

Translation from the German language

MacGregor Germany GmbH & Co. KG, Hamburg

**Annual financial statements and management
report for the financial year 2023**

Translation of the German independent auditor's report concerning the audit of the annual financial statements and management report prepared in German

Independent auditor's report

To MacGregor Germany GmbH & Co. KG

Opinions

We have audited the annual financial statements of MacGregor Germany GmbH & Co. KG, Hamburg, which comprise the balance sheet as at 31 December 2023, and the income statement for the fiscal year from 1 January to 31 December 2023, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of MacGregor Germany GmbH & Co. KG for the financial year from 1 January to 31 December 2023.

In our opinion, on the basis of the knowledge obtained in the audit,

- ▶ the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to partnerships for the purposes of Sec. 264a (1) HGB ["Handelsgesetzbuch": German Commercial Code] and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023 and of its financial performance for the financial year from 1 January to 31 December 2023 in compliance with German legally required accounting principles, and
- ▶ the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

Basis for the opinions

We conducted our audit of the annual financial statements and of the management report in accordance with Sec. 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional 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 on the annual financial statements and on the management report.

Material uncertainty about the Company's ability to continue as a going concern

Please see the disclosures in section "V. Other notes," subsection "8. Going concern" of the notes to the financial statements and in section "D. Opportunities and risks report," subsection "3. Going concern" of the management report, in which the executive directors state that the Company is funded via its participation in the intragroup cash pool, which can, however, be terminated at short notice. There will continue to be a deficit from business activities in the forecast period. In order to maintain the Company's solvency and thus its ability to continue as a going concern, Hiab Oyj (formerly Cargotec Oyj), Helsinki, Finland, issued a letter of comfort dated 21 December 2022 for an unlimited amount in favour of MacGregor Germany GmbH & Co. KG, Hamburg, which cannot be terminated before 31 December 2024. After this date, the letter of comfort can be terminated at the end of the financial year with one year's notice. Termination of the letter of comfort is precluded if and as long as the Company is overindebted (Sec. 19 InsO ["Insolvenzordnung": German Insolvency Code]) or insolvent (Sec. 17 InsO). At the time the annual financial statements were prepared, the letter of comfort had not been terminated. In December 2024, capital was increased by EUR 23m.

The Company is therefore dependent on the financial support of the ultimate parent company Hiab Oyj, Helsinki, Finland, in order to maintain its solvency and thus to continue as a going concern.

This draws attention to the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and that represents a going concern risk pursuant to Sec. 322 (2) Sentence 3 HGB.

Our opinions are not modified in respect of this matter.

Responsibilities of the executive directors for the annual financial statements and the management report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to partnerships for the purposes of Sec. 264a (1) HGB, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

Auditor's responsibilities for the audit of the annual financial statements and of the management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 financial statements and this management report.

We exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the annual financial statements and of the management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.

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- ▶ Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- ▶ Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- ▶ Evaluate the consistency of the management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- ▶ Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Berlin, 9 May 2025

EY GmbH & Co. KG
Wirtschaftsprüfungsgesellschaft

Nasirifar
Wirtschaftsprüfer
[German Public Auditor]

Remmers
Wirtschaftsprüfer
[German Public Auditor]

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Balance sheet as at 31 December 2023

ASSETS	31 Dec 2023 EUR	31 Dec 2022 EUR	EQUITY AND LIABILITIES	31 Dec 2023 EUR	31 Dec 2022 EUR
A. Non-current assets			A. Equity		
I. Intangible assets			I. Capital share of the limited partner	2.435.000,00	2.435.000,00
Purchased software	15,00	2.908,00	II. Reserves	103.178.381,53	96.543.554,99
II. Property, plant and equipment			III. Loss carryforward	-105.613.381,53	-98.978.554,99
1. Land and buildings, including buildings on third-party land	480.568,27	3.530.674,25		0,00	0,00
2. Plant and machinery	173.201,19	183.697,38			
3. Other plant, tools and equipment	644.657,69	802.460,95			
	1.298.427,15	4.516.832,58	B. Balancing item for capitalised treasury shares	30.677,51	30.677,51
III. Financial assets			C. Provisions		
1. Shares in affiliates	30.678,51	30.678,51	1. Pension provisions	386.583,00	402.717,00
2. Holdings	2,00	2,00	2. Tax provisions	55.404,12	58.580,00
	30.680,51	30.680,51	3. Other provisions	8.608.066,94	11.240.707,54
	1.329.122,66	4.550.421,09		9.050.054,06	11.702.004,54
B. Current assets			D. Liabilities		
I. Inventories			1. Prepayments received on orders	12.703.661,18	13.952.213,28
1. Raw materials, consumables and supplies	6.430,68	143.838,67	2. Trade payables	3.223.913,82	3.249.314,87
2. Work in progress	7.792.373,79	7.825.906,22	3. Liabilities to partners	246.821,07	208.977,09
3. Goods	2.230.540,32	4.921.817,32	4. Liabilities to affiliates	32.901.971,72	55.529.125,03
4. Prepayments made	38.764,55	101.977,08	5. Liabilities to companies where there is a participating interest	0,00	32.809,76
	10.068.109,34	12.993.539,29	6. Liabilities to relief fund	52.239,90	54.128,68
II. Receivables and other assets			7. Other liabilities	686.180,97	541.850,42
1. Trade receivables	6.061.193,09	8.799.938,49		49.814.788,66	73.568.419,13
2. Receivables from affiliates	2.275.545,33	25.451.231,23			
3. Receivables from partners	37.467.104,32	30.850.926,62			
4. Receivables from companies where there is a participating interest	443.701,27	1.147.536,46			
5. Other assets	1.250.744,22	1.486.334,02			
	47.498.288,23	67.735.966,82			
	57.566.397,57	80.729.506,11			
C. Prepayments and accrued income	0,00	21.173,98			
	58.895.520,23	85.301.101,18		58.895.520,23	85.301.101,18

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Income statement for the financial year 2023

