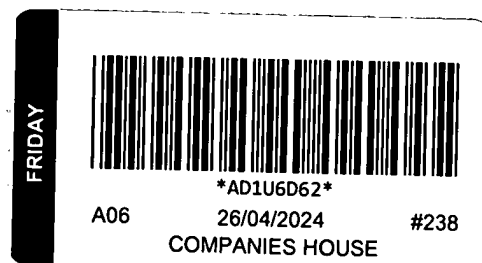


Registered number: 02911925

KCI Holding UK Limited

Report and Financial Statements

31 December 2023



Directors

J T Myntti
S T Poitsalo
T J Ottola
A T Spencer

Secretary

A T Spencer

Auditors

Ernst & Young LLP
No. 1 Colmore Square
Birmingham
B4 6HQ

Registered Office

Unit 1 Charter Point Way
Coalfield Way
Ashby Business Park
Ashby De La Zouch
LE65 1NF

Registered No. 02911925

Strategic report

The directors present their report, strategic report and financial statements for the year ended 31 December 2023.

Principal activities and review of the business

The principal activity of the company is that of a holding company. No changes to this arrangement are expected in the future.

Review of developments and future prospects

There have been no significant changes in the company's operations in 2023.

The company has paid interest on its loan from an immediate parent company.

No significant change in activity is anticipated in the future.

Result for the year

The loss for the year after tax was £2,282,000 (2022: loss of £1,289,000).

The company paid dividends of £nil (2022: £nil).

Principal risks and uncertainties

The principal risk and uncertainties facing the company is risk of decline in the investment in subsidiary undertakings impacting the carrying value. The company manages this risk through management focus on the operations of its trading subsidiaries.

S.172 (1) Statement

The directors believe that they have fulfilled their obligations towards S.172 (1) of the Companies Act 2006 by acting in good faith in ways to promote the success of the company for the benefit of its members as a whole, and in doing so, have given due consideration to points set out in S.172 (1)(a-f).

The Konecranes Group in brief

Konecranes is a leader in material handling solutions serving a broad range of customers across multiple industries.

We consistently set the industry benchmark from everyday improvements to the breakthroughs at moments that matter most. We know we can always find safer more productive and sustainable way of doing things. Konecranes is trusted every day to lift, handle and move what the world needs.

The solutions provided by our three business segments: Service, Industrial Equipment and Ports Solutions complement each other and enable our customers to meet their lifting and material handling needs.

Konecranes Service offers specialised maintenance services and spare parts for all types and makes of industrial cranes and hoists. Konecranes Industrial Equipment provides an extensive range of industrial cranes from components and light duty applications to demanding process use and solutions. Konecranes Ports Solutions provides equipment, software and service for the container handling industry.

With our knowledge, products, services and solutions, we seek to maximise the positive contributions to our different stakeholders and the surrounding society. We create value for our stakeholders on multiple fronts – through circular economy, digitalisation and our deeply rooted safety culture.

Sustainability is at the core of Konecranes' strategy and operations. We deliver safe and secure material handling solutions and enable a decarbonised circular world. We are committed to limiting global warming to 1.5 degrees Celsius and making our own operations carbon neutral. We hold ourselves to the highest ethical standards and take ownership of our actions.

Strategic report (continued)

Konecranes is shaping the next generation of material handling for a smarter, safer and better world.

As the world faces the challenge of providing materials and goods that are essential for people while preserving scarce resources and limiting emissions, business has a central role to play. As an industry leader, Konecranes is perfectly placed to meet this challenge. We support our customer operations with innovative solutions that enhance their productivity, lower emissions and drive their business forward.

Our ambition is to become the world leader in material handling solutions creating value for everyone.

Our new brand promise is *Move what matters* and it crystallises our dedication to our customers and the world.

