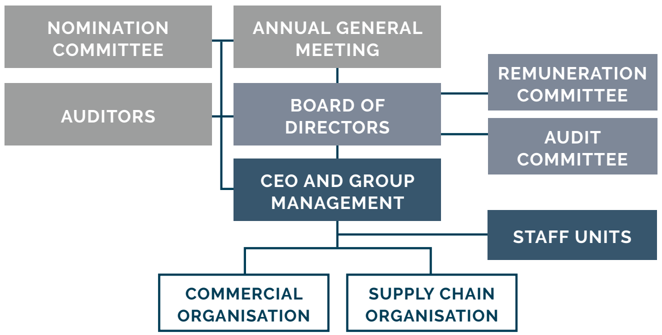
The purpose of the name change was to clarify the company's strategic shift from a conglomerate to today's industrial group, focusing on safety products and solutions that create safe working conditions at temporary workplaces.

Articles of association

The current Articles of Association can be found at www.hakisafety.com.

The Articles of Association were last amended with the Extraordinary General Meeting's decision to change the name of the Group when the provision on company name (§ 1) became: "The company name shall be HAKI Safety AB. The company is public (publ).".

CORPORATE GOVERNANCE



General meetings 2023

Shareholders' influence is exercised at the Annual General Meeting, which is HAKI Safety's highest decision-making body. At the Annual General Meeting, shareholders exercise their voting rights on key issues such as the adoption of the income statement and balance sheet, the appropriation of the company's profit or loss, the discharge of the members of the Board of Directors and the CEO, the election of the Board of Directors and the auditor, and the remuneration of the Board of Directors and the auditor.

HAKI Safety's 2023 Annual General Meeting took place on April 25 in Malmö. According to the voting list, approximately 83 percent of the votes in HAKI Safety were represented at the meeting.

An Extraordinary General Meeting was held on December 12, 2023. According to the voting list, approximately 84 percent of the votes in HAKI Safety were represented at the meeting. The meeting decided to change the name of Midway Holding Aktiebolag to HAKI Safety AB.

Full minutes and information on the meetings are available at www.hakisafety.com.

Annual General Meeting 2024

HAKI Safety's 2024 Annual General Meeting will take place on April 22, 2024, in Malmö. The notice will be published through an announcement in Post- och Inrikes Tidningar, a press release and on www.hakisafety.com. The notice will also be advertised in Svenska Dagbladet.

Corporate governance report, continued

Nomination Committee for the 2024 Annual General Meeting

The Nomination Committee represents the company's shareholders and nominates the members of the Board of Directors, the Chairman of the Board and the auditor and proposes their remuneration.

As decided by the 2023 Annual General Meeting, HAKI Safety has a Nomination Committee consisting of Jan Bengtsson, Anders Bergstrand and Johnas Lindblom. The Nomination Committee has the tasks set out in the Code. The Nomination Committee's proposal to the 2024 Annual General Meeting will be published in the notice to the Annual General Meeting and on HAKI Safety's website.

With regard to the composition of the Board of Directors, the former and current Nomination Committee has applied point 4.1 of the Code as a diversity policy and its objectives, which resulted in the Nomination Committee's proposal to the 2023 Annual General Meeting for the election of the Board of Directors. The Nomination Committee considered that the proposed Board had an appropriate composition in terms of competence, experience and background, given the company's current situation and its strategic development going forward.

The composition of the Nomination Committee deviates from the Code's requirement that a majority of the members of the Nomination Committee shall be independent in relation to the company and Group management.

Anders Bergstrand is considered dependent in relation to the company because he is a member of the Board of Directors of the company. Jan Bengtsson is also considered to have such a position of dependence in light of the fact that he was previously a Board member of the company, and that his son, Svante Nilo Bengtsson, is a Board member of HAKI Safety.

The reason for the deviation is that it is natural for the company's two largest shareholders to be represented on the Nomination Committee as they nevertheless have a decisive influence on the composition of the Nomination Committee through their majority of votes at the Annual General Meeting.

Auditor 2023

The Annual General Meeting appoints an auditor who examines the Annual Report, accounts and consolidated accounts, the management of the Board of Directors and the CEO, and the Annual Report and accounts of subsidiaries, and issues an audit report.

At the 2023 Annual General Meeting, the registered auditing firm Deloitte AB was re-elected as auditors for a period of one year. Richard Peters, an authorised public accountant, is cheif auditor. For specification of remuneration to the auditor, see note 7.