	2023	2022
	<u>EUR</u>	<u>EUR</u>
1. Revenue	74.318.871,39	79.015.212,39
2. Reduction in inventory of work in progress	-33.532,43	-2.601.553,68
3. Other operating income	<u>5.179.681,83</u>	<u>4.704.239,39</u>
	79.465.020,79	81.117.898,10
4. Cost of materials		
a) Cost of raw materials, consumables and supplies and of purchased goods	-29.901.749,91	-37.366.790,22
b) Cost of purchased services	<u>-5.727.388,46</u>	<u>-4.187.357,40</u>
	-35.629.138,37	-41.554.147,62
5. Personnel expenses		
a) Wages and salaries	-16.778.738,72	-16.151.688,53
b) Social security, pension and other benefit costs of which for old-age pensions: EUR 108,528.97 (previous year: EUR 107,663.43)	-2.845.132,53	-2.758.136,14
	<u>-19.623.871,25</u>	<u>-18.909.824,67</u>
6. Amortisation, depreciation and impairment of intangible assets and property, plant and equipment	-351.702,73	-933.931,60
7. Other operating expenses	-27.133.611,04	-28.301.884,38
8. Other interest and similar income	454.705,37	64.307,62
of which from affiliates: EUR 454,705.37 (previous year: EUR 0.00)		
9. Interest and similar expenses	-3.798.607,77	-2.381.191,82
of which from the unwinding of the discount on provisions EUR 0.00 (previous year: EUR 120,000.00)		
of which to affiliates: EUR 34,475.69 (previous year: EUR 205,597.09)		
10. Income tax	<u>0,00</u>	<u>25.807,83</u>
11. Earnings after taxes	-6.617.205,00	-10.872.966,54
12. Other taxes	<u>-17.621,54</u>	<u>-78.301,73</u>
13. Net loss for the year	-6.634.826,54	-10.951.268,27
14. Charge to the capital accounts of the limited partners	<u>6.634.826,54</u>	<u>10.951.268,27</u>
15. Earnings after loss of appropriations	<u><u>0,00</u></u>	<u><u>0,00</u></u>

MacGregor Germany GmbH & Co. KG, Hamburg

Notes to the financial statements for the financial year 2023

I. Legal principles and preliminary remarks

MacGregor Germany GmbH & Co. KG has had its registered office in Hamburg since 2021 and is entered in the commercial register at Hamburg Local Court under the number HRA 126685.

In its accounting and valuation, the company observes Section 264a HGB in conjunction with Section 264 et seq. HGB, the requirements of German commercial law applicable to commercial partnerships within the meaning of Section 264a (1) HGB, and the special provisions of the articles of partnership.

The statutory classification schemes of Sections 266, 264c and 275 HGB have been applied. The total cost method of accounting (Section 275 (2) HGB) was retained in the income statement.

According to the size classes specified in Section 267 HGB, the company is a large company.

In order to improve the clarity of presentation, we indicate in some cases whether individual items are related to other items and disclose "thereof" items in these notes.

These annual financial statements have been prepared applying the going concern basis of accounting. With regard to the risk to the company's ability to continue as a going concern, we refer to the information contained in section "V. Other information", subsection "8. Going concern" of these notes and to the information contained in section "D. Report on opportunities and risks", subsection "3. Going concern" of the management report.

II. Accounting, valuation and translation policies

The following accounting and valuation policies applied unchanged in the preparation of the annual financial statements.

1. Intangible assets

Intangible non-current assets purchased from third parties are recognised at cost less accumulated amortisation. Amortisation is calculated on a scheduled straight-line basis over a period of between 3 and 15 years.

2. Property, plant and equipment

Property, plant and equipment are recognised at acquisition or production cost less accumulated depreciation. Buildings are depreciated on a straight-line basis over a useful life of 33.3 years. The impairment of movable non-current assets is taken into account through scheduled straight-line or declining-balance depreciation. Depreciation is applied over the useful lives customary in the industry, which is between 3 and 32 years.

Low-value assets are fully expensed in the year of acquisition, in line with tax regulations. The assets acquired from TTS Marine GmbH contain collective asset items with acquisition costs of more than EUR 150.00 and up to EUR 1,000.00. These will continue to be depreciated by one-fifth at a time.

3. Financial assets

Financial assets are recognised at the lower of cost or fair value on the balance sheet date.

4. Inventories

Inventories are recognised at acquisition or production cost, taking into account the lower of cost or market principle.

Reduced usability is taken into account in value adjustments to inventories of **raw materials, consumables and supplies** as well as work in progress; a 100% slow-moving stock deduction is applied after 12 months.

Work in progress is valued at production cost. Production costs include the components of Section 255 (2) HGB that require capitalisation (direct costs, an appropriate share of materials and production overheads, as well as depreciation of non-current assets, where this is caused by production). Work in progress is valued at net realizable value.

Goods are recognised at the lower of cost or market prices.

Prepayments made are measured at nominal value.

5. Receivables and other assets

Receivables and other assets are measured at the lower of nominal value or net realizable value on the balance sheet date.

In the case of **trade receivables**, known individual risks are subject to a value adjustment in the full amount and a general provision is made for general risks. The value adjustment for the general provision is determined based on the age of the individual receivable.

6. Prepayments and accrued income

Prepayments and accrued income are defined as disbursements before the balance sheet date, insofar as they represent expenses for a specific period of time after this date.

7. Equity

Equity is recognised as the liable equity capital paid in by the partners, as well as the capital reserve and the loss carryforward accounts.

8. Balancing item for capitalised treasury shares

This is the balancing item for the shares in the general partner.

