Envidan a/s

CVR no 18334305, Vejlsøvej 23, 8600 Silkeborg

Annual report for 1. juli 2022 - 30. juni 2023

The Annual Report was presented and adopted
at the Annual General Meeting of the Company
on 20 November 2023

Michael Flindt Nielsen
Chairman of the General Meeting

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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Envidan a/s for the financial year 1. juli 2022 - 30. juni 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 30. juni 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2022/23.

In our opinion, Management's Review includes a true and fair account of the matters adressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Silkeborg, 27 September 2023

Executive Board

Ole Fritz Adeler
CEO

Michael Flindt Nielsen
CFO

Board of Directors

Rinaldo Rosendaal
Chairman

Nicklas Skou Guldberg

Joakim Sylvest Helm

Morten Fjerbæk

Jacob Kragh Andersen
Staff Representative

Camilla Rosenkrantz Schrold
Staff Representative

Teis Stouby F. Hindsig
Staff Representative

Independent Auditor's Report

To the Shareholders of Envidan a/s

Opinion
We have audited the consolidated financial statements and the parent company financial statements of Envidan a/s for the financial year 1. juli 2022 - 30. juni 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.
In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30. juni 2023 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1. juli 2022 - 30. juni 2023 in accordance with the Danish Financial Statements Act.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements
Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines 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, Management is responsible for assessing the Group's and the Parent 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 in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance as to 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 and additional requirements applicable in Denmark 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 the financial statements.

Independent Auditor’s Report

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one 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 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 the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Herning, 27 September 2023
EY Godkendt Revisionspartnerselskab
CVR no 30 70 02 28

Jesper Stier	Mikkel Sthyr
State Authorised Public Accountant	State Authorised Public Accountant
mne42245	mne26693

Company Information

The Company:	Envidan a/s - Vejlsøvej 23 - 8600 Silkeborg CVR No: 18334305 Financial period: 01 July - 30 June Municipality of reg. office: 8600 Silkeborg
Board of Directors:	Rinaldo Rosendaal, Chairman Nicklas Skou Guldberg Joakim Sylvest Helm Morten Fjerbæk Jacob Kragh Andersen Camilla Rosenkrantz Schrold Teis Stouby F. Hindsig
Executive Board:	Ole Fritz Adeler Michael Flindt Nielsen
Auditors:	EY Godkendt Revisionspartnerselskab Dalgasgade 27,3 - 7400 Herning

Financial Highlights

Seen over a five-year period, the development of the Group is described by the following financial highlights:

DKKm	2022/23	2021/22	2020/21	2019/20	2018/19
Profit/loss					
Revenue	510,1	488,7	318,6	271,0	284,6
Gross profit/loss	144,1	140,3	99,7	97,5	101,2
Operating profit/loss	-6,1	11,5	23,2	26,1	24,9
EBITDA	15,5	31,5	42,6	39,8	39,5
Net financials	-4,3	-5,0	-1,5	0,7	-1,0
Net profit/loss for the year	-10,4	139,7	13,1	18,0	15,7
Balance sheet					
Balance sheet total	396,7	314,6	278,2	164,8	162,0
Equity	186,6	158,2	138,7	55,0	44,7
Cash flows					
Operating activities	12,1	-7,3	40,3	32,3	49,9
Investing activities	-76,1	110,0	-3,2	-2,4	-1,8
Investing in property, plant and equipment	-2,5	-3,0	-1,1	-2,6	-1,8
Financing activities	78,0	-127,2	-12,8	-6,4	-38,4
Change in cash and cash equivalents for the year	13,9	-24,5	24,3	23,5	9,7
Number of employees	402	326	245	234	225
Ratios					
Gross margin	28,2%	28,7%	31,3%	36,0%	35,6%
Return on assets	-2,8%	47,6%	8,3%	15,8%	15,4%
Profit margin	-2,2%	30,7%	7,3%	9,6%	8,7%
Return of equity	-8,9%	97,6%	22,4%	53,8%	54,3%
Solvency ratio	47,0%	50,3%	49,9%	33,4%	27,6%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Envidan

Management's Review

Development in the year
In 2022/23, the Group generated a profit before tax of DKK -15,4 million compared to a profit of DKK 144,9 million in 2021/22.

The 2021/22 result before tax was particularly affected by the net profit from the sale of Envidan AS (Momentum solutions) in Norway.

The result for 2022/23 is affected by the acquisition of VA Consult (5 month) in Norway and Bangsgaard & Paludan (1 month) in Denmark and by costs related to the transactions and strategic one-off cost. By June 30, 2023 VA Consult and Envidan AS in Norway were merged.

In 2022/23 the Envidan group for the first time reached a revenue over DKK 500 million based on both organic and acquisitive growth. The operating result were negative at DKK 6,0 million but adjusted for amortization and depreciation the EBITDA result was positive at DKK 15,6 million and cash flow from operating activities was positive at DKK 12,3 million.

The last 2 years organic growth and growth from mergers and acquisitions have for a period reduced the profitability which is not satisfying. The strategy has been to get a strong footprint in Denmark, Norway and Sweden which has been succeeded through mergers and acquisitions and is and investment for the future.

Reference is made to the balance sheet, income statement and notes to the Financial Statements from which the information required to assess the Company's financial position and the results of the operations for the year appears.

According to Management's Review for the financial year 2021/22, revenue was expected to increase by 10-15% and EBITDA to decrease by approximately 20% for the year excluding mergers and acquisitions. Organic revenue increased by 3.1% and organic EBITDA was 53,8% lower than in 2021/22.

