

DIS Group Holding A/S


Ørstedsvvej 10, 8660 Skanderborg

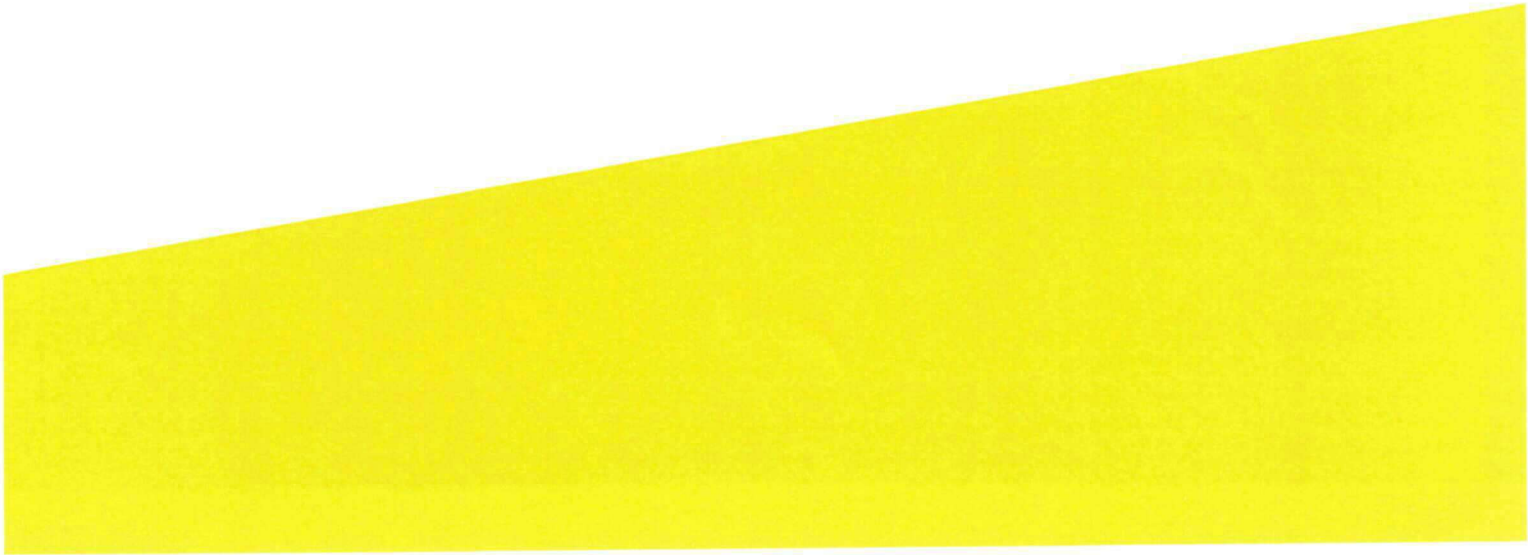
CVR no. 37 22 69 63

Annual report 2019/20

Approved at the Company's annual general meeting on 21 October 2020

Chairman:







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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of DIS Group Holding A/S for the financial year 1 July 2019 - 30 June 2020.

The annual report is 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 Company at 30 June 2020 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 July 2019 - 30 June 2020.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Company's operations and financial matters and the results of the Group's and the Company's operations and financial position.

We recommend that the annual report be approved at the annual general meeting.

Skanderborg, 21 October 2020
Executive Board:



Michael Carsten Christian
Gadeberg

Board of Directors:



Søren Bunk Jensen
Chairman



Søren Henning Rudfred



Anders Grønlund



Willi Rudolf Zinnecker



Michael Carsten Christian
Gadeberg

Independent auditor's report

To the shareholders of DIS Group Holding A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of DIS Group Holding A/S for the financial year 1 July 2019 - 30 June 2020, 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 June 2020, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 July 2019 - 30 June 2020 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 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 the 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:

Independent auditor's report

- ▶ 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.

Independent auditor's report

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.

Aarhus, 21 October 2020
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

A handwritten signature in blue ink, appearing to read 'P. Faurischou', written in a cursive style.