9. Provisions

Pension provisions are measured on the basis of an actuarial calculation using the projected unit credit method, taking into account the mortality tables 2018 G of Prof. Heubeck. Pursuant to Section 253 (2) HGB, the discounting of the pension obligation is based on the actuarial interest rate for the last 10 years, which is 1.82% for 2023 (previous year: 1.78%). The actuarial interest rate on the basis of the last 7 years increased from 1.44% p.a. in 2022 to 1.74% p.a. in 2023. The difference in the amount of the provision arising from the application of these two different interest rates of EUR 3,000 (previous year: EUR 15,000) is subject to a distribution block in accordance with Section 253 (6), sentence 1, HGB, provided that no free reserves are available. In determining the provisions, a remaining term of 15 years is assumed, with annual pension increases of 2.10% (previous year: 2.10%). Wage and salary increases were not to be taken into account.

The pension obligations are offset against those assets that serve solely to fulfil the old-age pension and similar obligations and are not accessible to third parties (referred to as covering assets), in the amount of EUR 50,000 (previous year: EUR 52,000). Income from the covering assets in the amount of EUR 1,000 (previous year: EUR 1,000) was offset against provision expenses. The earmarked, pledged and insolvency-protected covering assets are measured at fair value.

In accordance with the IDW Accounting Practice Statement IDW AcPS FAB 1.021 dated 30 April 2021 on the commercial law valuation of provisions for old-age pension obligations from direct pension commitments covered by pension liability insurance as of 31 December 2022, those parts of the pension commitment that are based on matching cash flows should be valued at the same amount as the pension insurance claim. All cash flows from the pension liability insurance policies to be considered here only match one part of the pension commitment in each case. The fair value of the covering assets was determined as the settlement amount of the total cash flows from the pension liability insurance policies. As a result, it was decided that the valuation of the pension liabilities would dictate the valuation of the pension assets, as the fair value of the covering assets is the same as the pension provisions.

Tax provisions and other provisions are recognised at the expected settlement value, using prudent business judgement for identifiable risks and uncertain liabilities. In addition, provisions were made for imminent losses and recognised at full cost in the amount of the expected net obligation.

10. Liabilities

Liabilities are recognised at their settlement value.

Prepayments received on orders are recognised at nominal value and shown separately under liabilities.

11. Translation policies

Monetary holdings, inventories, receivables and liabilities in foreign currencies existing on the balance sheet date are recognised at the respective daily rate. In the case of hedging using forward exchange contracts, recognition is at the hedging rate. Exchange rate differences arising from transactions with a remaining term of less than one year are taken into account through revaluation at the official average spot exchange rate on the balance sheet date, unless assets and liabilities in existence at the balance sheet date have been valued together as closed positions due to matching amounts and maturities.

III. Notes to the balance sheet

1. Non-current assets

The composition and development of non-current assets can be found in the attached statement of changes in non-current assets.

2. Shareholdings within the meaning of Section 271 (1) HGB

The shares in affiliates and participations (shareholdings) shown under financial assets are composed as follows:

Name	Registered office Shareholding		Equity 31.12.2023	Net result 31.12.2023
		%	TEUR	TEUR
HATLAPA Verwaltungs GmbH ¹⁾	Hamburg	100	156	10
Sanger Metal Sp. Z o.o. ²⁾	Szczecin/Poland	30	N/A	N/A
TTS NMF GmbH	Neuenfelde/Germany	100	-21,582	-402
Indirectly via TTS NMF: TTS-SCM Marine and Offshore Machinery Co. Ltd	Guangzhou/China	50	7,610	2,100

1) This is the general partner.

2) This company is in insolvency.

The net income/net loss for the year of the companies relates to the calendar year.

3. Receivables and other assets

As in the previous year, all receivables have a remaining term of up to one year.

There is a cash pooling agreement in place between Hiab Oyj, Helsinki, Finland (formerly Cargotec Oyj, hereinafter referred to as “Hiab”) and MacGregor Germany GmbH & Co. KG, Hamburg. This results in receivables in the amount of EUR 0.000 (previous year: EUR 21,403,000), which are included in the receivables from affiliates.

As in the previous year, the remaining receivables from affiliates, in the amount of EUR 2,276,000 (previous year: EUR 4,049,000), are the result of trade.

4. Equity

The limited liability capital entered in the commercial register and fully paid up amounts to EUR 2,435,000 (previous year: EUR 2,435,000).

The loss in the amount of EUR 6,635,000 (previous year: EUR 10,951,000) is charged to the limited partner's special loss account.

5. Pension provisions

The following assumptions were made in the calculations:

Actuarial interest rate:	1.82%
Actuarial interest for distribution block	1.74%
Pension trend:	2.10%
Mortality tables used:	Heubeck mortality tables 2018 G

There are **pension obligations** requiring provisions at the balance sheet date in the amount of EUR 437,000 (previous year: EUR 455,000). These were offset against covering assets in the amount of EUR 50,000 (previous year: EUR 52,000) in accordance with Section 246 (2), sentence 2, HGB.

6. Other provisions

The other provisions were made for:

	31 Dec 2023	31 Dec 2022
	TEUR	TEUR
Follow-up project costs	1,778	5,526
Restructuring and severance payments	1,165	0
Production material	518	988
Warranty and goodwill	488	643
Imminent losses from pending transactions	110	19
Other	4,549	4,064
Total	8,608	11,241

7. Liabilities

The following liabilities schedule shows liabilities by remaining term:

	31 Dec 2023	Up to one year	More than one year	Of which more than five years	Collateral provided
	EUR	EUR	EUR	EUR	EUR
Prepayments received (previous year)	12,703,661.18 (13,952,213.28)	12,703,661.18 (13,952,213.28)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Trade payables ¹⁾ (previous year)	3,223,913.82 (3,249,314.87)	3,223,913.82 (3,249,314.87)	0.00 (0.00)	0.00 (0.00)	2,774,613.71 (2,040,393.73)
Liabilities to partners (previous year)	246,821.07 (208,977.09)	246,821.07 (208,977.09)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Liabilities to affiliates (previous year)	32,901,971.72 (55,529,125.03)	32,901,971.72 (2,529,125.03)	0.00 (53,000,000.00)	0.00 (0.00)	0.00 (0.00)
Liabilities to companies where there is a participating interest (previous year)	0.00 (32,809.76)	0.00 (32,809.76)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Liabilities to relief fund (previous year)	52,239.90 (54,128.68)	52,239.90 (54,128.68)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Other liabilities (previous year)	686,180.97 (541,850.42)	686,180.97 (541,850.42)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Total (previous year)	49,814,788.66 (73,568,419.13)	49,814,788.66 (20,568,419.13)	0.00 (53,000,000.00)	0.00 0.00	2,774,613.71 (2,040,393.73)

¹⁾: Collateral for trade payables relates to suppliers who have delivered their goods under retention of title.

