

**Haniel Finance Deutschland GmbH**  
**Annual Financial Statements**  
**2022**

# Haniel Finance Deutschland GmbH

## Statement of financial position

<b>ASSETS</b>			
EUR million	Note	Dec. 31, 2022	Dec. 31, 2021
<b>Fixed assets</b>			
Financial assets	1		
Loans to affiliated companies		42.7	43.7
Investments in associated companies		304.9	304.9
Long-term securities		133.9	193.5
		<b>481.5</b>	<b>542.1</b>
<b>Current assets</b>			
Accounts receivable and other assets			
Receivables from affiliated companies	2	1,050.7	1,068.1
Other assets	3	4.5	5.4
Securities	4	89.2	90.1
Cash in hand, bank balances		12.1	1.0
		<b>1,156.5</b>	<b>1,164.6</b>
		<b>1,638.0</b>	<b>1,706.6</b>

**EQUITY AND LIABILITIES**

EUR million	Note	Dec. 31, 2022	Dec. 31, 2021
<b>Equity</b>	<b>5</b>	<b>835.4</b>	<b>835.4</b>
<b>Provisions</b>	<b>6</b>	<b>1.1</b>	<b>3.6</b>
<b>Liabilities</b>	<b>7</b>		
Liabilities due to banks		267.1	217.4
Trade payables		0.0	0.1
Liabilities to affiliated companies		155.3	24.9
Liabilities to shareholders		378.5	622.3
Other liabilities		0.5	2.8
		<b>801.5</b>	<b>867.6</b>
		<b>1,638.0</b>	<b>1,706.6</b>

# Haniel Finance Deutschland GmbH

## Income statement

FOR THE PERIOD FROM JANUARY 1, 2022 TO DECEMBER 31, 2022

EUR million	Note	2022	2021
Revenue	9	0.2	0.2
Other operating income	10	20.1	26.7
Other operating expenses	11	-1.6	-0.5
		<b>18.6</b>	<b>26.4</b>
Net investment result	12	13.8	0.0
Other net financial income	13	-9.9	11.8
<b>Result before income taxes</b>		<b>22.5</b>	<b>38.1</b>
Income taxes		0.0	0.0
<b>Result after income taxes</b>		<b>22.5</b>	<b>38.1</b>
Result transferred pursuant to a profit and loss transfer agreement		-22.5	-38.1
<b>Net income for the year</b>		<b>0.0</b>	<b>0.0</b>

# Haniel Finance Deutschland GmbH

## Statement of cash flows

FOR THE PERIOD FROM JANUARY 1, 2022 TO DECEMBER 31, 2022

EUR million	2022	2021
<b>Result after income taxes</b>	<b>22.5</b>	<b>38.1</b>
Depreciation/amortization (+)/write-ups (-) of fixed assets	17.1	-2.6
Increase (+)/decrease (-) in provisions	-2.6	-1.3
Other non-cash income (-) and expenses (+)	3.0	-2.5
Reclassification of income (-)/expenses (+) from the disposal of fixed assets	-2.6	-10.9
Increase (-)/decrease (+) in other receivables and other current assets	-0.4	-2.8
Increase (+)/decrease (-) in other current liabilities	-0.1	0.2
<b>Cash inflow (+)/outflow (-) from operating activities</b>	<b>37.0</b>	<b>18.3</b>
Increase (-)/decrease (+) in receivables from and liabilities to affiliated companies and investments	144.8	-590.4
Inflows (+) from the disposal of long-term financial assets and from the investment of cash funds for short-term cash management	46.6	112.0
Outflows (-) from additions to long-term financial assets and for the investment of cash funds for short-term cash management	-0.0	-85.6
<b>Cash inflow (+)/outflow (-) from investing activities</b>	<b>191.4</b>	<b>-564.0</b>
Profit/loss transfer to parent company	-22.5	-38.1
Increase (+)/decrease (-) in liabilities to shareholders	-243.8	220.6
Cash proceeds (+) from the issuance of financial liabilities	917.1	669.5
Cash repayments (-) of financial liabilities	-868.0	-460.6
<b>Cash inflow (+)/outflow (-) from financing activities</b>	<b>-217.3</b>	<b>391.4</b>
Change in cash and cash equivalents	11.1	-154.3
Cash and cash equivalents at the beginning of the period	1.0	155.3
<b>Cash and cash equivalents at the end of the period</b>	<b>12.1</b>	<b>1.0</b>

The cash flow from operating activities includes interest income in the amount of EUR 32.2 million (previous year: EUR 23.5 million) and interest payments of EUR 8.3 million (previous year: EUR 9.1 million) as well as tax payments of EUR 0.4 million (previous year: EUR 2.8 million).