Peter U. Faurischou
State Authorised Public Accountant
mne34502



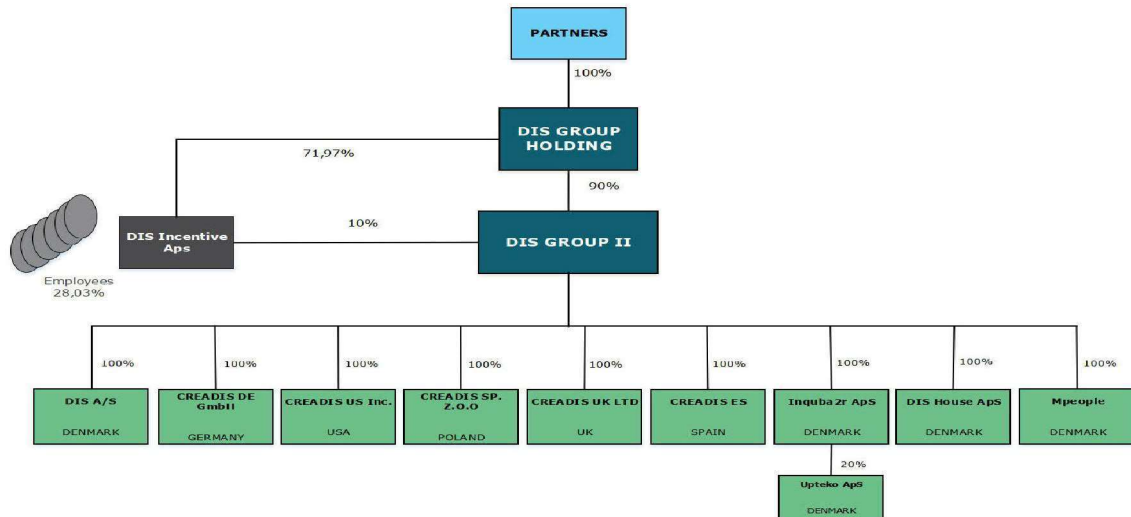
Management's review

Company details

Name	DIS Group Holding A/S
Address, Postal code, City	Ørstedesvej 10, 8660 Skanderborg
CVR no.	37 22 69 63
Established	11 November 2015
Registered office	Skanderborg
Financial year	1 July 2019 - 30 June 2020
Board of Directors	Søren Bunk Jensen, Chairman Søren Henning Rudfred Anders Grønlund Willi Rudolf Zinnecker Michael Carsten Christian Gadeberg
Executive Board	Michael Carsten Christian Gadeberg
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Group chart



Management's review

Financial highlights for the Group

DKK'000	2019/20	2018/19	2017/18	2016/17
Key figures				
Revenue	495,218	469,735	395,379	372,795
Gross profit	318,158	315,035	252,442	230,339
Operating profit/loss	30,431	41,486	15,246	36,925
Net financials	-2,190	-2,942	-1,469	-941
Profit for the year	19,542	28,703	6,960	26,806
Total assets				
Equity	98,645	79,262	51,044	43,523
Cash flows				
Cash flows from operating activities	51,283	43,392	-1,545	29,685
Net cash flows from investing activities	-3,255	-33,780	-815	-320
Investment in property, plant and equipment	-538	-1,518	-1,664	-3,351
Cash flows from financing activities	15,068	-25,042	-11,650	-26,461
Total cash flows	63,096	-15,430	-14,010	2,904
Financial ratios				
Return on assets	9.1%	14.9%	7.0%	17.8%
Current ratio	113.2%	97.9%	140.8%	127.1%
Equity ratio	27.6%	22.3%	20.5%	18.5%
Average number of employees	507	468	398	317

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations. For terms and definitions, please see the accounting policies.

Management's review

Business review

DIS Group's main activity consists of engineering and advisory services in industry with emphasis on turnkey solutions, consulting, product development and product optimization as well as development and production of test and production equipment. In addition, the Group operates investment activities.

Recognition and measurement uncertainties

There have been no significant recognition and measurement uncertainties in the financial statements for 2019/20.

Financial review

The income statement for 2019/20 shows a profit of DKK 19,542 thousand against a profit of DKK 28,703 thousand last year, and the group's balance sheet at 30 June 2020 shows equity of DKK 98,645 thousand.

The revenue generated on the US market continued to increase over the past financial year. Also the external sales on the Polish market increased. After some years of growth on the danish market the past financial year flattened out in terms of revenue, which was also foreseen in last years management review. The trend was already realized before Covid-19, but naturally intensified after the lock-down of the european economies. Profitability was increased overall and has been used to intensify investments in internationalization of the group.

The ongoing lock-down due to Covid-19 outbreak have diminished the growth of the company. Starting March the orderintake has slowed down and we experience a reluctance at customers to activate already planned development projects.

Under the given market conditions, we consider the results generated as satisfying.

New products

We focus on our customers' needs, and based on more than 20 years of experience, we have developed a number of processes, concepts and methods which ensure rapid time-to-market, high efficiency and innovative solutions.

We offer diversity and flexibility in our collaboration forms to ensure our customers that we have the best solutions for them. We offer several different types of agreements that can be tailored to the individual customers' needs or tasks.

Investments

Besides investing in the entry on new european markets and consolidation of position in existing markets the group has in October 2019 acquired Mpeople A/S. The acquisition is part of the strategy to consolidate the position of the already owned subsidiary UniConsulting ApS, the two companies will be merged in the coming year. A positive, but not significant, effect on profit is expected from the acquisition.