Of the liabilities to affiliates, EUR 0.000 (previous year: EUR 53,036,000) relates to a loan and interest settled in the reporting year and EUR 30,652,000 (previous year: EUR 0.000) to cash pooling. The rest is attributable to trade payables.

Other liabilities include tax liabilities of EUR 242,000 (previous year: EUR 233,000).

iv. Notes to the income statement

1. Revenue

Revenue derives from geographic markets as follows:

In EUR	2023	2022
Domestic	22,656,908.61	19,642,488.33
Foreign	51,661,962.78	59,372,724.06
Total	74,318,871.39	79,015,212.39

Revenue derives from the following areas of operation:

In EUR	2023	2022
New business	35,295,003.14	41,141,840.93
Service business	29,524,560.41	27,595,949.52
Other	9,499,307.84	10,277,421.94
Total	74,318,871.39	79,015,212.39

2. Other operating income

Other operating income includes, among other things, income from the sale of non-current assets in the amount of EUR 2,143,000 (previous year: EUR 11,000), royalty income from a previously divested business division in the amount of EUR 1,800,000 (previous year: EUR 0,000), exchange rate gains in the amount of EUR 847,000 (previous year: EUR 458,000) and income from other periods in the amount of EUR 43,000 (previous year: EUR 2,220,000).

3. Amortisation and depreciation

The development of the amortisation and depreciation of non-current assets is shown in the asset schedule. No unscheduled amortisation or depreciation was applied to non-current assets (previous year: EUR 0.000).

4. Other operating expenses

Other operating expenses fell from EUR 28,302,000 in 2022 to EUR 27,134,000 in the reporting year. This is mainly due to the reduction in exchange rate losses from EUR 3,601,000 in 2022 to EUR 516,000 in 2023.

V. Other information

1. Other financial obligations from leases and other long-term contracts

The following table shows the other financial obligations from leases and rental agreements:

From leases and rental agreements	Expenses 2024 EUR thousand	Expenses 2025 EUR thousand	Expenses 2026 EUR thousand	Expenses 2027 EUR thousand	Expenses 2028 EUR thousand	Total EUR thousand
Purchase commitments	25,321	3,625	14	0	0	28,960
Office and warehouse rental	1,055	596	586	601	202	3,040
Motor vehicles	290	199	105	16	0	610
Server and cloud services	150	0	0	0	0	150
Total	26,816	4,420	705	617	202	32,760

2. Number of employees (annual average)

	2023	2022
White-collar employees	151	157
Blue-collar employees	43	48
Σ	194	204
Trainees	1	0
Σ	195	204

3. Derivative financial instruments and hedges

Forward exchange contracts in the form of sales and purchase hedges are used as financial instruments to manage the currency risk related to trade with foreign customers and suppliers. The forward exchange contracts are transacted solely through the ultimate parent company, Hiab Oyj. As at the balance sheet date, the following financial positions existed:

Hiab	Nominal values as at 31.12.2023					
	EUR thousand	USD thousand	EUR thousand	KRW thousand	EUR thousand	CNH thousand
	31,966	35,350	24,684	35,197,783	6,512	49,406

For the forward exchange contracts, the sum of positive fair values is EUR 751,000 (previous year: EUR 783,000), while the sum of negative fair values is EUR -850,000 (previous year: EUR -1,564,000). The fair values were calculated on the basis of the reference rates as at 31 December 2023.

The derivatives concluded with the banks and the respective underlying transactions form a hedge, such that there is no gain or loss on valuation. These are micro-hedges (whereby a specific underlying transaction is allocated to a specific hedging transaction). The effectiveness of the hedge is continuously reviewed. Due to the matching amounts, risks and maturities, the hedges are highly effective. Most of the offsetting changes in value and cash flows from forward exchange contracts are expected to cancel each other out in 2024.

4. Auditor's fee

The auditor's fee charged for the financial year 2023 amounts to EUR 71,000.

5. Adoption of the annual financial statements

The annual financial statements as at 31 December 2022 were adopted by a partner resolution of 24 July 2023. The management was discharged from liability.

6. Management

The general partner is Hatlapa Verwaltungsgesellschaft mbH, Hamburg, represented by its CEO, Andreas Harms. The subscribed capital of the company amounted to EUR 31,000 as at the balance sheet date. The option pursuant to Section 286 (4) HGB is exercised and the total remuneration of the management is therefore not stated.

7. Consolidated financial statements

The annual financial statements of MacGregor Germany GmbH & Co. KG, Hamburg, are included in the consolidated financial statements as at 31 December 2023 of the ultimate parent company, Cargotec Oyj (current company name: Hiab Oyj), Helsinki, Finland, which represents the smallest and largest consolidation group. These consolidated financial statements in English are published in the business register, can be viewed online at www.Hiab.com or are available from Hiab Corporation, Helsinki, Finland.

8. Going concern

The company is financed through integration in the Group's internal cash pool, which can, however, be terminated at short notice. There will continue to be a deficit from business activities in the forecast period. In order to maintain the company's solvency and thus its ability to continue as a going concern, Hiab issued a letter of comfort dated 21 December 2022 for an unlimited amount in favour of MacGregor Germany, which cannot be terminated before 31 December 2024. After this date, the letter of comfort can be terminated at the end of the financial year with one year's notice. Termination of the letter of comfort is precluded if and as long as the company is overindebted (Section 19 InsO) or insolvent (Section 17 InsO). At the time the annual financial statements were prepared, the letter of comfort had not been terminated.

