

Nynas Limited

Directors' Report and Financial Statements

31 December 2023

Company Reg no: 2359113

Officers and Professional Advisers

Year ended 31 December 2023

Directors

S J Dunne

S N Day

Secretary

S A Kirkness

Registered Office

North Road

Ellesmere Port

South Wirral

Merseyside CH65 1AJ

Bankers

Skandinaviska Enskilda Banken AB (SEB)

1 Carter Lane

London EC4V 5AN

Independent Auditors

Sumer Auditco Limited

Chartered Accountants & Statutory Auditors

14 City Quay

Dundee DD1 3JA

Registered No. 2359113

Directors' report

for the year ended 31 December 2023

The directors present their report and the audited financial statements for the year ended 31 December 2023. In order to fulfil duties under the Companies Act 2006, the financial statements of Nynas Ltd have been prepared for the year ended 31 December 2023, which comprise the income statement, statement of financial position and related notes from the company's accounting records.

Results and dividends

The profit for the year after taxation amounted to £3.0M (2022 – profit of £1.8M). A dividend of £1.6M was paid during the year. (2022: £1.8M). The directors recommend a final dividend of £0.00M to be paid for 2023 in 2024.

Going concern

Nynas Limited's continued operations, as well as its going concern assessment, is dependent of the parent company's ability to apply the going concern assumption. For the parent company, Nynas AB, the following significant events have occurred during, and after, the fiscal year.

In its assessment of going concern, the Company has considered and assessed the related plans recovering from sanctions, reorganization in the parent company and the Covid- 19-pandemic impact on the business and in addition the impact of the Russian invasion of Ukraine and related sanctions. Based on the above-mentioned circumstances taken as a whole, it is the Company's assessment that the account shall be prepared on a going concern basis despite the uncertainties identified.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Financial instruments

There are no financial instruments used by the Company other than financial assets and financial liabilities that comprise mainly of receivables, payables, and cash.

Small Companies Provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

Directors' report (continued)

for the year ended 31 December 2023

Directors' Responsibilities

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 to 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.

Directors

The directors who served the company during the year and to the date of this report were as follows:

S J Dunne
S N Day

Disclosure of Information to Auditors

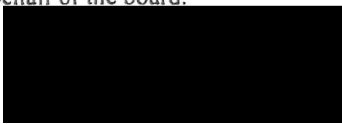
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Sumer Auditco Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

On behalf of the board:


S Day
Director
13 June 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NYNAS LIMITED

Opinion

We have audited the financial statements of Nynas Limited (the 'Company') for the year ended 31 December 2023, which comprise the Statement of income and retained earnings, the Statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NYNAS LIMITED
(CONTINUED)**

Opinion 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 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; or
- the directors' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NYNAS LIMITED
(CONTINUED)**

Auditors' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that 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.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NYNAS LIMITED
(CONTINUED)**

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 Auditors' 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.

Sumer Auditco Limited

Douglas Rae (Senior statutory auditor)

for and on behalf of
Sumer Auditco Limited

Chartered Accountants
Statutory Auditors

14 City Quay
Dundee
DD1 3JA

Date: *13 June 2024*

Statement of income and retained earnings

for the year ended 31 December 2023

	2023	2022
Notes	£000	£000
Administrative expenses	(11)	(18)
Operating loss	(11)	(18)
Interest receivable and similar income	52	6
Interest payable and similar charges	(247)	(211)
Income from subsidiary	-	-
Income from investment in joint venture	3,250	2,000
Profit on ordinary activities before taxation	3,044	1,777
Tax	-	-
Profit on ordinary activities after taxation and for the financial year	3,044	1,777
Other comprehensive income for the financial year	-	-
Total comprehensive income for the financial year	3,044	1,777
Retained earnings at 1 January	10,218	10,241
Dividend paid	(1,600)	(1,800)
Retained earnings at 31 December	11,662	10,218

All amounts relate to continuing activities. The company has no other recognised items of income or expense other than the results for the year as set out above.