At the beginning of the financial year the Group also invested in Upteko A/S a start-up company focused on drone technologies and services. The investment is a minority investment and did not impact the profit for the year.

Capital resources

Besides investing in the entry on new european markets and consolidation of position in existing markets the group has in October 2019 acquired Mpeople A/S. The acquisition is part of the strategy to consolidate the position of the already owned subsidiary UniConsulting ApS, the two companies will be merged in the coming year. A positive, but not significant, effect on profit is expected from the acquisition. At the beginning of the financial year the Group also invested in Upteko A/S a start-up company focused on drone technologies and services. The investment is a minority investment and did not impact the profit for the year.

Our main driver for financing need is trade receivables and construction contracts. At year end, the Company's financial resources consist of DKK 58,450 thousand in cash available and unused credit facilities.

Management's review

Knowledge resources

It is essential for the continued growth to attract and retain competent employees. We employ very capable engineers with bachelor, masters and PhD degrees in mechanics, electrical engineering & automation, hardware, software, industrial design and project management. They all have a solid theoretical and practical foundation and are specialists in their respective fields. Our employees are passionate about technology and are innovative and flexible and are among the best in their field.

Special risks

The Group is not exposed to particular risks beyond what normally occurs in the industry. The ongoing lock-down due to Covid-19 is causing a decreasing revenue for the group. The full effect of the Covid-19 situation depends on the risk profile at customers and willingness to sign new orders. Our supply chain and work procedures are designed to cope with the situation.

Financial risks

Our main financial risks refer to the trading currencies and credit risks. There is a trend in the market towards constantly longer payment terms and this increases our outstanding debtor balance mass significantly.

Currency risks

The Group invoices customers mainly in DKK, USD and EUR. We also invoice in PLN and GBP. The group has a structured policy to mitigate risks for currency fluctuations, where the net-cash flow in one currency is significant.

Credit Risks

The Group operates a worldwide credit insurance program covering major credit risks.

Research and development activities

The Group's services are undergoing steady development, without any actual development activities being carried out.

Statutory CSR report

Human rights

We acknowledge that all people are different in personality, background and demographic conditions. Now we have employees with 26 different nationalities and we believe that our diversity helps make us stronger and that our differences improve our creativity and innovation. We contribute positively to the employees' health by combining efforts to improve working environments with initiatives directed towards a healthier lifestyle and increased well-being.

Our policies concerning social responsibility include human rights policies. Our risk consists of participating in supply chains where there are up- or down-streams problems with basic human rights. The Group mitigates this risk individually when it occurs and are also referring suppliers and customers to our code of conduct.

In 2019/20 we have continued our policy and encouraged all employees to report on any violations of human rights.

There has been no reported incidents on human rights violations in 2019/20.

See our website for further information: <https://en.creadis.com/about-creadis/code-of-conduct/>.

Social and employee conditions

DIS Group Holding A/S' most material risk related to social and employee conditions is to ensure well-being amongst employees.

We acknowledge that all people are different in personality, background and demographic conditions. Now we have employees with 26 different nationalities and we believe that our diversity helps make us stronger and that our differences improve our creativity and innovation. We contribute positively to the employees' health by combining efforts to improve working environments with initiatives directed towards a healthier lifestyle and increased well-being.

Management's review

In 2018 the Group was named Europe's 3rd best workplace for engineering companies, and the output of the Great Place to Work® survey is actively used to improve the daily work life for the employees.

We want to contribute to society, both locally and globally and therefore we are involved in several charity initiatives. Common to the initiatives and organizations we support is that our support must make a difference. Some of these are regularly occurring events and initiatives that, through the years, have become part of our identity, while others are individual events or donations that inspire us at the time.

Climate and Environmental aspects

The Group is environmentally conscious and continuously works to reduce the environmental impact of the Company by providing different initiatives to support and ensure a better climate and environment both internally and externally.

The Group has no own production facilities and therefore does not affect the external environment to an extent that exceeds office companies within most liberal professions.

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The Group assesses the risks connected to climate and environmental aspects as limited and has no specific policies for climate and environmental impacts.

Anticorruption

The most material risk related to anticorruption is ensuring that our employees do not participate in frauds of any kind.

Our employees are prohibited from participating in frauds of any kind. We want openness to be the guideline of our work and can't accept hidden transactions to control our business. As a company and organization, we are depending on our integrity in every situation. If employees are offered money or similar unusual gifts they should report this to management immediately.

In 2019/20 we have again obliged all employees to report on any violations of our anticorruption policy.

There has been no reported incidents on anti corruption violations in 2019/20.

Account of the gender composition of Management

It is the Company's policy and goal that positions must be filled to the best suitable candidates. Management continuously works to ensure equal opportunities for men and women at all levels of the Company.