The company is therefore dependent on the financial support of the ultimate parent company Hiab in order to maintain its solvency and thus to continue as a going concern. This is a going concern risk.

9. Disclosure of the effective tax burden under minimum tax legislation

The effective tax burden is disclosed for the first time for the financial year 2023 in accordance with Section 285 No. 30a HGB in conjunction with Art. 91 (1) HGBEG. This is the tax burden that would be incurred under the German Minimum Tax Act or foreign minimum tax legislation if the tax rate from income taxes were less than 15%.

Although the trade tax burden is 15.78%, taking into account the company's tax loss carryforwards, which also apply under Section 15 (1) MinStG, the actual tax expense for the financial year 2023 is EUR 0.000.

10. Events after the reporting period

In December 2024, there was a capital increase of EUR 23,016,000.

The ultimate parent company, Hiab, intends to divest the MacGregor division in 2025 and thus further divide the Group into business divisions.

No other events of particular significance that have an impact on the assets, financial situation and earnings position of the company have occurred after the reporting date.

Hamburg, 24 April 2025

MacGregor Germany GmbH & Co. KG

represented by the general partner
Hatlapa Verwaltungsgesellschaft mbH

Andreas Harms

Translation from the German language

MacGregor Germany GmbH & Co. KG, Hamburg

Statement of changes in non-current assets for the financial year 2023

	Acquisition and production costs				Cumulative amortisation and depreciation				Carrying amounts	
	01.01.2023	Additions	Disposals	31.12.2023	01.01.2023	Additions	Disposals	31.12.2023	31.12.2023	31.12.2022
I. Intangible assets										
1. Self-produced software and assets	1.621.787,40	0,00	1.621.787,40	0,00	1.621.787,40	0,00	1.621.787,40	0,00	0,00	0,00
2. Purchased software	2.956.591,96	0,00	2.115.283,08	841.308,88	2.953.683,96	35,75	2.112.425,83	841.293,88	15,00	2.908,00
	4.578.379,36	0,00	3.737.070,48	841.308,88	4.575.471,36	35,75	3.734.213,23	841.293,88	15,00	2.908,00
II. Property, plant and equipment										
1. Land and buildings, including buildings on third-party land	9.595.806,01	0,00	8.849.006,03	746.799,98	6.065.131,76	35.446,33	5.834.346,38	266.231,71	480.568,27	3.530.674,25
2. Plant and machinery	1.414.931,92	48.042,00	370.880,79	1.092.093,13	1.231.234,54	52.410,92	364.753,52	918.891,94	173.201,19	183.697,38
3. Other plant, tools and equipment	8.656.990,78	172.767,08	5.405.184,00	3.424.573,86	7.854.529,83	263.809,73	5.338.423,39	2.779.916,17	644.657,69	802.460,95
	19.667.728,71	220.809,08	14.625.070,82	5.263.466,97	15.150.896,13	351.666,98	11.537.523,29	3.965.039,82	1.298.427,15	4.516.832,58
III. Financial assets										
1. Shares in affiliates	30.678,51	0,00	0,00	30.678,51	0,00	0,00	0,00	0,00	30.678,51	30.678,51
2. Holdings	134.181,73	0,00	0,00	134.181,73	134.179,73	0,00	0,00	134.179,73	2,00	2,00
	164.860,24	0,00	0,00	164.860,24	134.179,73	0,00	0,00	134.179,73	30.680,51	30.680,51
	24.410.968,31	220.809,08	18.362.141,30	6.269.636,09	19.860.547,22	351.702,73	15.271.736,52	4.940.513,43	1.329.122,66	4.550.421,09

MacGregor Germany GmbH & Co. KG, Hamburg
Management report for the financial year 2023

A. Company background

1. Business model and structure of the company

MacGregor Germany GmbH & Co. KG (hereinafter “MacGregor Germany” or “the company”) has been a wholly owned subsidiary of MacGregor Netherlands B.V., Rotterdam/Netherlands since 1 November 2013. The ultimate parent company is Hiab Oyj, Helsinki/Finland (formerly Cargotec Oyj).

The Hiab Group is a leading provider of solutions and systems for load and goods handling and has the business divisions of Hiab (equipment and services for load handling) and MacGregor (sea freight and load handling), with the Kalmar business division (freight loading solutions for ports and terminals, etc.) divested in 2024.

MacGregor Germany develops and sells goods for the equipping of maritime vessels. In addition, MacGregor Germany provides spare parts and technical services for international ship operations.

In 2017, the German MacGregor companies were reorganised. The subsidiary and sister companies MacGregor Germany GmbH, Hamburg, and Interschalt maritime systems GmbH, Schenefeld, were merged in 2017 into MacGregor Germany GmbH & Co. KG, such that at year-end 2018 there was only one MacGregor company in Germany. The Software business division, which did not fit into the portfolio, was sold in 2017 to sister company Kalmar Germany GmbH, Hamburg.

In 2019, the company acquired TTS NMF GmbH, Hamburg. The service business of TTS NMF GmbH was sold to a sister company in 2020. The new-construction business was transferred to MacGregor Germany in January 2021 as part of an asset deal.

In December 2020, MacGregor Germany acquired TTS Marine GmbH, Bremen, which was merged into MacGregor Germany with retroactive effect from 01.01.2020. In 2020, the service business of TTS Marine GmbH was sold to a sister company.

The integration of the various business divisions is ongoing and continuously being improved. The company now works entirely with the Group-wide ERP system. This also benefits cooperation with other Group companies.

The spare parts business of MacGregor Germany GmbH & Co. KG and the associated inventories were sold to a Group company in 2021. MacGregor Germany will continue to operate in this area.