The Board of Directors and its work in 2023

The Board of Directors is ultimately responsible for the organisation and management of the company. According to the articles of association, the Board of Directors of HAKI Safety shall consist of at least three and no more than seven members with the number of deputies, but no more than three, as decided by the Annual General Meeting.

Since the 2023 Annual General Meeting, the Board has consisted of five members, with no deputies. The composition of the Board meets the Code's requirements for independent members. None of the Board members are employed by HAKI Safety. The proportion of women on the Board is 40 percent. The members of the Board have long and varied experience from several different businesses, both Swedish and international. Members represent both technical and commercial expertise. For a presentation of the Board, see page 68.

The Board monitors activities through its work, monthly reporting and informal contacts between meetings. The Chairman of the Board represents the Board both externally and internally. The Chairman leads the work of the Board and ensures that the Board performs its duties. The CEO is responsible for day-to-day management in accordance with the guidelines and instructions issued by the Board of Directors.

Evaluation of the Board of Directors and the CEO

The Chairman of the Board initiates an annual evaluation of the Board's work. The purpose of the evaluation is to understand the views of Board members on how Board work is carried out and what measures can be taken to make Board work more effective. The aim is also to get an idea of what kind of issues the Board considers should be given more time and in which areas additional expertise may be needed in the Board.

The evaluation for 2023 was carried out by having each Board member answer a questionnaire. The results of the evaluation have been discussed by the Board and reported by the Chairman of the Board to the Nomination Committee. The Board of Directors continuously evaluates the performance of the CEO by monitoring the progress of the activities towards the objectives set.

The work of the Board of Directors 2023

The Board shall hold at least five ordinary meetings per financial year and work according to established rules of procedure. Before Board meetings, members receive written material on the issues to be discussed at the meeting. In 2023, the Board held eight minuted meetings. All members have attended all Board meetings.

Much of the Board's time in 2023 was devoted to the Group's strategic direction and to the financial reports presented at each regular Board meeting. The company's auditor has reported his observations in connection with the audit at a Board meeting. The Board also met with the company's auditors on one occasion without the presence of members of Group management.

Management Committee

Audit Committee

The Board has appointed an Audit Committee consisting of Anna Söderblom, who chairs the committee, and Lennart Pihl. The Group's CFO attends the meetings, as well as other employees and the company's auditor, if necessary. The Committee held five minuted meetings during the year, in addition to regular contacts by telephone and e-mail. Both Anna Söderblom and Lennart Pihl attended all meetings. The Group's auditors attended two meetings.

The Audit Committee has both an advisory and a preparatory function for decision-making matters before processing and decisions are made by HAKI Safety's Board of Directors.

The overall tasks of the Audit Committee include,being responsible for the preparation of the financial reporting, informing itself of the focus and scope of the audit and establishing guidelines for which services other than auditing that the company may procure from the company's auditor, and assisting the Nomination Committee with proposals for the election of the auditor. It also deals with issues related to internal control, risks and sustainability.

Remuneration Committee

The Board has appointed a Remuneration Committee consisting of Lennart Pihl, who chairs the committee, and Anders Bergstrand. The Committee held two minuted meetings during the year. Both Lennart Pihl and Anders Bergstrand attended all meetings.

The Remuneration Committee has both an advisory and a preparatory function for decision-making matters before processing and decisions are made by HAKI Safety's Board of Directors.

The main tasks of the Remuneration Committee are to prepare issues regarding remuneration principles, remuneration and other terms of employment for the Group management and to monitor and evaluate the application of the guidelines and remuneration to senior executives decided by the Annual General Meeting.

CEO and management

The Board appoints the CEO and establishes instructions for his/her work. The CEO is responsible for the day-to-day operations of the company. The CEO, together with the Chairman of the Board, ensures that the Board receives the information necessary to make informed decisions.

Sverker Lindberg has been Chief Executive Officer since September 1, 2016. He is assisted by a Group management team of four people. The proportion of women in Group management is 40 percent. For a presentation of the Group management, see page 69.

The Group management meets every month. The meetings focus on the Group's strategic and operational development and performance monitoring. In addition, several reviews and regular reconciliations with the operational activities are carried out according to an established meeting schedule.