In the Group, the distribution of men and women is highly influenced by our profession and industry. This means that there are proportionally more men than women in the Company. Even though we would like to see more gender equality, we are challenged by reality, where only few women choose the engineering path. The administrative functions that do not require an engineering background are, on the other hand, mostly employed by women.

The Group has, with reference to Danish Act no. 1883 of December 23rd of 2012, a goal of electing at least one female member of the Board of Directors at the general assembly 2018. This is a target for the Group, but is not to be considered as a fixed quota. The most important condition when electing members of the board is the competences and relevant experience of the individual board member and the composition of the board in total.

Companies in the Group to report:

- DIS Group Holding A/S: the Board of Directors consists of 5 men and 0 women as of 30 June 2020
- Dansk IngeniørService A/S: the Board of Directors consists of 5 men and 0 women as of 30 June 2020.

There has been elected no new members in the Board of Directors for DIS Group Holding A/S and Dansk IngeniørService A/S and the goals have not been achieved.

Management's review

The Group has, with reference to Danish Act no. 1883 of December 23rd of 2012, a goal of electing at least one female member of the Board of Directors at the general assembly 2020. This is a target for the Group, but is not to be considered as a fixed quota. The most important condition when electing members of the board is the competences and relevant experience of the individual board member and the composition of the board in total.

The Board of Directors of DIS Group Holding A/S has also adopted a policy to increase the proportion of women at management levels in general, as the Board of Directors is aware that the proportion of women at management level is lower than the employee composition in general. The Group's companies must therefore make a targeted effort to ensure the best possible representation of women among the candidates when hiring at management positions. It is a goal that at least one of every gender is among the last three candidates in the recruitment process. The policy is formally applicable to the subsidiary of Dansk IngeniørService A/S, but fundamentally the same attitude is reflected in the Group's other companies.

The proportion of women at management levels in DIS Group Holding A/S has increased from 10% to 13% in the last year. For Dansk IngeniørService A/S the proportion have been unchanged 12%.

Events after the balance sheet date

Since the balance sheet date the Covid-19 continues to affect the performance of the company. Currently it is not possible to quantify the effect of the situation. The groups structure and workprocedures are well suited for work-from-home situations and the major impact by Covid-19 realized is due to reluctance at customers to startup new projects.

No other events materially affecting the Group's and the Company's financial position have occurred subsequent to the financial year-end.

Outlook

We see the Danish market, our main market, as a mature market with very high competition and continuously closer margins. The Danish market for consultancy services is dominated by customers with intensive focus on price and pricing models. We regard high quality as the main driver for future success for both us and our customers. Due to challenging market conditions, the Group's margin is still expected to be under some pressure in the coming year.

For the coming year, a minor increase in activity level and a corresponding increase in earnings are expected. Our Spanish activities are expected to increase in the coming financial year, and at the same time our US and Polish operations are expected to consolidate and mature their position on their respective markets. We expect future growth to be realized on markets outside Denmark. As long as the effects of the Covid-19 restrictions are not quantifiable this remains a significant uncertainty in regards of forecasting coming years outlook. The Covid-19 effect is primarily seen as reluctance by customers to start up new projects. Our supply chain and work procedures are well suited for a continuous work from home situation.

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Income statement

Note	DKK'000	Group		Parent company	
		2019/20	2018/19	2019/20	2018/19
2	Revenue	495,218	469,735	0	0
	Cost of sales	-123,461	-101,760	0	0
	Other operating income	1,313	229	150	0
	Other external expenses	-54,912	-53,169	-72	-244
	Gross profit	318,158	315,035	78	-244
3	Staff costs	-279,083	-266,429	0	0
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-7,330	-6,891	0	0
	Profit/loss before net financials	31,745	41,715	78	-244
	Income from investments in group enterprises	0	0	18,698	29,240
	Income from investments in associates	-800	0	0	0
4	Financial income	1,645	728	1,317	506
5	Financial expenses	-3,835	-3,670	-1,120	-1,943
	Profit before tax	28,755	38,773	18,973	27,559
6	Tax for the year	-9,213	-10,070	150	467
	Profit for the year	19,542	28,703	19,123	28,026
	Specification of the Group's results of operations:				
	Shareholders in DIS Group Holding A/S	19,123	28,026		
	Non-controlling interests	419	677		
		19,542	28,703		

Consolidated financial statements and parent company financial statements 1 July 2019 -
30 June 2020