Operating risks
The company's primary activities are within the water and wastewater sector which is characterized by high degree of public customers with few big utility companies / municipalities and many small to medium sized utility companies / municipalities and hereby a low dependency on single customers.

Envidan have three primary business models:
- Consultancy where Envidan has no specific risks besides what is common to the engineering consultancy industry.
- Turnkey projects where Envidan have an increased risk compared to consultancy but where the risk is handled based on strong quality procedures and insurance policy.
- Software where Envidan has no specific risks besides what is common to the software industry.

Management's Review

Foreign exchange risks
The reporting currency is Danish Kroner, however, a large part of the group's revenue and costs are in Norwegian Kroner and Swedish Kroner.

The expected net SEK and NOK exposure for the upcoming 12 months is evaluated on an ongoing basis and hedged according to the treasury policy.

The foreign exchange risk related to other currencies is considered low.

Targets and expectations for the year ahead
Besides from the not satisfying financial result for 2022/23 many positive strategic initiatives have succeeded in the financial year which is expected to have positive impact for the 2023/24 financial year.

The order entry has been strong over the year and the order book is high by the end of 2022/23. The number of employees has increased with 24% so that we on July 1 was +450 employees in the Envidan Group and the employee growth is expected to continue with approximately 10% in 2023/24.

During 2022/23 the acquisition of VA Consult in Norway and the merger with Envidan AS in Norway has secured a strong platform on the Norwegian market for further growth. And further employees and new offices in Norway is expected.

In the beginning of 2023/24 Envidan AB and VA Ingenjörerna Renare Vatten in Sweden will merge together to Envidan AB and secure a strong platform on the Swedish market and continuously profitable growth. With expected further new employees and new offices opening.

By the end of 2022/23 the acquisition of Bangsgaard & Paludan ApS was finalized and in the beginning of 2023/24 a merger with Envidan A/S will be finalized and thereby a strong platform within the business area Environment in Denmark will be in place.
The last years of investments in organization and structure has almost been finalized. Profitable investment in digitalization, innovation and sustainability will continue in 2023/24.

The strategic focus in 2023/24 will be on profitable organic growth in Denmark, Norway and Sweden within our core business areas. The coming financial year is not expected to include further acquisitions.

The activity level is therefore expected to generally develop positively in 2023/24. Organic revenue is expected to increase by approximately 10-15%, and organic EBITDA is expected to increase by approximately 100% compared to 2022/23.

Management's Review

Research and development
The Group does not conduct research but participates continuously in development work. Throughout the year, the Group thus maintained its focus on externally funded development projects but was also focused on self-financed development.
Intellectual capital resources

During the year, the Group continued to attract, sustain and develop employees that have a leading-edge knowledge within water and wastewater. Further ongoing investments in modern and advanced software and IT is made.

The demand for knowledge resources and innovation is constant and high. The Group works dedicatedly on attracting, retaining, and developing employees who have leading-edge knowledge of the Group's key activities.

The Group's growth and earnings to a large extent depends on being able to provide the right resources to projects and on retaining existing resources. Therefore, staff care is a major focus point, and its effect is, for example, documented by employee satisfaction surveys carried out at Envidan every third year and through 4 yearly well-being surveys.

Statement of corporate social responsibility according to the Danish Financial Statements Act, section 99a
Key activities
The Group's main activity consists of technical services specializing in the development, planning, design and implementation of plants in the fields of wastewater, drinking water, recipients and energy plants. In addition, the Group provides IT solutions to the industry. The Group is headquartered in Silkeborg and has offices in Denmark, Sweden and Norway.

Risk analysis
Envidan’s risk of violating the legislation regarding environment and climate, social and employee relations, human rights and anti-corruption are assessed to be limited. Furthermore, Envidan’s business activities add no additional risk related to social responsibility. Envidan complies with relevant legislation in all operating countries.

Nevertheless, Envidan is particularly aware of the potential risks associated with the company’s work, including attracting and retaining skilled employees, as well as the climate impact of the company.

Environment and energy efficiency

Envidan's engineering competences has the purpose to contribute to the environment within the water cycles: From the clean water source through the use of water and returning the water to the nature. This includes reducing flooding, optimization of water quality in oceans and streams, optimization and reducing effluent impact from the wastewater treatment plants, optimizing the use of energy and optimal use of scarce resources. Envidan works for municipalities, utilities, and industries, but makes a positive difference for everyone, including those who do not know Envidan.

Envidan makes a positive difference because our employees are dedicated and knowledgeable. Envidanes are committed to their work, and it brings energy and innovation into the projects when we, together with our customers, find the best solutions. At the same time, we are highly professional. Envidanes are specialists, experts and professionals within our fields, and it is their extensive knowledge that makes a positive difference for our customers and makes them trust what we do.

The Group continuously works on minimizing its impact on the external environment, both directly through optimization of energy and resource consumption in day-to-day operations, and indirectly through the projects carried out by the Group. Envidan A/S, Envidan AB and VA Ingenjörerna Renare Vatten AB are ISO 9001 and ISO 14001-certified and have in this connection set a number of specific environmental targets, which are continually reviewed. In 2022/2023, we have monitored our resource use and waste volumes, and have recorded a reduction.

The structure and production methods within the Group do not have significant environmental impact. Nevertheless, the Group works continuously to optimize the use of materials with the purpose to reduce the environmental impact and wastage.

In the quest to make better use of the company's resources, we are expected to reduce our environmental and climate footprint as we optimize our recycling of material and waste. The goal is be proven sustainable in 2025/26.

