



ZÜBLIN A/S

Hæstvej 46D

8380 Trige

CVR no. 26 42 84 24

Annual report 2023

Adopted at the annual general meeting on 8/5 2024

Steen Hager Nielsen
Chairman of the general meeting

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Statement by Management on the annual report

The Board of Directors and Executive Board have today considered and approved the annual report of ZÜBLIN A/S for the financial year 1 January - 31 December 2023.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

We believe that the management's review contains a fair review of the affairs and conditions referred to therein.

Management recommends that the annual report should be approved at the annual general meeting.

Trige, 30 April 2024

Executive Board

Anders Medin Feldbæk

Board of Directors

Steen Hager Nielsen
Chairman

Jens Michael Borgschulte

Niklot Ulrich Joachim Curt Von Bülow

Independent auditor's report

To the shareholder of ZÜBLIN A/S

Opinion

We have audited the financial statements of ZÜBLIN A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 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 financial statements" section of this auditor's report. We are independent of the Entity 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the 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 these financial statements.

As part of an audit conducted in accordance with ISAs and the 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- 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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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 in 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 by relevant law and regulations.

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 in the relevant law and regulations. We did not identify any material misstatement of the Management's review.

Aarhus, 30 April 2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Jacob Nørmark

State Authorised Public Accountant

Identification No (MNE) mne30176

Company details

Name	ZÜBLIN A/S
Address	Hæstvej 46D, 8380 Trige
Website	www.zueblin.dk
CVR-no.	26 42 84 24
Financial year	1 January - 31 December
Incorporated	1 January 2002
Registered in	Aarhus Kommune
Board of Directors	Steen Hager Nielsen, Chairman Jens Michael Borgschulte Niklot Ulrich Joachim Curt Von Bülow
Executive Board	Anders Medin Feldbæk
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Værkmestergade 2, 18. 8000 Aarhus C

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Output volume	124.727	600.884	650.086	514.126	699.515
Revenue	124.933	601.069	650.560	485.443	638.773
Gross profit	11.208	-130.553	-537.348	-44.873	127.720
Operating profit/loss	-24.474	-205.947	-676.148	-229.157	-68.816
Net financials	905	-22	-494	-614	-544
Profit/loss for the year	-20.536	-203.695	-674.429	-227.510	-85.889
Balance sheet total	475.580	552.244	596.744	650.052	466.895
Investment in property, plant and equipment	984	320	1.363	2.102	1.854
Share capital	1.000	1.000	1.000	1.000	1.000
Equity	44.005	36.952	-187.072	14.408	81.926
Financial ratios					
Gross margin	9,0%	-21,7%	-82,6%	-9,2%	20,0%
Operating margin	-19,6%	-34,3%	-103,9%	-47,2%	-10,8%
Current ratio	229,7%	237,5%	135,6%	119,7%	137,6%
Solvency ratio	9,3%	6,7%	-31,3%	2,2%	17,5%
Return on equity	-50,7%	N/A	N/A	-472,3%	-137,5%
Average number of employees	36	91	179	249	265

For definitions, see the summary of significant accounting policies.

Management's review

ZÜBLIN A/S (the Company) is a wholly owned subsidiary of the Austrian group, STRABAG SE (the Group), which is a European-based technology partner, listed in Austria.

The consolidated financial statements may be obtained on the Group's website, www.strabag.com.

Together with the Group, the Company has a huge capacity and is a professional contractor and a competent partner on appropriate projects. The Company covers all areas of ground engineering, civil engineering, infrastructure and building construction with focus on complex ground engineering projects and standalone buildings as well as major construction projects carried out in cooperation with the Group or other partners.

The Company's revenue in 2023 was lower compared to 2022. Volume of orders at the end of 2023 amounted to approx. DKK 211 million (end of 2022: DKK 113 million).

The Company has in 2023 been operating in two segments:

- Ground engineering
- Building construction and civil engineering

Revenue for 2023 for the segments:

Ground engineering DKK 943 thousand (2022: DKK 50,016 thousand)

Building construction and civil engineering DKK 123,990 thousand (2022: DKK 551,053 thousand)

Financial review

In 2023, the Company's revenue was DKK 124,933 thousand against DKK 601,069 thousand in 2022. The income statement for 2023 shows a loss of DKK 20,536 thousand against a loss of DKK 203,695 thousand in 2022, and the balance sheet at 31 December 2023 shows an equity of DKK 44,005 thousand.