Balance sheet

Note	DKK'000	Group		Parent company	
		2019/20	2018/19	2019/20	2018/19
		ASSETS			
		Fixed assets			
7	Intangible assets				
	Acquired intangible assets	130	55	0	0
	Goodwill	90,393	80,193	0	0
		<u>90,523</u>	<u>80,248</u>	<u>0</u>	<u>0</u>
8	Property, plant and equipment				
	Land and buildings	64,547	65,986	0	0
	Fixtures and fittings, other plant and equipment	1,436	2,463	0	0
	Leasehold improvements	70	380	0	0
		<u>66,053</u>	<u>68,829</u>	<u>0</u>	<u>0</u>
9	Investments				
	Investments in group enterprises	0	0	129,158	127,219
	Investments in associates	500	0	0	0
	Other receivables	0	3,099	0	0
	Deposits, investments	1,699	519	0	0
		<u>2,199</u>	<u>3,618</u>	<u>129,158</u>	<u>127,219</u>
	Total fixed assets	<u>158,775</u>	<u>152,695</u>	<u>129,158</u>	<u>127,219</u>
	to be carried forward	158,775	152,695	129,158	127,219

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Balance sheet (continued)

Note	DKK'000	Group		Parent company	
		2019/20	2018/19	2019/20	2018/19
	brought forward	158,775	152,695	129,158	127,219
	Non-fixed assets				
	Inventories				
	Finished goods and goods for resale	181	85	0	0
		181	85	0	0
	Receivables				
	Trade receivables	103,025	141,561	0	0
10	Construction contracts	8,261	5,576	0	0
	Receivables from group enterprises	0	0	3,615	2,486
	Receivables from associates	0	6,182	0	5,382
	Corporation tax receivable	0	0	1,619	1,876
	Other receivables	2,114	4,974	118	132
11	Prepayments	5,832	2,610	0	0
		119,232	160,903	5,352	9,876
	Cash	58,450	17,943	533	749
	Total non-fixed assets	177,863	178,931	5,885	10,625
	TOTAL ASSETS	336,638	331,626	135,043	137,844

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Balance sheet (continued)

Note	DKK'000	Group		Parent company	
		2019/20	2018/19	2019/20	2018/19
	brought forward	71,290	60,414	15,232	36,275
	Current liabilities other than provisions				
14	Short-term part of long-term liabilities other than provisions	23,846	23,765	22,058	22,367
	Bank debt	16,370	38,959	0	0
10	Construction contracts	4,783	1,663	0	0
	Trade payables	23,632	19,697	0	0
	Payables to group enterprises	0	0	3	0
	Payables to associates	0	26,244	0	0
	Corporation tax payable	2,383	744	0	0
	Other payables	85,135	71,644	4,795	5,409
	Deferred income	905	0	0	0
		<u>157,054</u>	<u>182,716</u>	<u>26,856</u>	<u>27,776</u>
	Total liabilities other than provisions	<u>228,344</u>	<u>243,130</u>	<u>42,088</u>	<u>64,051</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>336,638</u></u>	<u><u>331,626</u></u>	<u><u>135,043</u></u>	<u><u>137,844</u></u>

- 1 Accounting policies
- 15 Contractual obligations and contingencies, etc.
- 16 Contingent assets
- 17 Collateral
- 18 Fee to the auditors appointed by the Company in general meeting
- 19 Appropriation of profit

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Statement of changes in equity

Note	DKK'000	Group				
		Share capital	Retained earnings	Total	Noncontrolling interests	Total equity
	Equity at 1 July 2018	500	46,277	46,777	4,772	51,549
	Transfer through appropriation of profit	0	28,026	28,026	677	28,703
	Other value adjustments of equity	0	-1,010	-1,010	20	-990
	Equity at 1 July 2019	500	73,293	73,793	5,469	79,262
	Additions	0	0	0	358	358
	Transfer through appropriation of profit	0	19,123	19,123	419	19,542
	Other value adjustments of equity	0	39	39	-33	6
	Dividend	0	0	0	-523	-523
	Equity at 30 June 2020	500	92,455	92,955	5,690	98,645

Note	DKK'000	Parent company		
		Share capital	Retained earnings	Total
	Equity at 1 July 2018	500	45,772	46,272
19	Transfer, see "Appropriation of profit"	0	28,026	28,026
	Other value adjustments of equity	0	-505	-505
	Equity at 1 July 2019	500	73,293	73,793
19	Transfer, see "Appropriation of profit"	0	19,123	19,123
	Adjustment of investments through foreign exchange adjustments	0	39	39
	Equity at 30 June 2020	500	92,455	92,955