Working environment

Envidan observes local legislation and focuses on creating a positive and healthy working environment for all employees. Working environment protection is managed by the health and safety teams at each site.

Envidan continuously strives to reduce absence due to sickness among its employees. Sickness is measured monthly and follow up on sickness rates is done by management. The sickness rates have during the year been slightly increasing and are higher than the target. A decrease in the sickness rate to below target is expected in the coming financial year.

Management's Review

4 yearly well-being measures are made which has shown a general stable high level of well-being. There is a structured process for management follow up with the purpose of continuously improving the focus on employee well-being. The Group have stress policies which are supported by external medical advisors for each individual.

Human rights
At Envidan, we respect the international conventions on the protection of human rights and corresponding national legislation.

Envidan's Human Rights and Labour Policy requires the Group's employees to act with integrity and in accordance with acceptable ethical standards for human rights. According to the employment contract, all employees are obliged to comply with the policies.

Envidan supports and complies with the company's human rights policies, and continuously works to implement them in the value chain.

Envidan only operates in the Nordic countries. Countries with a high degree of regulations and authority control. Based on this the risk of violation of human rights is assessed to be limited.

Nevertheless, Envidan has a whistle blower solution where internals and externals anonymously can report any breach of human rights.

In the current financial period, there were no human rights violations.

In the future, we aim to sharpen our focus on our human rights efforts with a broader perspective, and will continue with the annual human rights training for employees.

Financial crime and compliance
The main risk the Group faces regarding corruption is to ensure that business is conducted fairly and honestly.

Envidan has an anti-financial crime policy in place which encourages employees to act on any suspicion of unlawful acts or poor conduct inconsistent with our values. The policy instructs our employees to follow decent and honest business practices, and not to violate any national laws or reasonable standards imposed on us by society.

In 2022/2023, the Group has informed all our current and in-scope business partners about our anticorruption policy, and monitored incidents of corruption in our business from our established whistleblower scheme, where internals and externals can anonymously report if they observe irregularities. No irregularities have been reported or detected during the year.

In the coming years, the Group will continue to encourage its business partners and employees to share details on corrupt behaviour, to ensure that no incidents of corruption will occur in the future.

Management's Review

Statement on gender composition according to the Danish Financial Statements Act, section 99b
Envidan wants to be an inclusive workplace without discrimination. We hire new employees solely based on our best evaluation of their competencies and experiences. Gender, belief, age, nationality, ethnicity, or sexual orientation are not relevant criteria when recruiting and the company aims to have a balanced split between genders based on the pool of employees which the company hires from.

In the Board of Directors in Envidan A/S, the target is that a minimum of 25% of the shareholder elected board members should be female by the annual general assembly 2026. By June 30, 2023 the actual number of female board members was 0 out of 4 (0%) in total shareholder elected board members. The composition of genders in the Board of Directors is unchanged during 2022/23, due to no female candidates with the requested qualifications has been found in the financial year.

In the management levels from 1st line managers up CXO level in Envidan A/S, the target is that a minimum of 35% should be female by the annual general assembly 2026. The female share on management levels from 1st line managers up to CXO level is by June 30 2023 35%. The target is to seek to improve the female share via internal promotions and through recruiting. To bring more females into managerial positions, a mandate and focus to always include qualified female candidates in managerial recruitments has been put in place.

Envidan believes that employee diversity, including a gender balance, contributes positively to the working environment and strengthens the Group's performance and competitiveness.

Approach to data ethics
Envidan has prepared and implemented policies for data handling. Envidan divides data into different categories within personal data and non-personal data; Personal data relates either directly or indirectly to individuals; where non-personal data is completely unrelated to individuals and thus not personally identifiable in any form. Envidan uses personal data in processes where the relevant personal data is crucially necessary for the execution of the process.

Envidan defines risks and ensures control when processing personal data in order to continue to comply with the principles of the data protection regulation. Envidan develops its digital business on the basis of the listed requirements in the data protection regulation and the data protection act, therefore it is not compatible with Envidan's data policy to cooperate with companies whose business model is based on trade in personal data and technologies based on this. Envidan does not sell personal data, does not share personal data, and does not store unnecessary personal data.

Management's Review

Envidan continuously trains all employees in IT security and secure processing of personal data. In order to ensure a continuous high level of attention throughout the organization, Envidan has entered into cooperation with suppliers who provide e-learning in compliance with the data protection regulation/data protection act and general IT security. All employees are encouraged to complete the awareness training. Every year, policies are updated regarding data ethics and internal evaluation of whether the awareness training and the ongoing education have had the desired effect.

Uncertainty relating to recognition and measurement
Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events
The Group's financial position at 30. juni 2023 and the results of the Group's activities and cash flows for the financial year 2022/23 have not been affected by any unusual events except for the non-recurring operating expenses mentioned above.