Our strategy in action: We have outlined five strategic enablers that will make this ambition a reality:

- Deepening customer focus: We are placing the needs and expectations of our customers at the heart of our decision-making every day.
- Accelerating efficiency: We are continuously optimising our operations and go-to-market model building resilience, driving efficiency and enhancing productivity.
- Scaling technology innovation: We are a technology leader in material handling; developing smart, connected products and autonomous solutions, leveraging the advantages of our purpose-built componentry, technical knowledge and digitalisation.
- Advancing responsible business: We are enabling a decarbonised and circular world by embedding sustainability across our business and supporting our customers in reaching their targets. We are creating a fair, inclusive and diverse working environment where we treat each other with respect and expect the highest ethical standards of ourselves. Our code of conduct was renewed in 2023.
- Enhancing our winning culture: We are creating an organisation where working together comes naturally and we inspire each other to be the best we can be.

The Company

The directors of the company follow the group aims when making decisions that impact the company, and to ensure that its trading subsidiaries operate following these principles.

The disclosure below identifies our key stakeholders and how we foster a relationship with them:

Stakeholders	Topics	Channels	Frequency of engagement
Business partners and suppliers	Fair business practices Compliance, ethics and integrity Environmental impact on own production Safety culture and safe products Responsible supply chain	Suppliers are engaged through procurement, supplier assessment and negotiations and ongoing contract management	Engagement mainly through meetings, correspondence by email as needed and providing data in questionnaires
Shareholders	Safety of employees and our products Climate Actions and Circularity Responsible business conduct, respecting human rights Responsibility of the supply chain Employee engagement, diversity and inclusion	Engagement through briefings and meetings, AGMs and the Annual Financial Statements	Continuous

Strategic report (continued)

The directors consider a key business decision to be one which has a material impact on the operations, objectives or financial position of the company.

No principal decisions were made in the year to 2023 for the company. The principal decisions were considered to have been made by the wholly owned trading subsidiary.

On behalf of the board



A T Spencer

Director

Date: 23/04/2024

Directors' report

Directors

The current directors are listed on page 1. The directors who served throughout the year and any changes since the year end are detailed below:

S T Poitsalo

T J Ottola

J T Myntti

A T Spencer

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps they are obliged to take as director in order to make themselves aware of any relevant information and to establish that the auditor is aware of that information.

Going concern

The financial statements are prepared on the going concern basis. The business is an intermediate holding company. Normal activity consists of the receipt of dividend income, and the receipt and payment of interest.

At 31 December 2023, the company had net current liabilities of £36,125k (2022: £33,843k) and net assets of £15,460k (2022: £17,742k). The company's net current liabilities position is due to an inter-group loan that is classified as repayable on demand.

The company has obtained a letter of support from Konecranes Finance OY, that

- a) States Konecranes Finance OY will provide the company with comfort in respect of the provision of financial support to the company by Konecranes Finance OY, to assist in meeting liabilities as and when they fall due, but only to the extent that money is not otherwise available to the company to meet such liabilities.
- b) States Konecranes Finance OY have confirmed that they have the ability to provide such support and will provide this support to the company to the extent outlined above until 30 September 2025.

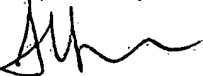
The directors have concluded that its financial resources are sufficient to enable it to meet its liabilities as they fall due until 30 September 2025. Based on the enquiries made on the Group's liquidity forecasts the Directors have concluded that the Group will be able to provide financial support to the company. On this basis, the directors consider it appropriate to adopt the going concern basis when preparing these financial statements.

Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Auditors

The auditors, Ernst & Young LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the board.



A T Spencer
Director

Date: 23.04.2024

Statement of directors' responsibilities in respect of the financial statement

The directors are responsible for preparing the strategic report, directors' report, and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance;
- in respect of the company financial statements, state whether applicable UK Accounting Standards, including FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Under applicable law and regulations, the directors are also responsible for preparing a strategic report and directors' report that comply with that law and those regulations.