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Cash flow statement

Note	DKK'000	Group	
		2019/20	2018/19
	Profit for the year	19,542	28,703
20	Adjustments	20,019	18,790
	Cash generated from operations (operating activities)	39,561	47,493
21	Changes in working capital	23,344	7,198
	Cash generated from operations (operating activities)	62,905	54,691
	Interest received, etc.	1,645	728
	Interest paid, etc.	-3,835	-3,670
	Income taxes paid	-9,432	-8,357
	Cash flows from operating activities	51,283	43,392
	Additions of intangible assets	-145	0
	Additions of property, plant and equipment	-538	-1,518
	Disposals of property, plant and equipment	804	367
	Purchase of financial assets	-428	-229
	Acquisition of companies and activities	-2,948	-32,400
	Cash flows to investing activities	-3,255	-33,780
	Dividends paid	-523	0
	Proceeds of debt, associates	37,380	33,447
	Repayments, long-term liabilities	-12,756	-11,499
	Repayments, borrowings from associates	-9,033	-46,990
	Cash flows from financing activities	15,068	-25,042
	Net cash flow	63,096	-15,430
	Cash and cash equivalents at 1 July	-21,016	4,438
	Cash from acquisition of companies	0	-10,024
	Cash and cash equivalents at 30 June	42,080	-21,016

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies

The annual report of DIS Group Holding A/S for 2019/20 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

There are no changes related to applying large reporting class C entities (last year medium-sized reporting class C entities) except from additional notes.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Goodwill relating to the non-controlling interests' share of the acquiree is thus recognised.

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies (continued)

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of subsidiaries which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and 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 rate 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 most recent financial statements is recognised in the income statement as financial income or financial expenses.

Foreign group entities

Foreign subsidiaries and associates are considered separate entities. Items in such entities' income statements are translated at an average exchange rate for the month, and balance sheet items are translated at closing rates. Foreign exchange differences arising on translation of the opening equity of foreign subsidiaries to closing rates and on translation of the income statements from average exchange rates to closing rates are taken directly to equity.

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies (continued)

Income statement

Revenue

Income from the rendering of services is recognised as revenue as the services are rendered. Accordingly, revenue corresponds to the market value of the services rendered during the year (percentage-of-completion method).

Income from construction contracts involving a high degree of customisation is recognised as revenue by reference to the stage of completion. Accordingly, revenue corresponds to the market value of the contract work performed during the year (percentage-of-completion method). This method is used where the total income and expenses and the degree of completion of the contract can be measured reliably.

Where 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.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

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

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The cost net of the expected residual value for completed development projects and acquired IP rights is amortised over the expected useful life. Acquired IP rights include patents, rights and licences.

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Acquired intangible assets	10 years
Goodwill	10-20 years

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies (continued)

Investments in subsidiaries, that are considered to be strategically important to the entity, considering the entity's expected plans for an increase in activities and earnings, the useful life of goodwill is fixed at 20 years.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Fixtures and fittings, other plant and equipment	3-4 years
Leasehold improvements	5 years

Profit/loss from investments in subsidiaries and associates

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries and associates are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries. Only proportionate elimination of intra-group gains/losses is made for equity investments in associates.

The proportionate share of the individual subsidiaries' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Goodwill is measured at cost less accumulated amortisation and impairment losses.

Other intangible assets include development projects and other acquired intangible rights.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Leases

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Investments in subsidiaries and associates

On initial recognition, investments in subsidiaries and associates are measured at cost and subsequently at the proportionate share of the enterprises' net asset values calculated in accordance with the parent company's accounting policies less or plus any residual value of positive or negative goodwill determined in accordance with the acquisition method. Subsidiaries and associates with a negative net asset value are measured at DKK 0, and any amounts owed by such enterprises are written down by the parent company's share of the net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amounts owed, the remaining amount is recognised under provisions if the parent company has a legal or a constructive obligation to cover the enterprise's deficit. Net revaluations of investments in subsidiaries and associates are transferred to the net revaluation reserve according to the equity method in so far as the carrying amount exceeds the acquisition cost.

On initial recognition, equity investments in subsidiaries and associates are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies (continued)

Equity investments in subsidiaries and associates measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in subsidiaries and associates is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Construction contracts

Service supplies and contract work in progress for third parties are measured at the market value of the work performed less progress billings. The market value is calculated based on the stage of completion at the balance sheet date and the total expected income from the relevant contract. The stage of completion is calculated based on the expenses incurred relative to the expected total expenses relating to the relevant contract.

Where the outcome of contract work in progress cannot be estimated reliably, the market value is measured at the expenses incurred in so far as they are expected to be paid by the purchaser.

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 value of work in progress less progress billings is classified as assets when the selling price exceeds progress billings and as liabilities when progress billings exceed the market value.

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies (continued)

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Equity

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date 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 is expected to be settled far into the future.

Warranties comprise obligations to repair any defects within the warranty period of 1-5 years. Provisions for warranties are measured at net realisable value and recognised based on past experience. Provisions that are estimated to mature more than one year after the balance sheet date are discounted at the average bond yields.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

1 Accounting policies (continued)

Other payables

Other payables are measured at net realisable value.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines.

