DIS Group II A/S

Ørstedsvej 10, 8660 Skanderborg

CVR no. 39 06 64 91

Annual report 2023/24

Approved at the Company's annual general meeting on 10 October 2024

Chair of the meeting:

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Eske Mathias Ulsted Sørensen

Contents

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 II A/S for the financial year 1 July 2023 - 30 June 2024.

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 2024 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 2023 - 30 June 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Skanderborg, 10 October 2024
Executive Board:

Michael Carsten Christian Gadeberg

Board of Directors:

Mads-Ole Astrupgaard Chairman	Michael Carsten Christian Gadeberg	Anders Grønlund
Søren Bunk Jensen		

Independent auditor's report

To the shareholders of DIS Group II A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of DIS Group II A/S for the financial year 1 July 2023 - 30 June 2024, 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 2024, 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 2023 - 30 June 2024 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" (herinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and 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.

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, 10 October 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Peter U. Faurschou State Authorised Public Accountant mne34502	Tobias Oppermann State Authorised Public Accountant mne46362

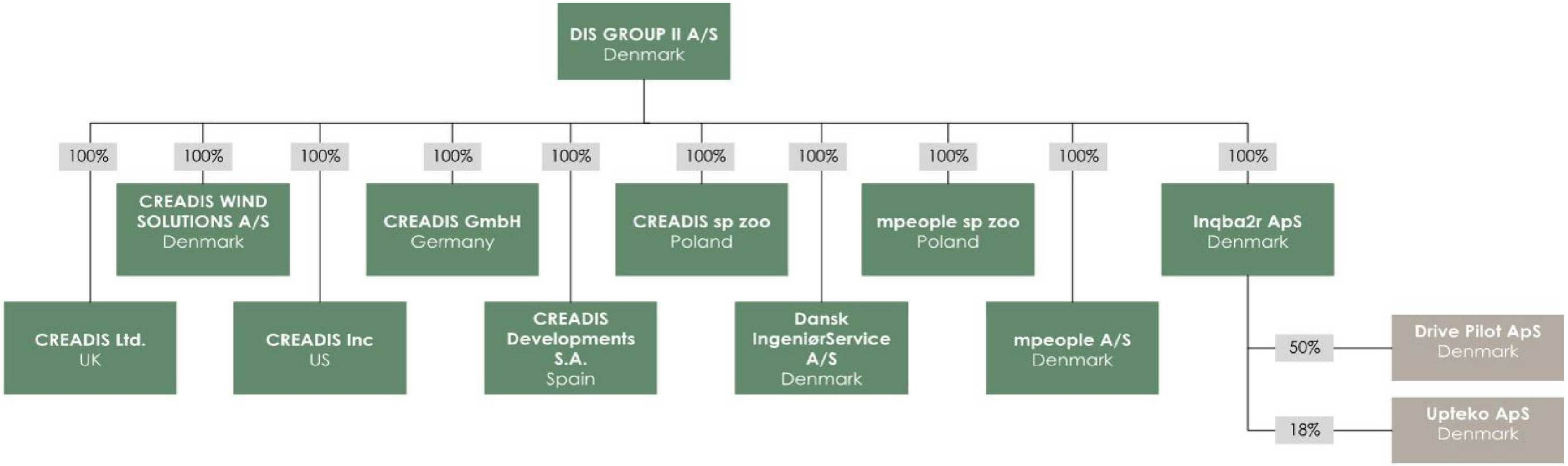
Management's review

Company details

Name	DIS Group II A/S
Address, Postal code, City	Ørstedsvej 10, 8660 Skanderborg
CVR no.	39 06 64 91
Established	7 November 2017
Registered office	Skanderborg
Financial year	1 July 2023 - 30 June 2024
Board of Directors	Mads-Ole Astrupgaard, Chairman Michael Carsten Christian Gadeberg Anders Grønlund Søren Bunk Jensen
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	2023/24	2022/23	2021/22	2020/21	2019/20
Key figures					
Revenue	658,095	702,442	704,682	512,046	0
Gross profit	399,392	413,632	376,959	311,739	-14
Operating profit/loss	8,817	17,038	3,396	21,383	-44
Net financials	-4,915	-1,555	-5,033	-13,055	13,347
Profit for the year	12,284	9,706	-3,937	1,198	13,351
Total assets	339,029	446,833	482,665	432,903	271,856
Investments in property, plant and equipment	-2,057	-10,715	-12,083	-8,773	0
Equity	185,601	181,248	190,763	204,097	231,893
Cash flows from operating activities	12,424	24,029	35,743	-36,037	0
Net cash flows from investing activities	16,157	-13,920	-11,151	-6,948	0
Cash flows from financing activities	-26,536	-12,000	-11,797	-30,787	0
Total cash flows	2,045	-1,891	12,795	-73,772	0
Financial ratios					
Return on assets	2.2%	3.7%	0.7%	6.1%	0.0%
Current ratio	148.2%	109.4%	117.2%	118.4%	0.0%
Equity ratio	54.7%	40.6%	39.5%	47.1%	85.3%

For terms and definitions, please see the accounting policies.

Management's review

Business review