Independent auditors' report

to the members of KCI Holding UK Limited

Opinion

We have audited the financial statements of KCI Holding UK Limited for the year ended 31 December 2023 which comprise the Income statement, the Statement of comprehensive income, the Statement of changes in equity, the Balance Sheet and the related notes 1 to 14, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 'Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other 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 opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period up to 30 September 2025.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Independent auditors' report

to the members of KCI Holding UK Limited

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

— We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditors' report

to the members of KCI Holding UK Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and compliance with the relevant direct and indirect tax regulation in the United Kingdom.
- We understood how KCI Holding UK Limited is complying with those frameworks by making enquiries of management and those charged with governance to understand how the company maintains and communicates its policies and procedures in these areas. We understood any controls put in place by management to reduce the opportunities for fraudulent transactions
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur through internal team conversations and inquiry of management and those charged with governance. Given the nature of the entity, no fraud risks were noted.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures included verifying that material transactions are recorded in compliance with FRS 101 and where appropriate Companies Act 2006. Compliance with other operational laws and regulations was covered through our inquiry with no indication of non-compliance identified.

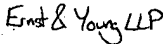
Independent auditors' report

to the members of KCI Holding UK Limited

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Adam Gittens (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham, UK

23 April 2024

Income Statement

for the year ended 31 December 2023

	Notes	2023 £000	2022 £000
Administrative expenses		(17)	(17)
Operating loss		(17)	(17)
Interest receivable	4	11	-
Interest payable	5	(2,276)	(1,272)
Loss on ordinary activities before taxation		(2,282)	(1,289)
Taxation	6	-	-
Loss for the financial year	12	(2,282)	(1,289)

All activities derive from continuing operations.

Statement of other comprehensive income

There are no recognised gains or losses other than the loss for the financial years. Accordingly, no statement of other comprehensive income is given.

Statement of changes in equity

for the year ended 31 December 2023

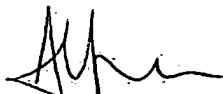
	Share Capital £000	Profit and loss account £000	Total Equity £000
At 1 January 2022	11,078	7,953	19,031
Loss for the year	-	(1,289)	(1,289)
At 31 December 2022	11,078	6,664	17,742
Loss for the year	-	(2,282)	(2,282)
At 31 December 2023	11,078	4,382	15,460

Balance sheet

at 31 December 2023

	Notes	2023 £000	2022 £000
Fixed assets			
Investments	7	51,585	51,585
Current assets			
Debtors	8	-	6,926
Cash at bank and in hand	9	278	2
		278	6,928
Creditors: amounts falling due within one year	10	(36,403)	(40,771)
Net current liabilities		(36,125)	(33,843)
Total assets less net current liabilities		15,460	17,742
Net assets		15,460	17,742
Capital and reserves			
Called up share capital	11	11,078	11,078
Profit and loss account	12	4,382	6,664
Total Equity	12	15,460	17,742

These financial statements were approved by the board of directors and signed on its behalf by:



A T Spencer
Director

Date: 23,04,2024

Notes to the financial statements

at 31 December 2023 2023

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of KCI Holding UK Limited (the "Company") for the year ended 31 December 2023 were authorised for issue by the board of directors on 23 April 2024 and the balance sheet was signed on the board's behalf by A T Spencer. KCI Holding UK Limited is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure (FRS 101) and in accordance with applicable accounting standards.

The company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The company has taken advantage of the exemptions under s401 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Konecranes PLC. The results of KCI Holding UK Limited are included in the consolidated financial statements of Konecranes PLC which are available from Konecranes PLC, PO Box 661, Koneenkatu 8, FI-05801, Hyvinkaa, Finland.

The material accounting policies adopted by the company are set out in note 2.

2. Accounting policies

Basis of preparation

This company is a qualifying entity for the purposes of FRS 101, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The Company has adopted FRS 101 and taken advantage of the following disclosure exemptions:

- The requirements of IAS 7 Statement of Cash Flows
- The requirements of IFRS 13 Fair value measurement; paragraphs 91-99
- The requirements of IAS 8 Accounting policies, changes in accounting estimates and errors; paragraphs 30-31
- The requirements of IAS 1 Presentation of financial statements; paragraphs 10(d), 10 (f), 39 (c), 134-136
- The requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary undertaking which is party to the transaction is wholly owned by such a member
- The requirements of IAS 8 disclosures in respect of new standards and interpretations that have been issued but not yet effective; and
- Roll forward reconciliations in respect of share capital (IAS 1), property, plant and equipment (IAS 16) and intangible assets (IAS 38).