## Notes

# General disclosures and accounting policies

### General disclosures and other explanatory information on the annual financial statements

The annual financial statements of our Company have been prepared in accordance with the accounting standards of the German Commercial Code (*Handelsgesetzbuch*, "HGB") and the German Limited Liability Companies Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*, "GmbHG").

Haniel Finance Deutschland GmbH is domiciled in Duisburg, Germany, and entered in the commercial register of the Duisburg Local Court (*Amtsgericht*) under the number HR B 9301.

The Company is a small corporation pursuant to section 267 (1) HGB.

Size-related exemptions set out in section 288 (1) HGB were applied when preparing these annual financial statements.

### Accounting policies

**Loans** are recognized at their nominal amounts. If an impairment is expected to be permanent, they are recognized at the lower fair value. If the reasons for an impairment no longer exist in whole or in part, the impairment loss is reversed up to a maximum of the cost or principal amount. **Shares in affiliated companies** and **investments in associated companies** are recognized at cost or the lower fair value if an impairment is expected to be permanent. Shares in venture capital funds are reported under **other investments**. When accounting for the shares in the venture capital funds, the Company exercises the option provided under section 253 (3) sentence 6 HGB, in accordance with which impairments are recognized in relation to the venture capital funds even if they are not expected to be permanent. **Long-term securities** are recognized at cost. Upon subsequent measurement, the Company exercises the option afforded under section 253 (3) sentence 6 HGB. Write-downs are recognized even if an impairment is not expected to be permanent.

**Receivables and other assets** are generally recognized at the principal amount less any required valuation allowances. Receivables from tax credits are recognized at their present value. **Marketable securities** are recognized at cost or the lower quoted or market price as of the reporting date.

**Cash and cash equivalents** are recognized using the nominal amount. Money market funds, which are recognized as cash on hand, are recognized at cost or the lower quoted or market price as of the reporting date.

Cash in hand and bank balances as well as receivables and liabilities denominated in **foreign currency** are posted at historical exchange rates and measured at the applicable average spot rate on the reporting date. Receivables and liabilities denominated in foreign currency with a remaining term of more than one year are measured in accordance with the impairment principle, under which unrealized valuation gains are not recognized. Unrealized valuation gains are recognized for items with a remaining term of less than one year.

**Provisions** cover all identifiable risks and uncertain obligations. They are recognized at the settlement amount as dictated by prudent business judgment. Future price and cost increases are considered. Provisions with a remaining term of more than one year are discounted in accordance with their remaining term. Provisions for expected losses recognized in connection with derivative financial instruments are charged to net financial income.

**Liabilities** are recognized at their settlement amounts.

To improve transparency, **foreign currency translation** gains and losses are reported in net financial income. The reason for this is that these gains and losses result exclusively from the translation of financial derivatives and transactions.

**Deferred taxes** are recognized for all temporary differences between the carrying amounts and tax bases for assets, liabilities, prepaid expenses and deferred income. Since Haniel Finance Deutschland GmbH is a member of the consolidated tax group of Franz Haniel & Cie. GmbH, the deferred taxes of the consolidated tax group subsidiaries are accounted for at the parent, Franz Haniel & Cie. GmbH. Deferred tax assets on tax loss carryforwards are recognized only if there is reasonable assurance that they will be realized within five years. Deferred taxes are generally presented on a net basis. A tax burden is recognized on the statement of financial position as a deferred tax liability. In the event of a tax benefit, the Company does not exercise the corresponding option to recognize this under section 274 (1) sentence 2 HGB.

Deferred taxes are generally determined based on the combined income tax rate of the consolidated tax group of Franz Haniel & Cie. GmbH. The combined income tax rate consists of corporate income tax, municipal business income tax and the solidarity surcharge, and is calculated based on the currently applicable statutory tax rates. The Company's share of taxes is calculated based on its applicable company-specific tax rate of 34.0 percent (previous year: 34.0 percent).

# Notes to the statement of financial position

## 1 Financial assets

Changes in financial assets are presented in the statement of changes in fixed assets. Disclosures relating to the shareholdings of Haniel Finance Deutschland GmbH are provided in note 15 below.

EUR million	Cost				
	Jan. 1, 2022	Additions	Disposals	Currency adjustments	Dec. 31, 2022
Loans to affiliated companies	43.7		-1.0		42.7
Investments in associated companies	1,218.4				1,218.4
Long-term securities	195.8	0.0	-42.9	0.4	153.3
	<b>1,457.9</b>	<b>0.0</b>	<b>-43.9</b>	<b>0.4</b>	<b>1,414.4</b>

Long-term securities consisted of medium- and long-term investments in financial assets such as investment funds, equities and debt. The decrease was due to the sale of corresponding financial assets and necessary adjustments to carrying amounts due to changes in market value on the basis of general developments on the capital market during the fiscal year.