Our Group is rooted in a strong commitment to engineering and consulting services. We prioritize our customers' needs and work diligently to offer solutions that are both cost-effective and sustainable.

Service Portfolio:
Our service offerings are characterized by a blend of innovation, expertise, and comprehensive problem-solving. Engineering consulting remains our cornerstone, and this expertise has facilitated robust collaborations with industry leaders. Using our deep industry insights, we methodically address the varied challenges in the renewable energy, manufacturing, and life science sector.

Pioneering Product Development and Optimization:
Product development and optimization remain at the forefront of our efforts. Our teams collaborate, drawing from a vast pool of collective intelligence, to transform innovative ideas into market-ready products. This process, right from conceptualization to market introduction, emphasizes refining each design aspect, ensuring resource efficiency, and aligning with sustainability standards.

Turnkey Solutions:
In the area of turnkey solutions, we focus on simplifying test and production equipment processes. We pride ourselves on offering end-to-end solutions that go beyond just machinery. This includes planning, procurement, assembly, and commissioning of advanced equipment that surpasses industry standards, leading our customers to heightened operational efficiency.

Sustainability Commitment:
We recognize that the well-being of our planet is no longer an optional consideration but an urgent necessity. It's central to our mission to not only drive our customers' profitability but also contribute positively to the environment. For us, sustainability isn't just a term; it's an actionable commitment. Our engineering solutions aim to not only benefit our customers' businesses but also reduce their environmental impact. We collaborate with our customers to apply environmentally friendly strategies that have a genuine impact. Our belief is simple: through continuous, small but impactful steps, we can jointly pave the way for a greener, more sustainable future.

In summary, our Group is dedicated to delivering excellence in engineering and consulting. We are committed to promoting sustainable industrial methods and providing a wide array of services that push technological limits. Partnering with forward-thinking industrial firms, we are on a mission of innovation, transformation, and sustainability, solution by solution.

Recognition and measurement uncertainties

The carrying amount of certain assets and liabilities requires estimates of how future events affect the value of these assets and liabilities on the balance sheet date. The uncertainties are primarily regarding goodwill and construction contracts.
The estimates used are based on assumptions that the management considers to be justifiable, but which in the can be uncertain and unpredictable.

Financial review

The income statement for 2023/24 shows a profit of DKK 12,284 thousand against a profit of DKK 9,706 thousand last year, and the balance sheet at 30 June 2024 shows equity of DKK 185,601 thousand.