Subsequent events
No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement

DKKk	Note	Group 2022/23	Group 2021/22	Parent Company 2022/23	Parent Company 2021/22
Revenue	2	**510.121**	**488.706**	**309.419**	**300.543**
Production costs		-365.988	-348.429	-212.600	-202.569
Gross margin		**144.133**	**140.277**	**96.819**	**97.974**
Distribution costs		-22.947	-25.752	-13.598	-15.667
Administration expenses		-127.270	-103.053	-75.166	-62.660
Operating profit/loss		**-6.084**	**11.472**	**8.055**	**19.647**
Other operating income	3	0	138.442	0	137.722
Other operating expenses		-4.993	0	-3.728	0
Profit/loss before financial income		**-11.077**	**149.914**	**4.327**	**157.369**
Income from investments in subsidiaries		-	-	-12.382	-10.774
Financial income	4	1.792	2.518	2.306	3.374
Financial expenses	5	-6.071	-7.501	-5.555	-6.923
Profit/loss before tax		**-15.356**	**144.931**	**-11.304**	**143.046**
Tax on profit for the year	6	4.985	-5.260	933	-3.375
Net profit/loss for the year		**-10.371**	**139.671**	**-10.371**	**139.671**
Distribution of profit/loss					
Retained earnings				-30.668	20.478
Reserve for development costs				3.297	9.193
Ordinary dividend				17.000	10.000
Extraordinary dividend paid				0	100.000
				-10.371	139.671

Balance Sheet

DKKk	Note	Group 30-06-23	Group 30-06-22	Parent Company 30-06-23	Parent Company 30-06-22
ASSETS					
Goodwill		182.180	141.055	76.541	82.732
Development projects		17.376	6.247	16.524	5.471
Development projects in progress		233	7.127	233	7.058
Intangible assets	7	199.789	154.429	93.298	95.261
Leasehold improvements		1.202	1.156	886	1.095
Other fixtures and fittings, tools and equipment		3.493	2.856	2.342	2.346
Property, plant and equipment	8	4.695	4.012	3.228	3.441
Investments in subsidiaries		0	0	113.352	55.228
Deposits		3.078	2.683	2.856	2.626
Fixed asset investments	9	3.078	2.683	116.208	57.854
Fixed assets		**207.562**	**161.124**	**212.734**	**156.556**
Inventories		1.918	1.902	0	0
Trade receivables		106.200	98.501	65.601	71.888
Contract work in progress	10	22.705	17.599	12.322	4.096
Receivables from Group ent.		4.084	0	19.072	16.448
Other receivables	11	908	75	217	0
Prepayments	11	10.427	7.690	7.792	5.845
Corporation tax		1.252	0	0	0
Receivables		145.576	123.865	105.004	98.277
Cash at bank and in hand		41.656	27.743	19.213	10.293
Current assets		**189.150**	**153.510**	**124.217**	**108.570**
Assets		**396.712**	**314.634**	**336.951**	**265.126**

Balance Sheet

DKKk	Note	Group		Parent Company	
		30-06-23	30-06-22	30-06-23	30-06-22
LIABILITIES AND EQUITY					
Share capital		1.010	1.010	1.010	1.010
Reserve for development costs		0	0	13.070	9.773
Retained earnings		168.598	147.204	155.528	137.431
Dividend		17.000	10.000	17.000	10.000
Equity		**186.608**	**158.214**	**186.608**	**158.214**
Provision for deferred tax	6	12.615	18.131	12.694	13.627
Provisions		**12.615**	**18.131**	**12.694**	**13.627**
Credit institutions		12.835	0	12.835	0
Other payables	13	10.704	11.717	10.704	11.717
Long-term debt	12	23.539	11.717	23.539	11.717
Credit institutions	12	34.790	14.309	34.790	14.309
Prepayments received from customers	10	47.226	28.996	23.018	15.108
Trade payables		36.198	26.925	25.075	14.376
Payables to Group enterprises		0	1.059	0	1.059
Corporation tax		0	2.163	0	3.067
Other payables	13	46.335	45.314	22.820	26.805
Deferred income	13	9.401	7.806	8.407	6.844
Short-term debt		173.950	126.572	114.110	81.568
Debt		**197.489**	**138.289**	**137.649**	**93.285**
Liabilities and equity		**396.712**	**314.634**	**336.951**	**265.126**

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Statement of Changes in Equity

DKKk **Group**	Share capital	Retained earnings	Dividend	Total
Equity 1. juli 2021	1.010	107.696	30.000	138.706
Ordinary dividend	0	0	-30.000	-30.000
Net profit/loss for the year	0	29.671	10.000	39.671
Cash capital increase	0	10.531	0	10.531
Exchange adjustment, subsidiaries	0	-694	0	-694
Equity 1. juli 2022	**1.010**	**147.204**	**10.000**	**158.214**
Ordinary dividend	0	0	-10.000	-10.000
Net profit/loss for the year	0	-27.371	17.000	-10.371
Cash capital increase	0	54.646	0	54.646
Exchange adjustment, subsidiaries	0	-5.881	0	-5.881
Equity 30. juni 2023	**1.010**	**168.598**	**17.000**	**186.608**

DKKk **Parent Company**	Share capital	Reserve for net revaluation under the equity method	Reserve for develop-ment costs	Retained earnings	Dividend	Total
Equity 1. juli 2021	1.010	0	580	107.116	30.000	138.706
Ordinary dividend	0	0	0	0	-30.000	-30.000
Net profit/loss for the year	0	0	9.193	20.478	10.000	39.671
Cash capital increase	0	0	0	10.531	0	10.531
Exchange adjustment, subsidiary	0	0	0	-694	0	-694
Equity 1. juli 2022	**1.010**	0	**9.773**	**137.431**	**10.000**	**158.214**
Ordinary dividend	0	0	0	0	-10.000	-10.000
Net profit/loss for the year	0	0	3.297	-30.668	17.000	-10.371
Cash capital increase	0	0	0	54.646	0	54.646
Exchange adjustment, subsidiary	0	0	0	-5.881	0	-5.881
Equity 30. juni 2023	**1.010**	0	**13.070**	**155.528**	**17.000**	**186.608**