Accumulated amortization					Carrying amount	
Jan. 1, 2022	Impairments	Reversals	Disposals	Dec. 31, 2022	Dec. 31, 2022	Dec. 31, 2021
0.0				0.0	42.7	43.7
-913.5				-913.5	304.9	304.9
-2.3	-30.4	13.3	-0.0	-19.4	133.9	193.5
<b>-915.8</b>	<b>-30.4</b>	<b>13.3</b>	<b>0.0</b>	<b>-932.9</b>	<b>481.5</b>	<b>542.1</b>

## **2 Receivables from affiliated companies**

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Receivables from affiliated companies included the receivables for the internal financing of Group companies, all of which have a remaining term of less than one year, as in the previous year.

## **3 Other assets**

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Other assets included interest receivables amounting to EUR 0.8 million (previous year: EUR 0.8 million) and tax receivables amounting to EUR 3.7 million (previous year: EUR 3.3 million). The increase in tax receivables related to tax credits not yet transferred to the consolidated tax group parent.

As in the previous year, other assets all have a remaining term of less than one year.

## **4 Securities**

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Securities consisted exclusively of the ordinary shares in METRO AG held by the Company.

## **5 Equity**

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There were no restrictions on distributions in accordance with section 268 (8) HGB or section 253 (6) sentence 2 HGB as of the reporting date.

Haniel Finance Deutschland GmbH's result for the fiscal year is transferred in full to Franz Haniel & Cie. GmbH based on the existing profit and loss distribution agreement. Equity is composed of subscribed capital in the amount of EUR 25,000 (previous year: EUR 25,000) and capital reserves.

## **6 Provisions**

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The decrease in provisions related to provisions for expected losses in connection with negative market values of currency hedges as well as the reversal of a provision recognized in connection with the liquidation of a company, which is no longer at risk of utilization.

There were no provisions for pensions and similar obligations, and no provisions for taxes.

## 7 Liabilities

All obligations of Haniel Finance Deutschland GmbH existing as of the reporting date are presented under liabilities. The various types and remaining maturities of the other liabilities as of December 31, 2022 are presented in the table below:

EUR million	Dec. 31, 2022				Dec. 31, 2021			
	Total	Up to 1 year	More than 1 year	More than 5 years	Total	Up to 1 year	More than 1 year	More than 5 years
Liabilities due to banks	267.1	267.1			217.4	217.4		
Trade payables	0.0				0.1	0.1		
Liabilities to affiliated companies	155.3	155.3			24.9	24.9		
Liabilities to shareholders	378.5	378.5			622.3	622.3		
Other liabilities	0.5	0.5			2.8	2.8		
	<b>801.5</b>	<b>801.5</b>	<b>0.0</b>	<b>0.0</b>	<b>867.6</b>	<b>867.6</b>	<b>0.0</b>	<b>0.0</b>

The maturities of the liabilities due to banks correspond to the respective financing commitments. The year-on-year increase was attributable to the issuance of liabilities, particularly to finance business combinations by Haniel Group companies.

Liabilities to affiliated companies include liabilities from the current internal financing of Group companies.

The Company has not provided its own collateral for the liabilities.

## 8 Contingent liabilities and other financial commitments

No contingent liabilities or other financial commitments were recognized as of the reporting date.

# Notes to the income statement

The income statement was prepared using the classification pursuant to section 275 (2) HGB (nature of expense method).

## 9 Revenue

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Revenue includes revenue received in connection with the provision of various financial services for Group companies.

## 10 Other operating income

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Other operating income is presented in the table below:

EUR million	2022	2021
Income from disposals of long-term financial assets	2.6	10.9
Income from reversals of impairments of long-term financial assets & marketable securities	13.3	9.0
Other income	4.1	6.8
	<b>20.1</b>	<b>26.7</b>

The decrease in income from disposals of long-term financial assets was attributable solely to income from the disposal during the previous year of all shares in venture capital funds, which were sold to a different Haniel Group company.

In the current fiscal year, income from reversals of write-downs on long-term financial assets & marketable securities included in particular reversals of write-downs on a variety of financial instruments such as investment funds and equities held as medium and long-term investments.

During the fiscal year, other income included prior-period income of EUR 4.1 million (previous year: EUR 0.0 million) resulting from the reversal of provisions and the derecognition of liabilities. This is no longer utilized due to the liquidation of a company. In the previous year, this item consisted exclusively of dividends from marketable securities.

## 11 Other operating expenses

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Other operating expenses includes EUR -1.6 million (previous year: EUR -0.5 million) in expenses such as custodial, accounting and audit fees.

The increase resulted from prior-period expenses amounting to EUR -1.2 million (previous year: EUR 0.0 million) attributable to the derecognition of receivables in connection with the liquidation of a company, which are now deemed to be uncollectible.