Management's review

Our primary objective was to achieve a greater performance compared to FY 2022/23. At the level of profitability in this fiscal year we are pleased to have successfully realized this ambition.
However, rising uncertainties stemming from factors such as inflation, escalating interest rates, and the potential for a global economic downturn have made the ambitions regarding revenue and EBITDA difficult to reach.
Our expectation for FY 2023/24 was a revenue of 750.000-850.000 TDKK as stated in the financial statements of 2022/23. The realised revenue is 658.095 TDKK.
Our expectation for FY 2023/24 was an EBITDA of 65.000-75.000 TDKK as stated in the financial statements of 2022/23. The realised EBITDA is 40.345 TDKK

As of June 30, 2024, our group's balance sheet demonstrates a solid equity position of TDKK 185,601, underscoring our financial stability and strength. Our revenue remains at a similar level to the previous year, this can be attributed to statured market condition within our primary industries. We set out to maintain this level of revenue, given the continued demand for our services and the global presence we have established over the past 3-5 years. It's worth noting that our services within the renewable energy sector continue to be a growing contributor to our overall revenue.

The foundation of our growth ambitions for the fiscal year 2024/25 lies in our ability to create significant customer value within the industries in which we operate. We are dedicated to maintaining our profitability while also boosting our revenue, emphasizing the value we provide to our customers.

Management's review

Products and services

Our commitment to meeting evolving market demands is reflected in the continuous enhancement of our services and offerings. In the current year, our strategic focus areas cover:

- Digitization, Automation, and Robotics Capabilities:
  We've successfully completed several complex projects, merging various technologies and areas of expertise, for top global industry players that serves to accelerate our customers digitalization and industry 4.0 journey.
- Wind Industry Expertise:
  We are dedicated to further structuring our knowledge and offerings in the wind industry, with a keen emphasis on increasing value creation for our customers. This includes the incorporation of specialized skills and advisory services within certain key areas of the wind value chain, ensuring we're positioned to deliver at outcome-based, solutions level rather than solely component level.
- Renewable Energy Competencies:
  Our focus extends to developing and reinforcing our competencies in the renewable energy sector. This involves exploring hybrid solutions, storage technologies, power-to-X solutions, and services aimed at enhancing sustainability in production processes.
- Green fuel & Energy Services:
  To meet the future demands of power plants, production facilities, and green energy production, we are actively developing our Plant Engineering services, consisting of a holistic Engineering, Procurement, and Construction Management (EPCm) approach, tailored to each customers' specific project needs.
- Machine Safety Solutions:
  We are strengthening our capabilities in Machine Safety through comprehensive training services and a systematic approach to risk evaluation and mitigation offered to the market.
- Project Execution Enhancement:
  To accommodate larger and more complex projects spanning different geographic locations, we are actively developing our internal project management capabilities.

These strategic initiatives underscore our commitment to staying at the forefront of industry advancements and delivering innovative solutions to our customers across various sectors.

Investments

The Group has increased its investment in Upteko, a drone company.

Capital resources

Our Group maintains its capital resources and in a close partnership with our primary banking institution, which provides accessible credit facilities to support our expanding business activities and accommodate periodic fluctuations in activity.

Knowledge resources

Our pursuit of excellence is evident not only in our talented workforce but also in our dedication to knowledge cultivation. This commitment is showcased through our active "Community of Practices" (COPs). Our team is a melting pot of engineers, boasting a wide range of academic credentials from bachelor's to PhDs. They specialize in fields like mechanical-, electrical-, power, and safety engineering, as well as hardware and software development and design, and project management.

Our COPs act as knowledge hubs for these professionals to engage in lively discussions, share insights, and pool their expertise. With a solid mix of theoretical understanding and hands-on experience, our team members stand out as seasoned experts in their areas. They're not just tech enthusiasts; they are innovators and adaptable problem-solvers, consistently performing at the top of their fields. Through this collaboration, our collective intelligence grows, and we're better positioned to offer state-of-the-art solutions to our customers.

Management's review

Financial risks and use of financial instruments

The Group's exposure to risks is in line with industry norms and does not entail any exceptional vulnerabilities. One notable global risk is associated with our suppliers' ability to deliver products and materials on time and within budget. However, we have meticulously crafted work procedures in place to effectively manage and mitigate these supply chain-related challenges.