Cash Flow Statement

DKKk	Group 2022/23	2021/22
Net profit/loss for the year before tax	-15.356	6.489
Other operating income	0	138.442
Adjustment, depreciation	26.607	-118.395
Non-realised exchange regulation	-2.996	-475
Change in inventories	-16	-1.902
Change in receivables	-21.711	-51.001
Change in short-term debt	28.888	29.105
Change in long-term debt	-1.013	(2.507)
Corporation tax paid	-2.335	-7.014
Cash flow from operating activities	**12.068**	**-7.258**
Effect from acquisition/sale	-529	-964
Purchase of intangible assets etc.	-67.882	-67.380
Sale of intangible assets	0	42.341
Purchase of tangible assets	-2.483	-3.014
Sale of tangible assets	-4.993	138.750
Purchase of fixed asset investments	-230	-123
Sale of fixed asset investments	0	371
Cash flow from investing activities	**-76.117**	**109.981**
Change in loans from credit institutions	33.316	-7.756
Cash capital increase	54.646	10.531
Dividend paid	-10.000	-130.000
Cash flow from financing activities	**77.962**	**-127.225**
Change in cash and cash equivalents	**13.913**	**-24.502**
Cash and cash equivalents at 1. juli 2022	27.743	52.245
Cash and cash equivalents at 30. juni 2023	**41.656**	**27.743**
Cash and cash equivalents are specified as follows:		
Cash at bank and in hand	41.656	27.743
Cash and cash equivalents at 30. juni 2023	**41.656**	**27.743**

Notes to the Financial Statements

DKKk	Group 2022/23	Group 2021/22	Parent Company 2022/23	Parent Company 2021/22

1. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

2. Revenue

EU, Consultancy	284.579	255.191	151.515	127.257
EU, Enterprise	141.240	163.536	86.363	120.806
EU, Software	31.879	33.021	19.118	15.522
Total EU	457.698	451.748	256.996	263.585
Outside EU, Consultancy	52.423	36.958	52.423	36.958
Outside EU, Enterprise	0	0	0	0
Outside EU, Software	0	0	0	0
Total Outside EU	52.423	36.958	52.423	36.958
	510.121	**488.706**	**309.419**	**300.543**

3. Other operating income

Net profit from the sale of Envidan AS (Momentum solutions) in Norway.

4. Financial income

Interest received from Group enterprises	1.190	825	2.016	1.887
Other financial income	602	1.693	290	1.487
	1.792	2.518	2.306	3.374

5. Financial expenses

Interest paid to Group enterprises	0	0	0	0
Other financial expenses	6.071	7.501	5.555	6.923
	6.071	7.501	5.555	6.923

Notes to the Financial Statements

6. Tax on profit/loss for the year

Current tax for the year	172	4.557	0	3.067
Deferred tax for the year	-5.157	703	-775	308
Adjustment of tax concerning previous years	0	0	-158	0
	-4.985	**5.260**	**-933**	**3.375**
Provision for deferred tax at 1. juli 2022	18.131	17.618	13.627	13.319
Exchange adjustment	-359	-190	-	-
Amount recognised in the income statement for the year	-5.157	703	-933	308
Provision for deferred tax at 30. juni 2023	**12.615**	**18.131**	**12.694**	**13.627**

Notes to the Financial Statements

7. Intangible assets

Group DKKk	Goodwill	Development projects	Development projects in progress
Cost at 1. juli 2022	197.609	7.843	7.127
Exchange adjustments	-4.649	-195	-6
Additions for the year	59.586	480	7.816
Transferred for the year	0	14.704	-14.704
Cost at 30. juni 2023	252.546	22.832	233
Amortization 1. juli 2022	56.554	1.596	0
Exchange adjustments	-1.488	-150	0
Amortization for the year	15.300	4.010	0
Amortization 30. juni 2023	70.366	5.456	0
Carrying amount at 30. juni 2023	**182.180**	**17.376**	**233**
Amortization, production costs	15.300		
Depreciation, administration expenses		4.010	

Parent company DKKk	Goodwill	Development projects	Development projects in progress
Cost at 1. juli 2022	123.815	5.683	7.058
Additions for the year	0	0	7.808
Transferred for the year	-	14.633	-14.633
Cost at 30. juni 2023	123.815	20.316	233
Amortization 1. juli 2022	41.083	212	0
Amortization for the year	6.191	3.580	0
Amortization 30. juni 2023	47.274	3.792	0
Carrying amount at 30. juni 2023	**76.541**	**16.524**	**233**

Notes to the Financial Statements

7. Intangible assets - continued

Development projects relate to the development of new software and new versions of the Company's existing software products. During 2022-23 the Company have continued the rollout of the new and improved software product to existing and new customers.

In 2022-23 the Company initiated several development projects, with focus on developing a new data platform and developing existing software in terms of functionality, operational stability, and security.

The development projects are progressing according to the plan using the resources allocated by Management to the development. With the new platform and the updated products, the Company's software will continue to be sold in the present market to the Company's existing and new customers.