Going Concern

The financial statements are prepared on the going concern basis. The business is an intermediate holding company. Normal activity consists of the receipt of dividend and royalty income, and the receipt and payment of interest

At 31 December 2023, the company had net current liabilities of £36,125k (2022: £33,843k) and net assets of £15,460k (2022: £17,742k). The company's net current liabilities position is due to an inter-group loan that is classified as repayable on demand.

Notes to the financial statements

at 31 December 2023 2023

2. Accounting policies (continued)

Going Concern (continued)

The company has obtained a letter of support from Konecranes Finance OY; that

- a) States Konecranes Finance OY will provide the company with comfort in respect of the provision of financial support to the company by Konecranes Finance OY, to assist in meeting liabilities as and when they fall due, but only to the extent that money is not otherwise available to the company to meet such liabilities.
- b) States Konecranes Finance OY have confirmed that they have the ability to provide such support and will provide this support to the company to the extent outlined above until 30 September 2025.

The directors have concluded that its financial resources are sufficient to enable it to meet its liabilities as they fall due until 30 September 2025. Based on the enquiries made on the Group's liquidity forecasts the Directors have concluded that the Group will be able to provide financial support to the company. On this basis, the directors consider it appropriate to adopt the going concern basis when preparing these financial statements.

Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Judgement and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the year. However, the nature of estimation means that actual amounts could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Investment impairment

The directors have carried out an impairment review of the fixed asset investments in accordance with FRS 101. The impairment review was carried out by reviewing investment asset book values for indicators of impairment. Judgements are made around the timing of expected future cashflows and discount rates.

Foreign currency translation

The company's financial statements are presented in sterling, which is also the company's functional currency.

Fixed asset investments

Investments in group companies are stated at cost less provision for impairment.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IFRS9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or derivatives designated as hedging instruments in an effective hedge, as appropriate. The company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

Notes to the financial statements

at 31 December 2023

2. Accounting policies (continued)

Interest bearing loans and borrowings (continued)

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another loan from the same lender on substantially different terms, or the terms of an existing liability are substantially modified such as an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor the taxable profit or loss.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise, income tax is recognised in the income statement.

Interest income

Revenue is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

Dividends

Revenue is recognised when the company's right to receive payment is established.

Notes to the financial statements

at 31 December 2023 2023

3. Operating loss and information regarding directors and employees

There are no employees. No director received any remuneration in relation to their services to this company as the service is considered inconsequential to their wider group role.

Auditors' remuneration of £6,000 (2022: £6,000) has been accrued in the accounts. No further monies have been accrued in respect of fees paid to the auditors for other services.

4. Interest receivable

	2023 £000	2022 £000
Bank interest	11	-
	<u>11</u>	<u>-</u>

5. Interest payable and similar charges

	2023 £000	2022 £000
Interest on loan from parent undertaking	2,276	1,272
	<u>2,276</u>	<u>1,272</u>

6. Taxation

(a) Tax on loss on ordinary activities

The tax charge is made up as follows:

	2023 £000	2022 £000
Current tax:		
Group relief receivable	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred tax:		
Originating and reversal of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Tax on loss on ordinary activities	<u>-</u>	<u>-</u>

Notes to the financial statements

at 31 December 2023 2023

6. Taxation (continued)

(b) Factors affecting the total tax for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 23.5% (2022: 19%). The differences are explained below:

	2023 £000	2022 £000
Loss on ordinary activities before tax	(2,282)	(1,289)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.5% (2022: 19%)	(536)	(245)
<i>Effects of:</i>		
Expenses not deductible	2	-
Group relief surrendered for nil payment	534	938
Movement in deferred tax not recognised	-	(693)
Taxation for the year	-	-

(c) Deferred tax

	2023 £000	2022 £000
Deferred tax at 1 January 2023	-	-
Charge for the year	-	-
Deferred tax at 31 December 2023	-	-
	2023 £000	2022 £000
Deferred tax recognised	-	-

The company has unrecognised gross deferred tax assets in relation to historical losses of £213,769 (2022: £213,769). The company is uncertain over the time in which these assets will be utilised and therefore no deferred tax asset is recognised.