Profit was below expectations for 2023. The reason for this was mainly due to lack of turnover.

In 2023 a capital contribution of DKK 28 million was given to the Company by the Group.

Ground engineering segment

The revenue and result in 2023 for the ground engineering segment were as expected. The activities in 2023 has primarily been finalization of ongoing projects. The ground engineering activities has at the same time been scaled down.

Going forward, the focus for ground engineering is to continue the development of the core business and on strengthening the corporation and synergies with the Group further.

Building construction and civil engineering segment

The revenue was lower than expected and the result for 2023 for the building construction segment was due to this lower than expected. The organisation is continuing the strategy with more focus on acquiring new projects and the market in general with focus on controlled growth. The order backlog has not developed as foreseen in 2023 due to the general market conditions.

For further information regarding the Group's segmentation, please visit www.strabag.com.

Recognition and measurement uncertainties

In connection with presentation of the annual report for 2023, the recognition and measurement of items in the financial statement are not subject to any significant uncertainties beyond what is considered usual for the sector, refer to note 2.

Knowledge resources

The Company's most important knowledge resources are its employees and the Group's know-how.

The Company works independently but in close cooperation with the Group regarding project planning and design, development and adjustment of materials and execution of the Company's projects. The Company also has close contact to affiliated companies in Sweden.

Financial risks

The Company's projects involve a number of commercial and financial risks that may affect its development, operations and financial position. Commercial and financial risks are not deemed to vary significantly from other risks related to the business. The Group is managing the financial risks centrally with coordination of the groups cash management. Reference is made to the Group's report and information regarding risk management at www.strabag.com (Strategy / Strategic Approach / Economic Responsibility).

Management's review

Price risks

Through its business foundation and policies laid down, Management at all levels actively addresses the risks deemed to be material to the business, including price fluctuations on significant materials.

Foreign currency risks

Due to the Company's activities, profit/loss, cash flows and equity are affected by the exchange rate and interest rate development of a number of currencies. It is company policy to hedge commercial foreign currency risks. The Company does not engage in any speculative currency transactions.

Interest rate risks

As net interest bearing debt is immaterial, moderate changes in the interest rate level will not directly affect earnings. Interest positions to hedge interest rate risks are therefore not entered.

Statutory CSR report

The Company's business strategy actively involves the environment and society and sets up targets for these areas. The Company has not prepared its own policies for CSR, including human rights, labour, environment and anti-corruption, but work based on overall group guidelines and policies for the area. Reference is made to the Group's annual report with information regarding CSR at www.strabag.com (Investor relations / Reports / Annual reports / 2023).

Data ethics

ZÜBLIN A/S has not established a policy for data ethics. Reason is that ZÜBLIN A/S is part of the listed STRABAG SE Group, that has an Ethics Business Compliance System also valid for handling of data. The Group policy is valid for all companies within the Group and can be found on www.strabag.com.

Account of the gender composition of Management

	2023	2022	2021	2020	2019
Board of directors					
Total number of members	3	3	3	3	4
% of the underrepresented gender	0%	0%	0%	0%	25%
Other management levels					
Total number of members	9	11	10	15	27
% of the underrepresented gender	11%	27%	20%	13%	11%

The Company's goal is to have at least 25% of both genders represented as board members appointed by the general meeting. In 2023, the goal has not been reached with 3 men and no woman on the board of directors. It is the objective for the under-represented gender to reach a 25% share at board level no later than 31 December 2026.

The Company is working to achieve and maintain gender balance in the organisation and to increase the percentage of the under-represented gender at other management levels. It is company policy to fill these positions with the best candidates and at the same time to upgrade women's leadership talent.

The initiatives taken for this include focus on having both genders from the Company present at job fairs and presentations of the Company in university forums and focus on the under-represented gender when recruitments are implemented. Within the Group the "Potential Management" program also gives an opportunity to focus on the under-represented gender when choosing candidates.