8. Property, plant and equipment

	Group		Parent Company	
DKKk	Leasehold improvements	Other fixtures and fittings, tools and equipment	Leasehold improvements	Other fixtures and fittings, tools and equipment
Cost at 1. juli 2022	5.107	17.102	4.890	15.472
Effect from acquisition/sale	141	1.107	0	0
Exchange adjustments	-20	-165	0	0
Additions for the year	316	2.167	62	1.520
Disposals for the year	-236	-2.370	-236	-2.147
Cost at 30. juni 2023	5.308	17.841	4.716	14.845
Depreciation 1. juli 2022	3.951	14.246	3.795	13.126
Effect from acquisition/sale	58	661	0	0
Exchange adjustments	-19	-141	0	0
Depreciation for the year	352	1.952	271	1.524
Reversal depreciation of sold assets	-236	-2.370	-236	-2.147
Depreciation 30. juni 2023	4.106	14.348	3.830	12.503
Carrying amount at 30. juni 2023	**1.202**	**3.493**	**886**	**2.342**
Depreciation, administration expenses	352	1.952	271	1.524

Notes to the Financial Statements

9. Fixed asset investments

DKKk **Group**	Deposits
Cost at 1. juli 2022	2.683
Exchange adjustments	-7
Effect from acquisition/sale	172
Additions for the year	230
Cost at 30. juni 2023	3.078
Carrying amount at 30. juni 2023	**3.078**

Parent Company	Investments in subsidiaries	Deposits
Cost at 1. juli 2022	64.854	2.626
Additions for the year	70.197	230
Cost at 30. juni 2023	135.051	2.856
Value adjustments at 1. juli 2022	-9.626	0
Exchange adjustments	-5.881	0
Net profit/loss for the year	-4.014	0
Amortisation of goodwill	-2.178	0
Value adjustments at 30. juni 2023	-21.699	0
Carrying amount at 30. juni 2023	**113.352**	**2.856**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Vote and ownership
Envidan AB	Helsingborg, Sweden	SEK 5.000k	100%
Envidan AS	Elverum, Norway	NOK 36k	100%
VA Ingenjörerna Renare Vatten RV AB	Solna, Sweden	SEK 75k	100%
Bangsgaard & Paludan ApS	Odense, Denmark	DKK 80k	100%
Sulfinizer ApS	Silkeborg, Denmark	DKK 500k	61%

Envidan

Notes to the Financial Statements

DKKk	Group 30-06-23	Group 30-06-22	Parent Company 30-06-23	Parent Company 30-06-22
10. Contract work in progress				
Selling price of work in progress	772.597	543.359	356.468	245.405
Payments received on account	-797.118	-554.756	-367.164	-256.417
	-24.521	**-11.397**	**-10.696**	**-11.012**
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	22.705	17.599	12.322	4.096
Prepayment received recognised in debt	-47.226	-28.996	-23.018	-15.108
	-24.521	**-11.397**	**-10.696**	**-11.012**

11. Other receivables and prepayments

Other receivables consist of receivables which are due for payment within 12 month from the year end.

Prepayments consist of prepaid expenses concerning rent, insurance premiums and subscriptions.

Notes to the Financial Statements

DKKk	Group 30-06-23	Group 30-06-22	Parent Company 30-06-23	Parent Company 30-06-22
12. Long-term debt				
Credit institutions	47.625	14.309	47.625	14.309
Other payables	10.704	11.717	10.704	11.717
	58.329	26.026	58.329	26.026
Due for payment within 1 year	-34.790	-14.309	-34.790	-14.309
Long-term debt	23.539	11.717	23.539	11.717
Due for payment after 5 years	0	0	0	0

13. Other debt and deferred income

Other debt consists of debt which is due for payment within 12 month from year end.

Deferred income consists of received income for recognition in subsequent financial years.

14. Contingent assets, liabilities and other financial obligations

DKKk	Group 30-06-23	Group 30-06-22	Parent Company 30-06-23	Parent Company 30-06-22
Rental and lease obligations				
Within 1 year	13.801	15.067	8.334	8.361
Total remaining obligations	38.238	42.138	25.218	26.014
Due for payment after 5 years	3.565	6.064	3.565	5.829

Envidan

Notes to the Financial Statements

14. Contingent assets, liabilities and other financial obligations - continued

Charges and security

	Group		Parent Company	
DKKk	30-06-23	30-06-22	30-06-23	30-06-22
The following assets have been issued as security with bankers:				
A floating charge of DKK 2.000k. The floating charge includes tangible fixed assets with a carrying amount of	3.228	3.441	3.228	3.441

All shares in Envidan A/S, Envidan AB and VA Ingenjörerna Renare Vatten RV AB have been pledged with first ranking priority to Jyske Bank, Denmark.

Contract obligations
The Company has entered into consortia with several partners with joint and several liability. The consortia have provided a guarantee for part of the contract amount.

Guarantee obligations
The Group has issued work guarantees to third parites at a total of DKK 95.418k and issued payment guarantees to third parties as security for leasehold rent of DKK 1.316k.

Other contingent liabilities
The Danish Group companies are jointly and severally liable for tax on the jointly taxed income etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of StandbyCo VIII ApS, which is the management Company of the joint taxation purposes. Moreover, the Danish Group Companies are jointly and severally liable for Danish witholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and witholding taxes may increase the Company's liability.

The Parent Company is party to two disputes on two specific customer projects. It is the view of Management that the outcome of these legal actions will have no significant impact on the Company's financial position beyond what has been recognised and stated in the Financial Statements.

Notes to the Financial Statements

15. Related parties

Controlling interest:
StandbyCo IX ApS, Vejlsøvej 23, 8600 Silkeborg, Parent Company
StandbyCo VIII ApS, Vejlsøvej 23, 8600 Silkeborg, Ultimate Parent Company

Transactions:
The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accourdance with section 98(c)(7) of the Danish Financial Statements Act. Transactions between Envidan a/s and related parties are on arm's length terms.