Statement of Financial Position

at 31 December 2023

	Notes	2023 £000	2022 £000
Fixed assets			
Investments	3	19,272	19,272
Current assets			
– cash at bank		51	1,672
		51	1,672
Creditors			
– amounts falling due within one year	4	(13)	(3,078)
Net current assets/ (liabilities)		38	(1,406)
Net assets		<u>19,310</u>	<u>17,866</u>
Capital and reserves			
Called up share capital	5	7,648	7,648
Profit and loss account		11,662	10,218
Shareholders' funds		<u>19,310</u>	<u>17,866</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Approved by the Board and signed on its behalf by:



S Day
Director
13 June 2024

Notes to the financial statements

at 31 December 2023

1. Accounting policies

Statement of Compliance

Nynas Limited is a limited liability company incorporated in England. The Registered Office is North Road, Ellesmere Port, South Wirral, CH65 1AJ.

These financial statements have been prepared in compliance with FRS 102 Section 1A, 'The Financial Reporting Standard applicable to the UK and Republic of Ireland' as it applies to the financial statements of the company for the year ended 31 December 2023.

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company and its subsidiaries and rounded to the nearest £'000.

Consolidation

In accordance with Section 400 of the Companies Act 2006, the company has taken exemption from the preparation of consolidated financial statements. The ultimate parent company as at 31 December 2023 was Nynas AB, incorporated in Sweden, who prepare consolidated financial statements that are publicly available.

This information is included in the group financial statements of Nynas AB, a company incorporated in Sweden, as at 31 December 2023 and these financial statements may be obtained from the National Patent and Registration Office, Companies Department, S-851 81 Sundsvall, Sweden.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Current Taxation

Current tax is recognised on taxable profit for the current and past periods. The current income tax charge is calculated based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Notes to the financial statements

At 31 December 2023

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Investments in subsidiary undertakings and joint ventures

Investments in subsidiary undertakings and joint ventures are stated at cost less any provision for impairment in value.

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less.

Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other operating expenses.

2. Number of Employees

The company had no employees either this year or last and as such in both years the aggregate payroll costs were £nil (2022 – £nil).

Notes to the financial statements

At 31 December 2023

5. Issued share capital

<i>Authorised, allotted, called up and fully paid</i>	<i>No.</i>	2023	<i>No.</i>	2022
		£000		£000
Ordinary shares of £1 each	7,647,889	<u>7,648</u>	7,647,889	<u>7,648</u>

6. Pledged assets and contingencies

The company had the following floating charges at 31st December 2023:

	2023	2022
	£000	£000
Share pledge	61	1,683
	<u>61</u>	<u>1,683</u>

The security is shared with creditors of certain financial obligations of the Nynas Group, for further information see the Annual Report of Nynas AB.

The security comprises real property mortgages of Nynas AB and all the shares in (or as applicable, interest in) the following subsidiaries: Nynas Germany AB, Nynas UK AB, Nynas GmbH & Co. KG, Nynas Verwaltungs GmbH, Nynas AS, Nynas Limited and Nynas PTE Ltd. Security over business mortgage certificates (or floating charges as applicable) has also been provided by Nynas AB, Nynas Germany AB, Nynas UK AB, Nynas Limited and Nynas PTE Ltd and the following subsidiaries have also granted guarantees: Nynas Limited, Nynas PTE Ltd, Nynas AS, Nynas UK AB and Nynas Germany AB.

7. Ultimate parent undertaking and controlling party

The directors regard Nynas AB, company reg. no. 556029-2509 as the company's ultimate parent undertaking.

Group financial statements can be obtained from the Swedish Companies Registration Office, S-851 81 Sundsvall, Sweden.

Nynas Group comprises the Parent Company Nynas AB (publ), its subsidiaries and holdings in joint ventures. The Parent Company is incorporated in Sweden and its registered office is in Stockholm.

The address of the head office is Kabyssgatan 4D, 120 30 Stockholm.