The average number of employees in 2023 are lower than 50 and the Company is therefore excepted from presenting a goal for the under-represented gender at other management levels.

Outlook

The turnover in 2024 will be slightly higher than in 2023. The order backlog is at a low level and is expected to increase the coming years. The result in 2024 is expected to be around zero.

Income statement 1 January - 31 December

Note	2023 TDKK	2022 TDKK
	<u> </u>	<u> </u>
3 Revenue	124.933	601.069
Other operating income	12.207	15.204
Construction materials, consumables and services used	-89.141	-699.075
Income from investments in joint ventures	5	0
Other external expenses	-36.796	-47.751
	<u> </u>	<u> </u>
Gross profit	11.208	-130.553
4 Staff costs	-34.541	-74.135
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment.	-1.141	-1.245
Other operating expenses	0	-14
	<u> </u>	<u> </u>
Profit/loss before financial income and expenses	-24.474	-205.947
5 Financial income	1.029	1.125
6 Financial costs	-124	-1.147
	<u> </u>	<u> </u>
Profit/loss before tax	-23.569	-205.969
7 Tax on profit/loss for the year	3.033	2.274
	<u> </u>	<u> </u>
Net profit/loss for the year	-20.536	-203.695
	<u> </u>	<u> </u>
8 Distribution of profit/loss		

Balance sheet 31 December

Note	2023 TDKK	2022 TDKK
ASSETS		
Software	0	0
9 Intangible assets	0	0
Plant and machinery	179	122
Other fixtures and fittings, tools and equipment	3.577	4.079
Leasehold improvements	88	154
10 Tangible assets	3.844	4.355
11 Investments in joint ventures	90.415	90.415
Fixed assets investments	90.415	90.415
Non-current assets total	94.259	94.770
Raw materials and consumables	46	1.496
Prepayments for stocks	3.474	0
Stocks	3.520	1.496
Trade receivables	214.612	273.484
12 Contract work in progress	18.877	43.805
13 Receivables from group companies	2.710	3.313
Other receivables	5.670	4.986
14 Prepayments	1.063	394
Receivables	242.932	325.982
Cash	134.869	129.996
Current assets total	381.321	457.474
ASSETS TOTAL	475.580	552.244

Balance sheet 31 December

Note	2023 TDKK	2022 TDKK
	<u> </u>	<u> </u>
EQUITY AND LIABILITIES		
Share capital	1.000	1.000
Retained earnings	-47.410	-54.463
Reserve for net revaluation according to equity method	90.415	90.415
	<u> </u>	<u> </u>
15 Equity	44.005	36.952
	<u> </u>	<u> </u>
16 Provisions	265.550	322.662
	<u> </u>	<u> </u>
Provisions total	265.550	322.662
	<u> </u>	<u> </u>
Trade payables	34.896	98.431
12 Contract work in progress	37.136	20
Payables to group companies	531	2.378
Payables to associates	88.635	88.516
Other payables	4.827	3.285
	<u> </u>	<u> </u>
Current liabilities	166.025	192.630
	<u> </u>	<u> </u>
EQUITY AND LIABILITIES TOTAL	475.580	552.244
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
1 Accounting policies		
2 Uncertainty in the recognition and measurement		
17 Rental agreements and lease commitments		
18 Contingent assets, liabilities and other financial obligations		
19 Related parties and ownership		
20 Fee to auditors appointed at the general meeting		

Statement of changes in equity

	Share Capital	Reserve for net revaluation according to equity method	Retained earnings	Total
Equity beginning of year	1.000	90.415	-54.463	36.952
Net profit/loss for the year	-	-	-20.536	-20.536
Contribution from group	-	-	27.589	27.589
Equity end of year	1.000	90.415	-47.410	44.005

Notes

1 Accounting policies

The annual report of ZÜBLIN A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied by the Company are consistent with those of last year.

The annual report for 2023 is presented in DKK thousands.