DKK'000	Group		Parent company	
	2019/20	2018/19	2019/20	2018/19
2 Segment information				
Breakdown of revenue by geographical segment:				
Denmark	426,989	402,238	0	0
EU	36,087	43,450	0	0
Other	32,142	24,047	0	0
	<u>495,218</u>	<u>469,735</u>	<u>0</u>	<u>0</u>

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Notes to the financial statements

DKK'000	Group		Parent company	
	2019/20	2018/19	2019/20	2018/19
3 Staff costs				
Wages/salaries	250,877	236,891	0	0
Pensions	14,647	13,371	0	0
Other social security costs	11,164	10,351	0	0
Other staff costs	2,395	5,816	0	0
	<u>279,083</u>	<u>266,429</u>	<u>0</u>	<u>0</u>
Average number of full-time employees	<u>507</u>	<u>468</u>	<u>0</u>	<u>0</u>
Remuneration to members of Management:				
Executive Board	2,820	2,765	0	0
Board of Directors	254	318	0	0
	<u>3,074</u>	<u>3,083</u>	<u>0</u>	<u>0</u>
Remuneration to Executive Board consists of all members during the year.				
Parent company				
The Parent Company has no employees.				
4 Financial income				
Income from other investments, securities and receivables that are non-current assets	956	449	956	449
Interest receivable, group entities	0	0	357	57
Other financial income	689	279	4	0
	<u>1,645</u>	<u>728</u>	<u>1,317</u>	<u>506</u>
5 Financial expenses				
Interest expenses, group entities	0	0	0	8
Interest expenses, associates	564	792	564	792
Other financial expenses	3,271	2,878	556	1,143
	<u>3,835</u>	<u>3,670</u>	<u>1,120</u>	<u>1,943</u>

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

DKK'000	Group		Parent company	
	2019/20	2018/19	2019/20	2018/19
6 Tax for the year				
Estimated tax charge for the year	9,021	8,485	0	0
Deferred tax adjustments in the year	192	1,584	0	0
Tax adjustments, prior years	0	1	0	2
Refund in joint taxation	0	0	-150	-469
	<u>9,213</u>	<u>10,070</u>	<u>-150</u>	<u>-467</u>

7 Intangible assets

DKK'000	Group		
	Acquired intangible assets	Goodwill	Total
Cost at 1 July 2019	143	96,946	97,089
Additions	145	15,362	15,507
Cost at 30 June 2020	<u>288</u>	<u>112,308</u>	<u>112,596</u>
Impairment losses and amortisation at 1 July 2019	88	16,753	16,841
Foreign exchange adjustments	10	0	10
Amortisation for the year	60	5,162	5,222
Impairment losses and amortisation at 30 June 2020	<u>158</u>	<u>21,915</u>	<u>22,073</u>
Carrying amount at 30 June 2020	<u>130</u>	<u>90,393</u>	<u>90,523</u>
Amortised over	<u>10 years</u>	<u>20 years</u>	

The Group's investments in subsidiaries are considered to be strategically important to the entity. Considering the entity's expected plans for an increase in activities and earnings, the useful life of goodwill is fixed at 20 years.

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

8 Property, plant and equipment

DKK'000	Group			Total
	Land and buildings	Fixtures and fittings, other plant and equipment	Leasehold improvements	
Cost at 1 July 2019	66,152	9,283	1,077	76,512
Foreign exchange adjustments	-33	-49	0	-82
Additions on merger / corporate acquisition	0	193	0	193
Additions	0	538	0	538
Disposals	0	-2,263	0	-2,263
Transferred	241	0	-241	0
Cost at 30 June 2020	66,360	7,702	836	74,898
Impairment losses and depreciation at 1 July 2019	166	6,820	697	7,683
Foreign exchange adjustments	0	-19	0	-19
Accumulated impairment losses and depreciation of additions through mergers and business combinations	0	82	0	82
Depreciation	1,647	1,095	69	2,811
Reversal of accumulated depreciation and impairment of assets disposed	0	-1,712	0	-1,712
Impairment losses and depreciation at 30 June 2020	1,813	6,266	766	8,845
Carrying amount at 30 June 2020	64,547	1,436	70	66,053
Depreciated over		3-4 years	5 years	

9 Investments

DKK'000	Parent company Investments in group enterprises
Cost at 1 July 2019	225,014
Foreign exchange adjustments	1
Additions	812
Disposals	-244
Cost at 30 June 2020	225,583
Value adjustments at 1 July 2019	-97,795
Foreign exchange adjustments	67
Dividend received	-17,395
Profit/loss for the year	18,698
Value adjustments at 30 June 2020	-96,425
Carrying amount at 30 June 2020	129,158

The Group's investments in subsidiaries are considered to be strategically important to the entity. Considering the entity's expected plans for an increase in activities and earnings, the useful life of goodwill is fixed at 20 years.