## 12 Net investment result

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The net investment result of EUR 13.8 million (previous year: EUR 0.0 million) relates to dividend payments from the equity investment in CECONOMY AG.

**13 Other net financial income**

EUR million	2022	2021
Income from other securities and long-term loans	9.0	8.5
of which from affiliated companies	(1.7)	(0.6)
Other interest and similar income	87.6	58.6
of which from affiliated companies	(29.7)	(15.1)
Write-downs on long-term securities and marketable securities	-31.3	-6.3
Interest and similar expenses	-75.2	-49.0
of which for affiliated companies	(-9.2)	(-4.4)
of which interest cost on provisions	(0.0)	(0.0)
	<b>-9.9</b>	<b>11.8</b>

Income from other securities and long-term loans related to interest income from debt securities and long-term loans to affiliated companies, as well as to distributions from investment funds and dividends from shares.

Write-downs on long-term securities and marketable securities amounting to EUR -30.4 million (previous year: EUR -6.2 million) were recognized for fixed assets. This item includes write-downs of debt securities, equities and investment funds held as medium and long-term investments. Reversals of write-downs are presented under other operating income.

Other interest and similar income includes currency translation gains totaling EUR 58.0 million (previous year: EUR 43.6 million). Interest and similar expenses includes currency translation losses totaling EUR -61.4 million (previous year: EUR -44.7 million).



# Other notes

## 14 Derivative financial instruments

Haniel Finance Deutschland GmbH is exposed to currency and interest rate risks as part of its business. Derivative financial instruments, such as currency forwards, swaps and options, are generally used to hedge these risks.

Derivative financial instruments are used wherever possible and expedient to hedge against interest rate risks and exchange rate risks in relation to financial receivables and liabilities. To that end, currency forwards were used during the current fiscal year.

As of the reporting date no valuation units from derivative financial instruments and related hedged items were formed.

EUR million	Notional value		Fair value		Carrying amount	
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
<b>Currency forwards</b>						
Derivatives with affiliated companies	14.7	25.2	0.5	-0.5	-0.1	-0.7
Derivatives with third parties	139.8	186.9	0.0	-0.1	-0.9	-1.5

As of the reporting date, a EUR 1.0 million provision for expected losses was recognized for negative fair values of derivative financial instruments which had not been combined to form valuation units (previous year: EUR 2.2 million). The provision for expected losses was recognized under other provisions. Under the imparity principle, positive unrealized fair values are generally subject to a prohibition on recognition.

The fair values of the derivatives are determined by discounting the expected future cash flows. Discounting is based on arm's-length interest rates over the remaining term of the instruments and the counterparty's creditworthiness.

The remaining term of the notional value of derivatives is as follows:

EUR million	Remaining terms			Notional value	
	Up to 1 year	More than 1 year	More than 5 years	Dec. 31, 2022	Dec. 31, 2021
<b>Currency forwards</b>					
Derivatives with affiliated companies	14.7			14.7	25.2
Derivatives with third parties	139.8			139.8	186.9

## 15 Disclosures on shareholdings

The following list contains the companies in which Haniel Finance Deutschland GmbH has an equity interest.

	Shareholding	Equity		Result	
			Total	Share	2022
	%	EUR million	EUR million	EUR million	
CECONOMY AG, Düsseldorf	16.70	1,668	278	51	

As the result of a capital increase at CECONOMY AG, in which the Company did not participate, its shareholding fell to 16.70 percent.

## 16 Events after the reporting date

There are no reportable events after the reporting date.

## 17 Further disclosures

### Managing directors

The managing directors of the Company are:

Dr Axel Gros, Marl, Head of Treasury & Finance (Franz Haniel & Cie. GmbH)

Uta Stein, Wesel, Head of Accounting & Controlling (Franz Haniel & Cie. GmbH)

Christian Rube, Düsseldorf, Sustainability Manager (Franz Haniel & Cie. GmbH)

Christian Wirtz, Moers, Senior Cash & FX Manager (Franz Haniel & Cie. GmbH)

### Remuneration of the managing directors

The managing directors do not receive any remuneration from the Company.

### Number of employees

The Company does not have any employees.



**Parent company**

The Company is a subsidiary of Franz Haniel & Cie. GmbH, Duisburg, HR B 25, Local Court (*Amtsgericht*) Duisburg. Franz Haniel & Cie. GmbH, Duisburg, prepares consolidated financial statements for the smallest group of consolidated companies in which Haniel Finance Deutschland GmbH, Duisburg, is included. These consolidated financial statements are submitted to the Electronic Federal Gazette.

Duisburg, March 9, 2023

**The Management**

**Dr Axel Gros**

**Uta Stein**

**Christian Rube**

**Christian Wirtz**

[haniel.de/en](https://haniel.de/en)