Omission to present a cash flow statement

ZÜBLIN A/S is recognised in the consolidated financial statements of STRABAG SE. Referring to section 86(4) of the Danish Financial Statements Act, ZÜBLIN A/S has decided not to prepare any cash flow statement for the Company, as the Group's total cash flows have been consolidated into the group STRABAG SE.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

Income from construction contracts where the purchaser has significantly influenced the construction of the asset is recognised as revenue as the production activities are carried out, implying that revenue corresponds to the market value of the contract work performed (production method). This method is used where the total income and expenses and the degree of completion of the contract can be made up reliably.

Where the income from a construction contract cannot be estimated reliably, contract revenue corresponding to the expenses incurred is recognised only in so far as it is probable that such expenses will be recoverable from the counterparty.

Income from the sale of services is recognised in revenue on a straight-line basis as the services are provided.

Revenue is recognised net of VAT, duties and sales discount and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises items of a secondary nature in relation to the Company's main activity, including profits on the sale of intangible assets and tangible fixed assets.

Construction materials, consumables and services used

Expenses for construction materials, consumables and services used include both direct and indirect costs incurred to generate revenue for the year as well as expected losses on ongoing construction work.

Net income from investment in joint ventures

The proportionate share of the profit or loss of the individual joint venture is recognised as operating result in the income statement under the item "Net income from investments in joint ventures".

Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc., including profits on the sale of intangible assets and tangible fixed assets.

Notes

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating expenses

Other operating expenses comprises items of a secondary nature in relation to the Company's main activity, including losses on the sale and retirements of intangible assets and tangible fixed assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amount relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactions, and surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Intangible assets

Intangible assets including software are measured at cost less accumulated amortisation and impairment losses. Software is amortised on a straight-line basis over 3 years.

The depreciable amount is cost during the useful life.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less costs to sell and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

Tangible assets

Items of plant and machinery, other fixtures and fittings, tools and equipment, and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the assets until the item is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Plant and machinery	3 - 5 years
Other fixtures and fittings, tools and equipment	3 - 10 years
Leasehold improvements	2 - 3 years

Estimated useful lives and residual values are reassessed annually.

Gains and losses from the sale of the tangible assets are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Notes

Joint arrangements

Joint arrangements are entities over which the company exercises joint control together with one or more companies. Joint control exists when the determination of the financial and operating policies requires the unanimous consent of all parties to the joint control.

Joint arrangements are classified as either joint ventures or joint operations. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

Investments in joint ventures are recognised and measured using the equity method.

The proportionate share of the profit or loss of the individual joint venture is recognised as operating result in the income statement.

In the balance sheet investments in joint ventures are measured at the proportionate share of the net asset value of joint ventures, calculated on the basis of the Company's accounting policies, less or plus unrealised intra-group gains or losses.

Investments in joint ventures with a negative net asset value are measured at DKK 0, and the carrying amount of any receivables from these entities is reduced to the extent that they are considered irrecoverable. If the Company has a legal or constructive obligation to cover a deficit that exceeds the receivable, the balance is recognised.

Net revaluations of investments in joint ventures are taken to the net revaluation reserve according to the equity method to the extent that the carrying amount exceeds the cost.

Joint operations are recognized and measured according to the interest in the arrangement. In accordance with the contractual share of assets, liabilities, revenue and expenses joint operations are accounted for as an integrated part of the financial statement (line by line).

Referring to section 5 of the Danish Financial Statements Act the joint arrangements, including the joint ventures in note 11 and the joint operation Lindø Port of Odense I/S, did not submit an annual report.

Stocks

Stocks are measured using the FIFO-method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

Raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Impairment of fixed assets

Intangible assets, property, plant and equipment are subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation. Impairment tests are conducted in respect of individual assets or groups of assets generating separate cash flows when there are indications of impairment. The assets are written down to the higher of the value in use net realisable value (recoverable amount) of the asset or group of assets if this is lower than the carrying amount. As for group of assets, impairment losses are first recognised in respect of goodwill and thereafter proportionately in respect of the other assets.

Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective indication that a receivable is impaired, which is measured on an individual basis.

Contract work in progress

Contract work in progress is measured at the market value of the work performed. The market value is measured based on the percentage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The percentage of completion is determined as the share of the costs incurred relative to the expected total costs for the individual work in progress.

Notes

Where the market value of work in progress cannot be reliably determined, the market value is measured at the lower of costs incurred and net realisable value.