(d) Factors that may affect future tax charges

The main rate of corporation tax has increased from 19% to 25% with effect from 1 April 2023. No further changes have been announced in legislation that would impact the company.

Notes to the financial statements

at 31 December 2023 2023

7. Investments held as fixed assets

Shares in subsidiary undertaking

	<i>Total £000</i>
Cost at 1 January and 31 December 2023	<u>67,671</u>
Impairment at 1 January 2023 and December 2023	(16,086)
Net book value at 31 December 2022 and 31 December 2023	<u>51,585</u>

All the below investments are unlisted. In the opinion of the directors, the investments are not worth less than the amounts shown above.

Details of all investments are set out below:

<i>Subsidiary undertakings</i>	<i>Country of incorporation</i>	<i>Activity</i>	<i>Proportion of shares held</i>
Saudi Cranes and Steel Works Factory LLC	Saudi Arabia	Manufacturer, maintenance and installation of cranes	95%
Konecranes Demag UK Limited	England, UK	Manufacturer, maintenance and installation of cranes	100%
Morris Material Handling Limited	England, UK	Non-trading	100%
UKMHPS Limited	England, UK	Dormant	100%

The registered office of all the UK subsidiaries is Unit 1 Charter Point Way, Coalfield Way, Ashby Business Park, Ashby De La Zouch, LE65 1NF.

The registered office of the Saudi Arabia subsidiary is Section J, Plot 166 (Block 5B, Lot 6), Support Industrial Park, Jubail, Saudi Arabia.

8. Debtors

	<i>2023 £000</i>	<i>2022 £000</i>
Amounts owed by group undertakings	-	6,926
	<u>-</u>	<u>6,926</u>

Amounts owed by group undertakings are repayable on demand.

Notes to the financial statements

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9. Cash

The company has a balance of £278,000 (2022: £2,000) which resides in the company bank account. The bank account is also a part of a group-wide facility such that the amount included can be utilised by the group.

10. Creditors: amounts falling due within one year

	2023 £000	2022 £000
Amounts owed to group undertakings	36,392	40,762
Accruals	11	9
	<u>36,403</u>	<u>40,771</u>

Included within amounts owed to group undertakings is an amount owed to Konecranes Finance OY for £36,391,903 (2022: £40,761,629) that is repayable on demand. The total loan facility available to the company is £57,350,000. Interest is calculated on the outstanding balance at a 6-month Money Market Rate and interest margin. The average interest rate for the year ended 31 December 2023 was 6.17% (2022: 3.35%).

11. Issued share capital

	2023		2022	
	No.	£	No.	£
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	11,078,000	<u>11,078,000</u>	11,078,000	<u>11,078,000</u>

12. Reconciliation of shareholders' funds

	Share capital	Profit and loss account £000	Total equity £000
At 1 January 2022	11,078	7,953	19,031
Loss for the year	-	(1,289)	(1,289)
At 31 December 2022	11,078	6,664	17,742
Loss for the year	-	(2,282)	(2,282)
Closing shareholders' funds	<u>11,078</u>	<u>4,382</u>	<u>15,460</u>

13. Related party transactions

The company has taken advantage of the exemptions available under paragraph 8(k) of FRS 101 from the disclosures relating to transactions with group companies where 100% of the voting rights are controlled within this group.

No transactions with Saudi Cranes and Steel Works Factory LLC where the company has a 95% shareholding have occurred during the year ended 31 December 2023 or 31 December 2022.

Notes to the financial statements

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14. Ultimate parent undertaking and controlling party

The company's immediate controlling party is Konecranes Finance OY, a company registered in Finland. The company's ultimate parent undertaking and controlling party is Konecranes PLC registered in Finland. Konecranes PLC is the largest and smallest group in which the company's results are consolidated. Copies of the group financial statements of Konecranes PLC are available from Konecranes PLC, PO Box 661, Koneenkatu 8, FI-05801, Hyvinkää, Finland.