	Group		Parent Company	
DKKk	30-06-23	30-06-22	30-06-23	30-06-22
16. Staff				
Average number of employees	402	326	235	206
Wages and salaries	235.098	199.927	169.869	148.128
Pensions	8.743	8.096	1.938	1.714
Other social security expenses	19.489	17.086	1.905	1.713
	263.330	**225.109**	**173.712**	**151.555**
Including remuneration to the Executive Board	2.369	3.799	2.369	3.798
Including remuneration to the Board of Directors	75	60	75	60

17. Fee to auditors appointed at the general meeting

With reference to section 96(3) of the Danish Financial Statements Act and to the note concerning fee to auditors appointed at the general meeting in the consolidated financial statements of Envidan a/s, the Company has not prepared the note.

Accounting Policies

The Annual Report of Envidan a/s has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

In accordance with section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared for the Parent Company.

The accounting policies remain unchanged compared to last year.

The Consolidated Financial Statements and the Parent Company Financial Statements are presented in DKK thousands.

Recognition and measurement
Revenue is recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Basis of consolidation
The Consolidated Financial Statements comprise the Parent Company, Envidan a/s, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through shareholdings or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised internal profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

On acquisition of subsidiaries, the difference between cost and net asset value of the enterprise acquired is determined at the date of acquisition after the individual assets and liabilities having been adjusted to fair value (the purchase method). This includes allowing for any restructuring provisions determined in relation to the enterprise acquired. Any remaining positive

Accounting Policies

differences are recognised in intangible assets in the balance sheet as goodwill, which is amortised in the income statement on a straight-line basis over its estimated useful life which does not exceed 20 years. Any remaining negative differences are recognised in deferred income in the balance sheet as negative goodwill. Amounts attributable to expected losses or expenses are recognised as income in the income statement as the affairs and conditions to which the amounts relate materialise.

Negative goodwill not related to expected losses or expenses is recognised at an amount equal to the fair value of non-monetary assets in the income statement over the average useful life of the non-monetary assets.

Positive and negative differences from enterprises acquired may, due to changes to the recognition and measurement of net assets, be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Amortisation of goodwill is allocated in the Consolidated Financial Statements to the operations to which goodwill is related.

Amortisation of goodwill is recognised in "Amortisation, depreciation and impairment losses".

Minority interests
On determination of consolidated equity and results, the share of subsidiaries' equity and results attributable to minority interests is stated as separate items in the income statement and balance sheet. Minority interests are recognised based on the revaluation at fair value of acquired assets and liabilities at the time of acquisition of subsidiaries.

In case of subsequent changes in minority interests, the changed share is recognised in profit/loss from the time of the change.

Leases
Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an approximate value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element of the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies
Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange rate differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are measured at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at dates when the receivables or the payables arise are recognised in financial income and expenses in the income statement.

INCOME STATEMENT

Revenue
The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.
Revenue is recognised in the income statement where delivery and transfer of risk have been made to the buyer by year end.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Envidan

Accounting Policies

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company.

Production costs
Production costs comprise costs incurred to achieve revenue for the year. Cost comprises costs incurred to achieve revenue, direct labour costs and indirect production costs such as depreciation.

Distribution costs
Distribution costs comprise expenses in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles and depreciation.

Administrative expenses
Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Other operating income and expenses
Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the Company.

Profit/loss from investments in associates and Group enterprises
The items “Income from investments in subsidiaries” and “Income from investments in associates” in the income statement include the proportionate share of the profit/loss for the year less goodwill amortisation.

Financial income and expenses
Financial income and expenses are recognised in the income statement at the amounts which are related to the financial year.

Tax on profit/loss for the year
Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity. The tax recognised in the income statement is classified as tax on ordinary activities and tax on extraordinary items, respectively.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with other Danish group enterprises. The tax effect of the joint taxation is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed companies are included in the on-account taxation scheme.

BALANCE SHEET

Intangible assets
Acquired goodwill is measured at cost less accumulated amortisation.

Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management’s experience with the individual business areas or entities. Useful life is determined based on an assessment of the extent to which the enterprises are acquired for strategic purposes and have a significant market position and long-term earnings profile, and the extent to which the amount of goodwill includes fixed-term intangible resources which cannot be recognised as separate assets. Useful life is reassessed annually. The amortisation period is 10 years as it is a very stable and long-term market, where many of the customers have a long-term investment horizon.

Costs incurred on development projects comprise salaries, amortisation and other costs which are directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the Group can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This

Accounting Policies

applies if sufficient certainty exists that the value in use of future earnings can cover production costs, selling costs and administrative expenses as well as the development costs.

Development projects that do not qualify for recognition in the balance sheet are recognised as costs in the income statement as incurred.

Capitalised development costs are measured at the lower of cost less accumulated amortisation and impairment loss and the recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item “Reserve for development costs”. The reserve comprises only development costs recognised in financial years beginning on or after 1 July 2020. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

Capitalised development costs are amortised as from the date of completion on a straight-line basis over the period during which development work is expected to generate economic benefits.

Property, plant and equipment
Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Computer hardware	1-3 years
Fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3 years

Assets costing less than DKK 50,000 are expensed in the year of acquisition.

In connection with the acquisition of IT - software and hardware - the Company makes an assessment of whether such acquisition should be charged to the income statement or capitalised and depreciated over three years. The above-mentioned limit of DKK 50,000 is typically used in the assessment just as economic and technical lives are always taken into account.

Impairment of fixed assets
The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries and associates
Investments in subsidiaries and associates are recognised and measured under the equity method.