Where the total expenses relating to the work in progress are expected to exceed the total market value, the expected loss is recognised as a loss-making agreement under "Provisions" and is expensed in the income statement.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds payments on account. Net liabilities comprise the sum of work in progress where payments on account exceeds the selling price.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Cash

Cash comprises bank deposits.

Provisions

Provisions comprise expected expenses relating to guarantee commitments, losses on work in progress, rebuildings, claims etc. Provisions are recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation concerned is expected to be settled far into the future.

Warranties comprise obligations to repair any defects within the warranty period of one to five years. Provisions for warranties are measured at net realisable value and recognised based on past experience.

If it is likely that total costs will exceed total income from contract work in progress, a provision is made for the total loss anticipated on the contract.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Financial liabilities

Financial liabilities are measured at net realisable value.

Segment information

Reference is made to the Management's review, page 6 and 7, where segment information is disclosed.

Notes

Financial Highlights

Definitions of financial ratios.

Gross margin	$\frac{\text{Gross Profit} \times 100}{\text{Revenue}}$
Operating margin	$\frac{\text{Operating profit/loss} \times 100}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets total} \times 100}{\text{Current liabilities}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit/loss for the year} \times 100}{\text{Average equity}}$
Output volume	Revenue including the proportional revenue of joint ventures.

Notes

2 Uncertainty in the recognition and measurement

The measurement of the net asset value of certain assets and liabilities requires an estimate of the effect of future events on these assets and liabilities on the balance sheet date.

The applied estimates are based on conditions considered reasonable by Management; however, these estimates will inherently be uncertain and unpredictable. The conditions might be incomplete or inaccurate, or unexpected events or circumstances might occur. Furthermore, the Company is subject to risks and uncertainties that could lead to the actual results deviating from these estimates.

Estimates, which are important to the presentation of the annual report, relate mainly to measurement of the market value of contract work in progress, which among other things are assessed on the basis of anticipated remaining costs and income. Changes to the assumptions regarding time schedule, prices and deliveries could have a material impact. Furthermore, it depends on the outcome of disputes concerning claims for additional payment, etc., which is determined among other things by the stage of negotiations with the counterpart as well as by an assessment of the probability of the outcome.

	2023 TDKK	2022 TDKK
3 Revenue		
Geographic markets		
Denmark	124.933	601.069
	124.933	601.069
Activities		
Ground engineering	943	50.016
Building construction and civil engineering	123.990	551.053
	124.933	601.069
4 Staff costs		
Wages and salaries	31.130	67.259
Pensions	2.337	4.442
Other social security costs	395	905
Other staff costs	679	1.529
	34.541	74.135

Notes

	2023 TDKK	2022 TDKK
Remuneration to members of management:		
Board of Directors	0	0
	0	0
Average number of employees	36	91

Referring to section 98b (3) of the Danish Financial Statements Act, remuneration to the Executive Board are not disclosed for since the management category had only one member.

5 Financial income

Other financial income	891	891
Exchange rate differences	138	234
	1.029	1.125

6 Financial costs

Financial costs, group	0	548
Other financial costs	28	503
Exchange rate differences	96	96
	124	1.147

7 Tax on profit/loss for the year

Current tax for the year	-3.033	-2.273
Deferred tax for the year	0	0
Adjustment of tax concerning previous years	0	-1
	-3.033	-2.274
Paid company tax	0	0

8 Distribution of profit

Reserve for net revaluation according to equity method	0	0
Retained earnings	-20.536	-203.695
	-20.536	-203.695

Notes

9 Intangible assets

	Software
Cost at 1 January	617
Additions for the year	0
Disposals for the year	0
Cost at 31 December	617
Depreciation at 1 January	617
Amortisation for the year	0
Disposals for the year	0
Depreciation at 31 December	617
Carrying amount at 31 December	0

10 Tangible assets

	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements
Cost at 1 January	279	11.782	1.114
Additions for the year	96	888	0
Disposals for the year	-9	-1.709	0
Cost at 31 December	366	10.961	1.114
Depreciation at 1 January	157	7.703	960
Depreciation for the year	39	1.036	66
Disposals for the year	-9	-1.355	0
Depreciation at 31 December	187	7.384	1.026
Carrying amount at 31 December	179	3.577	88