Consolidated financial statements and parent company financial statements 1 July 2019 - 30 June 2020

Notes to the financial statements

DKK'000	Group		Parent company	
	2019/20	2018/19	2019/20	2018/19
10 Construction contracts				
Selling price of work performed	32,136	22,801	0	0
Progress billings	-28,658	-18,888	0	0
	<u>3,478</u>	<u>3,913</u>	<u>0</u>	<u>0</u>
recognised as follows:				
Construction contracts(assets)	8,261	5,576	0	0
Construction contracts(liabilities)	-4,783	-1,663	0	0
	<u>3,478</u>	<u>3,913</u>	<u>0</u>	<u>0</u>

11 Prepayments

Group

Prepayments include accrual of expenses relating to subsequent financial years, including rent, insurance policies and licenses.

DKK'000	Parent company	
	2019/20	2018/19
12 Share capital		
Analysis of the share capital:		
500 A shares of DKK 1,000.00 nominal value each	500	500
	<u>500</u>	<u>500</u>

The parent's share capital has remained DKK 500 thousand over the past 4 years.

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Notes to the financial statements

DKK'000	Group		Parent company	
	2019/20	2018/19	2019/20	2018/19
13 Deferred tax				
Deferred tax at 1 July	9,234	942	0	0
Adjustment earlier years	252	132	0	0
Additions on corporate acquisition	-29	6,576	0	0
Adjustment of the year	192	1,584	0	0
Deferred tax at 30 June	9,649	9,234	0	0
Deferred tax relates to:				
Intangible assets	-2	0	0	0
Property, plant and equipment	5,965	6,347	0	0
Receivables	3,653	2,860	0	0
Liabilities	33	27	0	0
	9,649	9,234	0	0

Group

Besides the tax loss recognised in the statement of deferred tax, the Group has additional tax loss carry-forwards at a carrying amount of DKK 5,375 thousand. As it is uncertain if these tax losses can be utilised within a foreseeable future, the carrying amount has not been recognised in the financial statements. See note 16 for further details.

14 Non-current liabilities other than provisions

DKK'000	Group			
	Total debt at 30/6 2020	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Mortgage debt	35,852	1,788	34,064	26,822
Bank debt	11,927	11,600	327	0
Payables to associates	24,414	10,458	13,956	0
Corporation tax payable	5,692	0	5,692	0
Other payables	17,251	0	17,251	0
	95,136	23,846	71,290	26,822
	Parent company			
DKK'000	Total debt at 30/6 2020	Repayment, next year	Long-term portion	Outstanding debt after 5 years
Bank debt	11,927	11,600	327	0
Payables to associates	24,414	10,458	13,956	0
Other payables	949	0	949	0
	37,290	22,058	15,232	0

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Notes to the financial statements

15 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK'000	Group		Parent company	
	2019/20	2018/19	2019/20	2018/19
Rent and lease liabilities	22,620	35,804	0	0

Group

Rent and lease liabilities include a rent obligation totalling DKK 21,697 thousand in interminable rent agreements with remaining contract terms of 1-6 years. Furthermore, the Company has liabilities under operating leases for cars and IT equipment, totalling DKK 923 thousand, with remaining contract terms of 1-3 year.

Parent company

As management company, the Company is jointly taxed with other Danish group entities. The Company has joint and several liability with other jointly taxed group entities for payment of income taxes and withholding taxes.

16 Contingent assets

The Group has tax loss carry-forwards totalling DKK 18,451 thousand in foreign subsidiaries. The nominal value thereof is 29.13%, totalling DKK 5,375 thousand. The amount has not been recognised in the balance sheet due to the uncertainty as to the utilisation of the tax losses.

17 Collateral

Group

As security for DIS House ApS' debt to mortgage credit institutions the Group has provided security. The total carrying amount of the bank debt is DKK 12,316 thousand.

The Group's mortgage credit institutions have provided guarantees at a carrying amount of DKK 1,772 thousand for the fulfilment of the commitments of the Company.

As security for the parent Company's debt to mortgage credit institutions, DIS Group II A/S has provided security in its shares in Dansk IngeniørService A/S and DIS House ApS.

DIS Group II A/S has provided suretyship to the bank for all other group entities' debt.

Land and buildings with a carrying amount of DKK 63,966 thousand at 30 June 2020 have been provided as collateral for debt to mortgage credit institutions of DKK 35,852 thousand. An owner's mortgage of DKK 37,380 thousand has been issued and provided as collateral for debt to credit institutions. As collateral for bank institutions, mortgages have been issued and provided for DKK 15,000 thousand in property with a carrying amount of DKK 63,966 thousand.

Parent company

The Parent Company's shares in DIS Group II A/S have been provided as collateral for the Parent Company's debt to mortgage credit institutions,

The Parent Company's cash balance has been provided as collateral for Dansk IngeniørService A/S', DIS House ApS' and DIS Group II A/S' debt to credit institutions.