In 2020, various sites in the Hamburg area were largely vacated; the affected divisions were merged into a joint office in Hamburg-Bahrenfeld (Max Born Office). The lease agreements for the rented sites in Hamburg-Reichsbahnstraße (MacGregor), Hamburg-Neuenfelde (formerly TTS NMF) and Glinde (formerly TTS NMF Service) were terminated and the properties returned to the landlord. The lease agreement for the Neuenfelde site expired at the end of July 2022 and the site was returned to the landlord. The Schenefeld site was owned by MacGregor Germany GmbH & Co. KG and was divested in 2021 and partially leased back from the new owner (sale & leaseback). The contract for the sale of the Uetersen and Schwerin sites was concluded in 2022. The transfer of benefits and obligations for the Uetersen site took place at the beginning of 2023.

2. Research and development

MacGregor Germany develops and sells goods for the equipping of maritime vessels. This also includes digital products and services. In addition, MacGregor Germany provides spare parts and technical services for international ship operations.

B. Economic report

1. Macroeconomic and industry-specific framework conditions

Germany's external economic environment deteriorated considerably in the reporting year. Global monetary tightening and China's sluggish development resulted in a worsened environment. The USA has experienced positive external economic stimulus since spring 2023, but still only saw slight growth, similar to the economic performance of the eurozone.¹

Germany's gross domestic product (GDP) declined in 2023 and was down 0.3%. This decline is due, on the one hand, to the fall in private consumption by 0.8% and, on the other, to the drop in gross fixed capital formation by 0.3%.² Weak external demand, due to the war in Ukraine and weak economic activity in Europe, reduced exports by 1.8%.³ Weak domestic demand meant imports fell even more sharply by 3.0%, contributing 0.6% to GDP growth.

Despite the weak economic situation, the labour market performed strongly. Employment rose by a further 0.7% over the course of the year, reaching a historic peak of just under 46 million people on average in 2023. Inflation, measured using the consumer price index (CPI), fell during the reporting year, from 8.7% in January 2023 to 3.7% in December 2023.

¹ Source: https://www.sachverstaendigenrat-wirtschaft.de/fileadmin/dateiablage/gutachten/jg202324/JG202324_Kurzfassung.pdf
As at: 15.04.2024

² Source: <https://web.archive.org/web/20240213160251/https://www.bmwk.de/Redaktion/DE/Dossier/konjunktur-und-wachstum.html>
As at: 02.04.2024

³ Source: <https://www.tagesschau.de/wirtschaft/konjunktur/experte-importe-deutschland-konjunktur-rezession-100.html>
As at: 15.04.2024

The falling inflation trend applies to the whole of 2023, with inflation averaging 5.9% compared with 2022 (previous year: 6.9% compared with 2021).⁴

The global market for new orders of ships continued to decline in 2023. While there were 2,003 new orders in 2022, new orders fell by 4.7% to 1,909. In particular, the number of new orders for gas carriers and tankers decreased.⁵ In million CGT (compensated gross tonnage), new orders fell by 14.3%, from 51.8 million CGT to 44.4 million CGT⁶. The average contractual volumes of purchase contracts also fell by 13.7%.⁷

2. Business development of the company

Overall, revenue and order intake in 2023 exceeded the forecast of EUR 69.4 million from 2022. The financial key performance indicators (KPIs) of the company are revenue, operating profit (earnings before net financial items and taxes) excluding restructuring costs (OP), and net income for the year. Revenue realised in the financial year 2023 totalled EUR 74.3 million (previous year: EUR 79.0 million, forecast: EUR 69.4 million).

Operating profit (earnings before net financial items and taxes) was EUR -3.3 million (previous year: EUR -8.6 million, forecast: EUR -5.2 million). The net income for the year was EUR -6.6 million (previous year: EUR -10.9 million, forecast: EUR -8.4 million).

3. Presentation of the assets, liabilities, financial situation and earnings position

a) Earnings position

Compared with the previous year, revenue decreased by 5.9% to EUR 74.3 million (previous year: EUR 79.0 million). Total operating performance (sales revenues plus change in inventory) declined by 2.8% to EUR 74.3 million (previous year: EUR 76.4 million). This is mainly due to the decline in sales revenues, which is a consequence of the divestment of the spare parts business.

Other operating income rose by EUR 0.5 million to EUR 5.2 million. This mainly comprised profits from the sale of non-current assets and exchange rate gains.

The cost of materials decreased by 14.3% to EUR 35.6 million (previous year: EUR 41.6 million). The material cost ratio fell to 48.0% of total operating performance (previous year: 54.4%). This is mainly due to the divestment of the spare parts business, which means that no corresponding expenses are incurred. Overall, the company achieved a gross profit that increased by 10.9% to EUR 38.7 million (previous year: EUR 34.9 million).

⁴ Source: www.destatis.de/DE/Presse/Pressemitteilungen/2024/01/PD24_020_611.html
As at: 02.04.2024

⁵ The newbuilding market 2024–2036, Forecast report, March 2024; Clarkson's Research Services Ltd; p. 50; As at: 12.04.2024

⁶ The newbuilding market 2024–2036, Forecast report, March 2024; Clarkson's Research Services Ltd; p. 52; As at: 12.04.2024

⁷ The newbuilding market 2024–2036, Forecast report, March 2024; Clarkson's Research Services Ltd; p. 55; As at: 12.04.2024

Personnel expenses in the amount of EUR 19.6 million increased by EUR 0.7 million compared with the previous year (previous year: EUR 18.9 million). The personnel cost ratio, relative to total operating performance, increased to 26.4% (previous year: 24.7%).

Other operating expenses fell by 4.1% to EUR 27.1 million (previous year: EUR 28.3 million). This is mainly due to a fall in exchange rate losses.

Amortisation and depreciation of non-current assets decreased by EUR 0.6 million compared with the previous year to EUR 0.4 million (previous year: EUR 0.9 million).