The operational organisation consists of a commercial organisation supported by a supply chain organisation. In addition to sales, commercial activities include innovation, technical support, customer support and marketing. The supply chain includes functions such as production, logistics, procurement, development and quality, health, safety and environment (QHSE).

Remuneration

Remuneration to the Board of Directors

The 2023 Annual General Meeting set the Board's remuneration at SEK 1,030,000 to be distributed with SEK 375,000 to the Chairman of the Board, SEK 100,000 to Anders Bergstrand and SEK 175,000 each to the other Board members. In addition, it was decided to pay a fee of SEK 30,000 to the Chairman of the Audit Committee.

Remuneration to the management

Remuneration to the management is based on the guidelines for remuneration and other terms of employment for Group management adopted by the Annual General Meeting. The CEO's remuneration is decided within this framework by the Board of Directors. The remuneration of other members of Group management is decided by the CEO and reported to the Board. The Board's guidelines for remuneration and other terms of employment for Group management were adopted at the 2021 Annual General Meeting.

The Board of Directors presents a separate Remuneration Report to the Annual General Meeting, that provides a comprehensive picture of the remuneration, including benefits, paid or due to the CEO. Variable remuneration shall be linked to predetermined and measurable criteria, designed to promote the company's long-term value creation.

Internal control over financial reporting

The main objectives of HAKI Safety's internal control are that it is appropriate and effective, provides reliable reports and complies with laws and regulations.

The Board has assessed that the current internal control process is sufficient from a corporate governance perspective and that there is no need for an internal audit function.

Control environment

A good control environment is based on an organisation with clear decision-making channels and a corporate culture with shared values and individual awareness of their role in maintaining good internal control. Effective governance is the basis for good internal control. The Board of Directors is ultimately responsible for internal control over financial reporting and annually approves a number of governance documents to support the Board and Group management in acting in a manner that promotes proper and thorough internal control and risk management.

The Board of Directors' rules of procedure and instructions for the CEO ensure a clear division of roles and responsibilities to ensure effective management of business risks.

The Board has also adopted authorisation instructions and a financial policy. The company also has a financial manual, which contains principles, guidelines and processes for accounting and financial reporting. In addition, the Board of Directors has established an Audit Committee whose main task is to monitor the company's financial reporting, evaluate the effectiveness of internal controls and annually evaluate the need for an internal audit function as well as risk management and the impartiality of the auditors. The Board has also established a number of basic guidelines for investments and the Group's financing.

Risk assessment

Risk is defined as the uncertainty of whether an event will occur and its effect on an entity's ability to achieve its business objectives over a given period of time. Risk assessment and risk management are key components of internal control for which the Board of Directors has ultimate responsibility. The risk assessment is regularly performed by management for discussion by the Audit Committee and the Board of Directors in accordance with established principles. The focus is on material income statement and balance sheet items, which are relatively higher risk due to their complexity or where the impact of any errors is likely to be significant, as the values of the transactions are substantial.

Corporate governance report, continued

In addition, external risks that could have a significant impact on the company's operations are evaluated.

The risk matrix and action plans for managing the key risks have been adopted by the Board of Directors. Control activities aimed at continuously preventing, detecting and correcting errors and deviations have been implemented and reported to the Audit Committee and the Board of Directors. Suggestions for improvements are identified and implemented on an ongoing basis. For a description of risks and other risk management, see pages 23-24 and note 19.

Control activities

Financial controls in the companies' business processes include approval of business transactions, reconciliation with external counter-parties, monitoring of risk exposure, account reconciliation, monthly performance monitoring and analytical monitoring of decisions. HAKI Safety's financial reports are analysed and validated within the company's finance function and regular analyses are made of the subsidiaries' financial reporting.

Information and communication

Significant guidelines, manuals, etc. governing financial reporting are updated and communicated regularly to the relevant personnel within the Group. There are both formal and informal information channels to the Group management and the Board of Directors for essential information from employees.

To ensure that external information is correct and complete and communicated to the market in a timely manner, HAKI Safety has an information policy adopted by the Board of Directors. HAKI Safety has an established whistleblower system, which is available to all employees in the Group and guarantees anonymity. The whistleblower system is also available on the company's website and can thus also be used by external persons.

Monitoring

HAKI Safety's Board and management continuously monitor the quality of the financial reporting. HAKI Safety's financial position is discussed at each Board meeting, where the Board receives reports on the development of the business. The Board reviews and approves all interim reports before publication.