The items “Investments in group enterprises” and “Investments in subsidiaries” in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the date of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of any remaining value of positive or negative differences (goodwill or negative goodwill). Goodwill is amortised over a maximum of 20 years.

The total net revaluation of investments in subsidiaries and associates is transferred upon distribution of profit to “Reserve for net revaluation under the equity method” under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in subsidiaries and associates.

Subsidiaries and associates with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprises is recognised in provisions.

Receivables
The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are recognised in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Contract work in progress
Contract work in progress is measured at the selling price of the work performed determined on the basis of the stage of completion. The stage of completion is determined by the proportion that the contract costs incurred bear to the total expected costs of the contract. Where it is probable that total contract costs will exceed total revenues from a contract, the expected loss is recognised as costs in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of costs incurred and net realisable value.

Prepayments and payments received on account are deducted from the selling price. The individual contracts are classified as receivables when the net value is positive and as liabilities when the net value is negative.

Current expenses relating to sales activities, including project understanding/conclusion of contracts, are recorded on an ongoing basis and are usually charged to the income statement as incurred. Any calculation fees are recognised as income as the work is carried out, as are other contracts in progress.

When a contract/tender is won, a concrete assessment is made as to whether the expenses should be included in the total statement of time spent, and thus the recognition of profit, since time spent is considered part of the preliminary project work.

Current asset investments
Current asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted selling price.

Prepayments, assets
Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Dividends
Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities
Deferred tax is measured under the balance-sheet liability method on the basis of temporary differences between the carrying amount and the tax base of assets and liabilities measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Current tax receivables and liabilities
Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial debts
The Company has chosen IAS 39 as interpretation for recognition and measurement of debts. Other debts are measured at amortised cost, substantially corresponding to nominal value.

CASH FLOW STATEMENT
The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Accounting Policies

Cash flows from operating activities
Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities
Cash flows from investing activities comprise cash flows from acquisitions and disposals of property, plant and equipment, intangible assets as well as fixed asset investments.

Cash flows from financing activities
Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents
Cash and cash equivalents comprise “Cash at bank and in hand” and “Debt to banks”.

The cash flow statement cannot be immediately derived from the published financial records.

FINANCIAL HIGHLIGHTS

The financial ratios stated in the selected financial highlights have been calculated as follows:

Gross margin: Gross profit as a percentage of revenue

Profit margin: Profit/loss before financials as a percentage of revenue

Return on capital employed: Profit/loss before financials as a percentage of total assets

Solvency ratio: Equity as a percentage of total assets at end of the year

Return on equity: Profit or loss on ordinary activities before tax as a percentage of average equity

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Ole Fritz Adeler
Direktion
På vegne af: Envidan A/S
Serienummer: 5afb98e5-5fb8-45b8-a29d-93a0d3798a53
IP: 188.244.xxx.xxx
2023-10-02 08:06:24 UTC

Michael Flindt Nielsen
Direktion
På vegne af: Envidan A/S
Serienummer: 016573ac-708c-4262-b4ad-437c04dffedf
IP: 188.244.xxx.xxx
2023-10-02 08:59:45 UTC

Nicklas Skou Guldberg
Bestyrelse
På vegne af: Envidan A/S
Serienummer: PID:9208-2002-2-305209456858
IP: 195.249.xxx.xxx
2023-10-02 09:29:48 UTC

Joakim Sylvest Helm
Bestyrelse
På vegne af: Envidan A/S
Serienummer: 4db95ed8-800b-4cab-9c8a-fb67e46643b5
IP: 80.162.xxx.xxx
2023-10-02 09:43:06 UTC

Rinaldo Rosendaal
Bestyrelsesformand
På vegne af: Envidan A/S
Serienummer: rosendaal@waterland.nu
IP: 81.30.xxx.xxx
2023-10-02 09:46:45 UTC

Navnet er skjult
Bestyrelse
På vegne af: Envidan A/S
Serienummer: 912665a6-68b9-41f4-9546-dfcd8b1af90a
IP: 188.244.xxx.xxx
2023-10-02 10:00:15 UTC

Morten Fjerbæk
Bestyrelse
På vegne af: Envidan A/S
Serienummer: 38ddbb82-69fc-40ff-b8a8-0a565eae4728
IP: 80.208.xxx.xxx
2023-10-02 11:56:42 UTC

Jacob Kragh Andersen
Bestyrelse
På vegne af: Envidan A/S
Serienummer: 8b3fd457-657c-4ce6-a382-3e6013b9a119
IP: 80.71.xxx.xxx
2023-10-02 18:55:39 UTC

Camilla Rosenkrantz Schrold
Bestyrelse
På vegne af: Envidan A/S
Serienummer: b579fb35-c637-411b-8e76-ca36bb1c5da5
IP: 80.62.xxx.xxx
2023-10-03 09:20:53 UTC

Mikkel Sthyr
Statsautoriseret revisor
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: 0a4f07c7-86a6-41ca-a8a0-dd22161b0130
IP: 80.167.xxx.xxx
2023-10-03 09:36:23 UTC

Jesper Stier
Statsautoriseret revisor
På vegne af: EY Godkendt Revisionspartnerselskab
Serienummer: 1bff6dba-b2c7-4e9f-9d67-849721ba494f
IP: 94.189.xxx.xxx
2023-10-03 11:00:21 UTC

Michael Flindt Nielsen
Dirigent
På vegne af: Envidan A/S
Serienummer: 016573ac-708c-4262-b4ad-437c04dffedf
IP: 188.244.xxx.xxx
2023-11-20 07:04:07 UTC