After deduction of income taxes and other taxes, the company reported a net loss for the financial year 2023 of EUR 6.6 million (previous year: EUR 11.0 million).

b) Financial situation

It should be noted that the company is included the Group's internal cash pool, which is the reason for the recognition of the receivables from or liabilities to affiliates. During the financial year, a loan of EUR 53 million was settled by making use of the cash pool. As a result, the cash pool receivable of the previous year in the amount of EUR 21.4 million changed to a cash pool liability of EUR 30.6 million during the financial year.

The equity ratio (equity plus treasury shares) was unchanged in the financial year at 0% (previous year: 0%) due to the net loss reported for the year.

Debt financing previously took the form of an intercompany loan from a sister company in the amount of EUR 53.0 million, which was repaid prematurely during the reporting year. Since then, financing has taken place exclusively via cash pooling.

Supported by an intercompany loan, which was fully repaid in the financial year, as well as by Group-wide cash pooling, MacGregor Germany GmbH & Co. KG met its liabilities at all times during the past financial year.

c) Assets and liabilities

Non-current assets decreased by EUR 3.3 million to EUR 1.3 million during the reporting period (previous year: EUR 4.6 million). Disposals of non-current assets were the main reason for the decrease.

Receivables and other assets fell by EUR 20.2 million in total to EUR 47.5 million (previous year: EUR 67.7 million).

In the past financial year, a net loss of EUR 6.6 million was generated. As a result of the utilisation of the partner's guarantee to compensate for negative equity, reserves rose by EUR 6.6 million, such that equity is unchanged at EUR 0 million.

Provisions decreased during the reporting period by EUR 2.7 million to EUR 9.1 million (previous year: EUR 11.7 million). This decrease is mainly due to the decline in provisions for follow-up project costs.

Liabilities decreased by EUR 23.8 million to EUR 49.8 million (previous year: EUR 73.6 million). The decrease in liabilities is attributable to a sharp fall in liabilities to affiliates by EUR 22.6 million.

C. Overall summary of business development

Our company recorded a positive order intake in the financial year 2023. The order intake was lower than the previous year, but profit was improved due to optimisation measures and cost reductions.

Despite earlier challenges of rising costs due to inflation, we are pleased to see that inflation is now falling again. This has allowed us to adapt our procurement strategies and improve our competitiveness.

As sustainability awareness has increased, our sustainability reporting requirements have also changed. We have therefore further adapted our reporting processes and are placing greater emphasis on environmental aspects, social responsibility and governance. This includes compliance with European standards and trade embargos, as well as the further integration of sustainability criteria into our business strategy.

We remain determined to position our company on a sound foundation that will make us more independent going forward. The positive order intake of 2023 will help us to remain successful in the long term.

Despite the increased IT costs resulting from high inflation at the beginning of 2023, we were able to reduce our overall IT expenditure compared with the previous year.

To counteract these price increases, new framework contracts have been concluded with some of our IT suppliers and service providers, while data centres have been moved to the cloud. This new IT strategy was continued and further expanded in 2024. We also switched IT providers in some cases to optimise costs. The after-effects of these changes also had an impact on costs in 2024. In addition, our parent group, Hiab, changed its end-user support partner.

Reported revenue was EUR 4.9 million above the forecast of EUR 69.4 million. Operating profit was EUR -3.3 million, which is EUR 1.9 million above the forecast of EUR -5.2 million.

At EUR -6.6 million, the net income for the year was EUR 2.1 million above the forecast of EUR -8.4 million.

D. Report on opportunities and risks

1. Opportunities

In 2019, the MacGregor division of the Hiab Group acquired the marine and offshore business of the TTS Group.

In doing so, MacGregor Germany expanded its product portfolio to include shipboard cranes, strengthening its current market positioning.

The Winches division recorded a decline in order intake in 2023. This is primarily because the new construction market in Korea was dominated by tankers and gas transporters, resulting in a dramatic increase in demand for winches with electrohydraulic drives. In contrast to purely electric winches, the competitive situation for electrohydraulic drives is very intense.

Through our strong cooperation with our joint ventures, we have further expanded our footprint in China. By working closely with and making use of our supplier network, we are achieving additional synergies through higher purchasing volumes. The joint venture business has developed very positively in the crane sector and we are seeing very good order intake. This in turn has a positive effect on the future service business.

An increasing trend towards climate-friendly (electrical) drives is discernible in both the crane and winch business.

In the crane sector, we and our Swedish colleagues received orders in 2023 to develop electrically driven heavy lift cranes; the first of these orders will be delivered to the customer at the end of 2024. This development of electrically driven heavy lift cranes will continue in 2024 for other crane sizes and the cranes are already being actively offered by Sales in response to inquiries.

The newly developed HCE electric crane was successfully launched in the heavy lift market segment in 2022. Following the launch of the first electric transloading crane in 2023, electric cranes can now be offered in all market segments.

The crane design team was expanded with the addition of a team in Poland to the existing teams in Hamburg and Sweden (Övik). Design capacity freed up from the Winches division is now also being used for crane design.

Crane design for the joint venture TTS-SCM (TSG) was also carried out by the team in Hamburg in 2023 and accounts for a large proportion of the capacity utilisation.

A team from Hamburg and Övik began working on the development of a new crane control system for all MacGregor cranes in 2023.

To enable the company to offer digital products and services, MacGregor has invested heavily in a data infrastructure, such as a standardised internet gateway, cloud storage and machine learning. “OnWatch Scout” enables our customers to view both the current technical status and future maintenance requirements of winches via a globally available website. The system also provides clear instructions for upcoming maintenance work and enables spare parts to be ordered according to requirements. The system is available for both our hydraulic winches and our electric winches and can be retrofitted to existing customer installations. “OnWatch Scout” makes our products more attractive and increases customer loyalty and sales of original spare parts. The product has been successfully used for shipboard cranes since last year.

In 2023, several new cranes were equipped with “OnWatch Scout”.

In addition, a brake load monitoring system (to monitor the load on the wire when the drum brake is on) has been developed as an integrated solution in the winch design without the need to install separate displays (as recommended by the Oil Companies International Marine Forum (OCIMF)). This system has now been delivered to customers as a component of the winch equipment and put into operation.