The external auditors report their review of internal control to the Board of Directors once a year, in connection with the reporting of the financial statement audit. Group management is responsible for informing all employees that control responsibilities are to be taken very seriously and that financial reporting is done on a group-wide system for all entities and according to common formats.

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE REPORT

To the Annual General Meeting of HAKI Safety AB (publ), corporate identity number 556323-2536

Engagement and responsibility
It is the Board of Directors who is responsible for the Corporate Governance report for the financial year 2023-01-01—2023-12-31 on pages 63-66 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination has been conducted in accordance with FAR's standard RevR 16 *Auditor's examination of the corporate governance report*. This means that our examination of the corporate governance report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinions
A corporate governance report has been prepared. Disclosures in accordance with chapter 6, section 6, the second paragraph, points 2-6 the Annual Accounts Act and chapter 7, section 31, the second paragraph, the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Malmö, March 21th, 2024
Deloitte AB

Signature on Swedish original

Richard Peters
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

BOARD OF DIRECTORS*

Lennart Pihl
Chairman of the Board

Date of birth: 1950
Education: Graduate in Business Administration, Lund University
Other assignments: Chairman of Ellpeco AB, Myloc Holding AB, Bertex Mail AB, Joakim Lagergren Golf AB and Liljeholmens Group AB. Board member of Mildef Group AB
Work experience: Former CEO Bong AB and CEO Acrimo AB
Elected to the Board: 2017
Shareholding: 18,000 B Shares

Independent of the company and its management. Independent of the company's major shareholders.

Svante Nilo Bengtsson
Board member

Date of birth: 1976
Education: Graduate in Business Administration, European Business School, London
Other assignments: Board member of Marknadspotential AB, Liljeholmens Group AB and Zaplox AB
Work experience: CEO Marknadspotential AB
Elected to the Board: 2017
Shareholding: 1,188,463 B shares (together with family)

Independent of the company and its management. Not independent in relation to the company's major shareholders through his involvement in Marknadspotential AB, which owns 3,303,883 A shares and 51,970 B shares.

Anders Bergstrand
Board member

Date of birth: 1978
Education: M.Sc. Eng., Lund University Faculty of Engineering, M.Sc. in Business Administration, Lund University
Other assignments: Chairman of the Board of Tibia Konsult AB, Liljeholmens Stearinfabriks AB, Sten K Johnsons Stiftelse and others. Board member of Skåne-Möllan AB, Liljeholmens Group AB and others
Work experience: Consultant Accenture
Elected to the Board: 2008
Shareholding: 7,000 B shares

Independent of the company and its management. Not independent in relation to the company's major shareholders through his involvement in Marknadspotential AB, which owns 12,335,209 A shares and 5,374,920 B shares.

Susanne Persson
Board member

Date of birth: 1969
Education: M.Sc. Eng., Lund University Faculty of Engineering
Other assignments: Chairman of the Board of JM Norge AB. Board member of Seniorgården AB, Borätt AB and Byggföretagen
Work experience: Business unit manager Riks JM AB. Former Regional Manager JM AB, Peab Bygg AB and Skanska AB
Elected to the Board: 2020
Shareholding: 4,449 B shares

Independent of the company and its management. Independent of the company's major shareholders.

Anna Söderblom
Board member

Date of birth: 1963
Education: University degree in mathematics, Lund University. PhD in Business Administration, Stockholm School of Economics
Other assignments: Chairman of the Board of Proact IT Group AB. Board member of BTS Group AB, Länsförsäkringar Liv Försäkringsaktiebolag, Dedicare AB, Webstep ASA and Chalmers Ventures AB
Work experience: Teacher and researcher at the Stockholm School of Economics. Previously Support Manager and Marketing Director Microsoft Nordic, Marketing Director Posten Brev and Investment Manager Industrifonden
Elected to the Board: 2018
Shareholding: 10,000 B shares

Independent of the company and its management. Independent of the company's major shareholders.

* Other assignments and holdings in HAKI Safety listed reflect the situation as of 31 December 2023. Current shareholdings can be found at www.hakisafety.com/the-share/ownership-structure.