Notes

	2023	2022
	TDKK	TDKK
11 Investments in joint ventures		
Cost at 1 January	0	0
Additions for the year	0	0
Cost at 31 December	0	0
Revaluations at 1 January	90.415	90.415
Revaluations disposals	0	0
Net profit/loss for the year	0	0
Received dividend	0	0
Revaluations at 31 December	90.415	90.415
Carrying amount at 31 December	90.415	90.415

Investments in joint ventures are specified as follows:

Name	Place of registered office	Ownership/Votes
MetNord JV I/S	Copenhagen	60%/50%

12 Contract work in progress		
Work in progress, selling price	187.645	182.027
Work in progress, payments received on account	-205.904	-138.242
	-18.259	43.785

Recognised in the balance sheet as follows:

Contract work in progress under assets	18.877	43.805
Contract work in progress under liabilities	-37.136	-20
	-18.259	43.785

13 Receivables from group companies

Receivables from group companies consists of balances on intercompany accounts.

Notes

	2023	2022
	TDKK	TDKK
14 Prepayments		
Prepayments consists primarily of prepaid services, insurances and lease costs.		
15 Equity		
The share capital comprise 1,000 shares of a nominal value of DKK 1,000. No shares carry any special rights. There have been no changes in the share capital during the last 5 years.		
16 Provisions		
Provisions comprise provision for warranty commitment, totalling DKK 68,154 thousand (2022: DKK 116,204 thousand), provisions for losses on construction contracts in progress totalling DKK 0 thousand (2022: DKK 5,166 thousand). Other provisions totalling DKK 197,396 thousand (2022: DKK 201,292 thousand). Provisions are expected to mature with DKK 200,657 thousand within 1 year, DKK 60,980 thousand within 1-5 years and DKK 3.913 after 5 years.		
17 Rental agreements and lease commitments		
Rental and lease commitments		
Within 1 year	1.135	1.573
Between 1 and 5 years	2.676	0
	3.811	1.573

In addition, the Company also have rental and lease commitments of machinery and equipment related to contract work in progress.

18 Contingent assets, liabilities and other financial obligations

The Company is jointly taxed with the other Danish enterprises in the STRABAG Group. As administrative company, the Company has joint and several unlimited liability together with the other enterprises for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation unit. The jointly taxed enterprises' total known net liability for corporation taxes and withholding taxes on dividends, interest and royalties amounted to DKK 0 at 31 December 2023. Any subsequent corrections to the joint taxation income or withholding taxes, etc. may entail the Company's liability will increase.

The Company is part of various legal and arbitration cases, which are not expected to adversely affect the Company's financial position.

For contract works the Company has provided collateral by bank guarantees totalling DKK 110 million (2022: DKK 465 million). The Company participates in joint ventures with joint and several liability, where collateral is also provided by bank guarantees totalling DKK 26 million (2022: DKK 26 million).

Notes

19 Related parties and ownership

Züblins A/S' related parties comprise the following:

Controlling interest

Züblin Spezialtiefbau GmbH, Albstadtweg 1, D-70567 Stuttgart, Germany

Transactions

Transactions with related parties comprise transactions with companies within the STRABAG SE group including joint ventures in Denmark.

Work and services performed DKK 5,268 thousand (2022: DKK 45,605 thousand)

Work and services received DKK 12,941 thousand (2022: DKK 48,710 thousand)

Receivables as at 31 December 2023 DKK 2,710 thousand (2022: DKK 3,313 thousand)

Liabilities as at 31 December 2023 DKK 89,166 thousand (2022: 90,894 thousand)

Remuneration/fees to members of the Executive Board and the Board of Directors are reflected in note 4.

Consolidated financial statements

The Company is included in the group annual report of STRABAG SE, Austria.

The group annual report of STRABAG SE, Austria, may be obtained at the following address: www.strabag.com.

20 Fee to auditors appointed at the general meeting

ZÜBLIN A/S is recognised in the consolidated financial statements of STRABAG SE in which information about fee to auditors is provided for the group.