We have also begun the development of electric ramp winches, which were delivered for the first time in 2023. Development of hydraulic ramp winches continued in 2023.

Development of electric crane winches is to continue in 2025.

In addition, development began in 2023 on technical solutions to reduce manual intervention when loading and unloading vessels and operating the winches. These solutions were presented to customers and adapted to project-specific requirements. We expect this to result in the first orders in 2025.

In 2023, order intake for the Global Services Division (GSD) in Germany rose to EUR 31.2 million, and revenue increased to EUR 29.5 million. The main reason for this development was the pleasing trend in services and project orders. On the other hand, revenue from spare parts fell, as expected.

The significant increase in orders compared with the previous year of EUR 8.8 million gave the GSD a solid basis for 2024. MacGregor has further expanded its range of electrically operated products, such as cranes, RoRo equipment, motion-compensated gangways for entering offshore equipment, hatch covers and deck machinery.

2. Risks

More competitors are entering the Korean market in the winch business. This is leading to further intensification of the already destructive price war on this market. Efforts are being made to identify and exploit further potential cost savings in order to remain competitive in the future. In addition, measures to capture other markets are intended to prevent dependence on the Korean market.

Passenger numbers on cruise ships are returning to pre-pandemic levels and we expect good orders for repairs and maintenance.

Having the majority of production and procurement in Asia continued to prove a valuable support close to our customers. This enables us to respond more flexibly to the needs of our customers. The bottlenecks from the previous year have largely been eliminated by excess capacity on the markets, while the longer delivery times resulting from bypassing the Suez Canal have also been incorporated into our planning. We have already implemented trade restrictions for Russia as a precautionary measure and these have not led to any commercial limitations. We nevertheless remain vigilant regarding potential risks such as supply chain disruptions and geopolitical uncertainties.

Despite increasing uncertainty and regional weakness in the global economy, conditions in the shipping and offshore markets remained stable. The order situation for merchant vessels improved in 2023 and investment is expected to continue to increase, particularly in the vehicle transporter markets. Geopolitical tensions are increasing the complexity of the business environment. Stricter climate regulations are increasing complexity while also driving fleet investment and demand for climate-related solutions.

For example, in 2023, the first fully electric Horizon gangways for entering offshore installations were put into operation, opening up new opportunities for the GSD.

At the beginning of 2023, it was determined that the Voyage Data Recorder (VDR) and Maritime Data Engine (MDE) activities, part of the Global Services Division in Germany, will no longer be part of our core business in the future and that this business should be sold to a company that specialises in these business areas. The transaction was concluded by the end of October 2023, and some of the VDR & MDE employees decided to join the acquiring company. Consequently, this has a negative impact on order intake, order backlog and revenue, but a positive impact on future operating profit through significant cost savings.

As part of a growth strategy, the external service providers in the Bremerhaven service branch were employed on a permanent basis. The previous collaboration with the external service providers was subject to an in-depth review prior to this, which showed no need for action under tax and social security law.

In order to rule out any uncertainty, the competent authorities were informed in writing. No objection was made to this assessment in an oral response from the competent tax office. There has also been no feedback from the Deutsche Rentenversicherung pension insurance service for over six months. Deutsche Rentenversicherung is not obliged to make a statement or decision.

In view of the time elapsed and the reaction of the tax authorities, the management assumes that there is no need for action here either.

3. Going concern

The company is financed through integration in the Group's internal cash pool, which can, however, be terminated at short notice. There will continue to be a deficit from business activities in the forecast period. In order to maintain the company's solvency and thus its ability to continue as a going concern, Hiab Oyj (formerly Cargotec Oyj), Helsinki, Finland, issued a letter of comfort dated 21 December 2022 for an unlimited amount in favour of MacGregor Germany, which cannot be terminated before 31 December 2024. After this date, the letter of comfort can be terminated at the end of the financial year with one year's notice. Termination of the letter of comfort is precluded if and as long as the company is overindebted (Section 19 InsO) or insolvent (Section 17 InsO). At the time the annual financial statements were prepared, the letter of comfort had not been terminated. In December 2024, there was a capital increase of EUR 23 million.

The company is therefore dependent on the financial support of the ultimate parent company Hiab Oyj, Helsinki, Finland, in order to maintain its solvency and thus to continue as a going concern. This is a going concern risk.

E. Outlook

In the merchant shipbuilding sector, we track the number of new shipbuilding orders (> 2000 GT/DWT) as a leading indicator. For this purpose, we refer to the forecasts of the Clarksons Shipping Intelligence Network.

The historical average over the past 28 years (1996–2023) is 2,135 orders per year. The trend towards larger or very large ships continues. As a result, the cargo hold is growing at a higher rate than the number of ships.

In the crane sector, we achieved a consistently high order intake level in 2024.

In the winch sector, we continued to see a very active new construction market in 2024. Given the high capacity utilisation of Korean shipyards, orders generated in 2024 will largely be delivered only from 2026 onwards. We also see potential in the Japanese market. In order to boost growth, we have added small winches to our portfolio to open up new markets with this new product. We are also making efforts to establish ourselves in the slowly reawakening cruise market. These and other measures will reduce dependency on the Korean market.

The ultimate parent company, Hiab, intends to divest the MacGregor division in 2025 and thus further divide the Group into business divisions.

The planned reorganisation was announced by the Group in an ad hoc notice dated 14 November 2024.

In 2024, we achieved revenue of EUR 79.1 million, an operating profit of EUR -3.9 million and net income for the year of EUR -6.3 million.

For 2025, we expect revenue of EUR 70.2 million, an operating profit of EUR -2.7 million and net income for the year of EUR -4.5 million.

Hamburg, 24 April 2025

MacGregor Germany GmbH & Co. KG

represented by the general partner

Hatlapa Verwaltungsgesellschaft mbH

Andreas Harms, Chief Executive Officer