GROUP MANAGEMENT*

Sverker Lindberg
President and CEO

Employed: 2016
Date of birth: 1963
Education: Graduate in Business Administration, Lund University
Other assignments: Chairman of the Board of Lagafors AB and Kulturen i Lund
Work experience: Business Unit President Trelleborg AB, global management positions Tetra Pak
Shareholding: 31,242 B shares and 150,000 B series call options (HAKI)

Tomas Hilmarsson
Chief Financial Officer

Employed: 2022
Date of birth: 1981
Education: M.Sc. Business Administration, School of Business, Economics and Law at the University of Gothenburg and Lund University
Work experience: Authorised Public Accountant, Risk Management Consultant and senior positions PwC
Shareholding: 6,000 B shares and 100,000 B series call options (HAKI)

Fia Lindgren
Chief Supply Chain Officer

Employed: 2022
Date of birth: 1969
Education: M.Sc. Eng., Institute of Technology at Linköping University
Other assignments: Board member of Bertegruppen AB
Work experience: Head of Operations Development & HSE E.ON Energy Solutions Sweden, COO Oatly AB, senior supply chain and business development positions Orkla Sweden AB, purchaser Alfa Laval AB
Shareholding: 100,000 B series call options (HAKI)

Thomas Schuller
Chief Commercial Officer

Employed: 2015
Date of birth: 1961
Education: Graduate in Business Administration, Lund University
Work experience: CEO Norgips, part of Knauf Group, senior commercial positions at Carlsberg Norway, Rieber & Son Czech Republic, SC Johnson Wax, Holmen Bruk
Shareholding: 5,006 B shares and 100,000 synthetic call options (HAKI)

Karin Larsson
Chief Communications and Sustainability Officer

Employed: 2023
Date of birth: 1971
Education: M.Sc. Economics, School of Business, Economics and Law at the University of Gothenburg
Work experience: Vice President Communications Trelleborg AB, PR consultant KREAB, civil servant Swedish Government Offices
Shareholding: 2,500 B shares and 50,000 B series call options (HAKI)

AUDITOR

Deloitte AB
Chief Accountant: Richard Peters, Authorised Public Accountant

* Other assignments and holdings in HAKI Safety listed reflect the situation as of 31 December 2023. Current shareholdings can be found at www.hakisafety.com/the-share/ownership-structure.

SUSTAINABILITY REPORTING ACCORDING TO THE ANNUAL ACCOUNTS ACT

The Annual Accounts Act requires companies of a certain size to prepare a sustainability report. The following index is intended to show where the disclosures related to the sustainability areas are located in the Annual Accounts Act can be found in HAKI Safety's Annual Report.

Area according to the Annual Accounts Act	Page
Description of the business model	6
Environment	16
Staff and social conditions	17
Human rights	17
Combating corruption	18
Identifying and managing risks	23–24

AUDITOR'S REPORT ON THE STATUTORY SUSTAINABILITY REPORT

To the Annual General Meeting of HAKI Safety AB (publ), corporate identity number 556323-2536

Engagement and responsibility
It is the Board of Directors who is responsible for the statutory sustainability report for 2023, on the pages 6, 16-18 and 23-24, and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit
Our examination has been conducted in accordance with FAR's standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with a sufficient basis for our opinion.

Opinion
A statutory sustainability report has been prepared.

Malmö, March 21, 2024
Deloitte AB

Signature on Swedish original

Richard Peters
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

INSPECTION OF CIRCULAR TANK

A circular fuel tank in Vitry-sur-Seine, France, needed to be inspected for corrosion. The client had limited time to erect the scaffold, carry out the inspection and remove the scaffold again. And there were issues getting around an outside staircase and pipes on the ground.

HAKI Safety solved the challenge with fast, safe and adaptable system scaffold: beam riders and puncheon units provided adaptability to get around site obstacles, along with adjustable connectors and circular cover plates making the working levels safe. On the outside, the circular scaffolding was fitted with continuous guardrails and ledgers for improved safety.

READ MORE HERE

10-YEAR SUMMARY [1]

SEK m, unless otherwise stated	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Net sales	1,188	1,168	863	588	796	768	1,316	1,670	1,534	2,365
Of which abroad, %	86	80	74	71	76	75	53	47	56	42
Profit/loss before tax	78	92	78	-1	74	56	-28	-7	57	-47
Income tax	-16	-22	-20	1	-12	-9	-3	3	-15	-5
Profit/loss for the year	62	71	58	0	61	47	-31	-4	42	-52
Share of non-controlling interests	0	0	0	0	0	0	0	0	1	0
Equity, including holdings without controlling interests	643	608	540	471	481	390	390	412	463	464
Interest-bearing liabilities	430	424	117	49	167	230	398	411	607	508
Interest-bearing net debt	376	406	91	30	144	89	286	356	573	462
Equity/assets ratio, %	48	42	55	70	60	44	36	35	32	33
Equity/assets ratio, incl. convertible bonds	48	42	55	70	60	55	45	42	38	39
Debt/equity ratio, times	0.7	0.7	0.2	0.1	0.3	0.6	1.0	1.0	1.3	1.1
Interest coverage ratio, times	4.8	12.4	39.0	29.2	28.8	0.7	neg.	0.8	2.1	neg.
Return on equity	10	12	11	0	14	12	neg.	neg.	4	neg.
Return on capital employed, %	9.3	10.4	12.6	0.3	12	9	neg.	0	6	neg.
Cash flow, total operations [2]	24	-8	7	-6	-60	21	35	9	65	87
Net investments, total operations	49	129	33	45	12	66	69	92	49	80
Number of employees	311	310	245	225	227	221	342	613	850	1,025
Of which abroad	186	186	128	101	93	94	122	254	258	302

1 Refers to continuing operations as defined in 2020 for the years 2018–2020 unless otherwise stated. For the years 2015-2017, the remaining activities will be as defined in previous years' Annual Reports. Comparative figures for other years refer to total operations. The divested companies have been recalculated and are recognised according to IFRS as discontinued operations in an item after profit/loss for the period for continuing operations.

2 For 2016–2021, cash flow is presented instead of gross cash flow. 2015 and previous years have not been restated but refer to gross cash flow.

Definitions

Equity/assets ratio: Equity including minority interests in relation to total assets.

Interest-bearing net debt: Interest-bearing liabilities, including provisions for pensions, less cash and cash equivalents and short-term investments. The net debt does not include promisssory notes or additional purchase prices for acquisitions.

Interest coverage ratio: Profit/loss before tax plus interest expenses in relation to financial expenses.

Debt/equity ratio: Interest-bearing liabilities in relation to equity.

Return on equity: Profit/loss for the year in relation to average equity.

Capital employed: Equity plus interest-bearing liabilities, including provisions for pensions and lease liabilities.

Return on capital employed: Profit/los before tax plus interest expenses in relation to average capital employed.

Net investments: Investments for the year reduced by disposals for the year.

FINANCIAL CALENDAR 2024

Quarterly report January-March	April 22
Annual General Meeting*	April 22
The shares are traded excluding dividends (X-day)	April 23
Date of record	April 24
Payment date	April 29
Quarterly report April-June	July 12
Quarterly report July-September	October 23
The shares are traded excluding dividends (X-day)	October 29
Date of record	October 30
Payment date	November 4
Year-end report 2024	February 5, 2025

* Dividend and dividend dates as proposed by the Board of Directors and the decision of the Annual General Meeting.

Haki Safety AB is a public company. Org.no. 556323-2536. Registered office in Malmö, Sweden. This Annual Report is also available in English. The previous Annual Report for 2022 was published in March 2023.

For questions about Haki Safety's Annual Report, please contact karin.larsson@hakisafety.com.

All values are expressed in Swedish kronor. Kronor is abbreviated to SEK and million kronor, SEK million. Figures in brackets refer to the previous year 2022 unless otherwise stated.

This report contains forward-looking information based on the current expectations of HAKI Safety management. Although management believes that the expectations reflected in such forward-looking information are reasonable, there can be no assurance that these expectations will prove to be correct. Accordingly, future outcomes may vary significantly from those set out in the forward-looking information, depending on, among other things, changing economic, market and competitive conditions, changes in regulatory requirements and other policy measures, variations in exchange rates and other factors.

This Annual Report is produced in cooperation with RHR Corporate Communication in Malmö.

HAKI Safety, formerly Midway Holding, is an international industrial Group, focusing on safety products and solutions that create safe working conditions at temporary workplaces. The Group has annual sales of about SEK 1.2 billion and has since 1989 been listed on Nasdaq Stockholm Small Cap. HAKI Safety offers a wide range of products and solutions within system scaffold, work zone safety, and digital and technical solutions that help customers achieve safety and efficiency in their various environments.

HAKI Safety AB (publ)

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