Financial risks

Our principal financial risks revolve around currency and credit. In the current market environment, there is a notable trend towards lengthening payment terms, which presents a challenge. To address this trend, we remain actively engaged in ongoing efforts to mitigate its impact.

Currency risks

The entities within our Group primarily invoice customers in DKK, EUR, USD and PLN currencies. The group has an operation hedge on the currency we operate in and, thereby effectively mitigating currency risk. The company has a structured policy to mitigate risks for currency.

Credit risks

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

Research and development activities

While the Group's suite of services is continuously evolving and improving, there are no ongoing formal research and development activities at this time. Our focus remains on steady development and innovation to enhance our service offerings.

Statutory CSR report

Business model

Our core business model centers around offering engineering and consulting services to our customer. Within this framework, the Group is dedicated to conceiving and delivering technical solutions aimed at enhancing the cost-effectiveness and sustainability of our customers' products and production processes. It's essential to underline that the most vital asset for the success of our business model is our highly qualified and dedicated workforce. Our team of skilled professionals forms the cornerstone of our ability to deliver innovative solutions and create value for our customers.

Human rights

The Company has identified that lack of diversity poses a risk to the infringement of human rights within the organization.

As a modern workplace, we respond daily to our role in society and our social responsibility as a workplace and an employer. This applies both when we recruit the best qualified employees without differentiating by gender, ethnicity, or sexuality and when we are conscious of how we contribute to the world around us, as well as the way we work toward a better environment and working environment. Our suppliers sign a supplier Code of Conduct based on UN Global Compact and its Ten Principles as well as the core labor convention of the International Labor Organization as reflected in the Declaration on the Fundamental Principles of Right at Work (1998).

Diversity and Equality

At The Group, we acknowledge that people have different personalities, backgrounds, and demographic conditions. We believe that our diversity helps make us stronger and that our differences improve our creativity and innovation. When employees with differences work together, new perspectives are gained, and there is a greater chance of finding the best solutions and the most creative ideas, which is often what our customers are looking for.

Management's review

As a company, we have a broad appeal, which is particularly evident when we recruit. The pool of applicants is often very diverse, and we regularly see applications from candidates from all over the world. In the screening process, we do not differentiate between demographic or geographic conditions, but always look for the best match for the job and for The Group based on our recruitment requirements.

All employees are treated on equal terms and met with the same openness, trust and 'freedom with responsibility' regardless of job and seniority.

Management's review

Corporate Social Responsibility

At The Group, we are very conscious of our social responsibility and showing consideration for the people we meet and the world we interact in. Our CSR policy describes our attitudes and practices in several areas, to ensure that both our employees and partners understand our position in this point.

Our CSR policy is divided into four general focus areas: people, environment, Innovation and Charity. The CSR policy is available at our homepage: https://creadis.com/about/csr/

CODE OF CONDUCT

To emphasize our policies, we have published a code of conduct to be followed by all employees and suppliers working for the Group companies. Our code of conduct is based on our five core values that reflect our way of seeing the world we act in. As we grow our business, we expand The Group with more and new members, and this code of conduct is intended to help remember how to act when representing The Group and leading our organization towards future success. The central aspects of the code of conduct are:

- Quality and high standards
- Intellectual property
- Fair competition
- Conflicts of interest
- Corruption and bribery
- Health and safety
- Respect and non-discrimination
- Protecting our organization and its assets

The code of conduct is signed by all functional managers, country managers and office managers working for The Group. In 2023/24, we have continued our policy and encouraged all employees to report on any violations of human rights. There are no reported incidents of human rights violations in 2023/24.

In the financial year 2024/25, we will continue to ensure that all employees, including new employees, are aware of our policies and expectations of social and employee conditions, because we want to maintain our employees' well-being.

Social and Employee Conditions

The Groups' most material risk related to social and employee conditions is to ensure well-being amongst employees. We believe in an open dialogue between managers and employees with open meetings on a regular basis.

In the financial year 2023/24 we ensured that all employees, including new employees, are aware of our policies and expectations of social and employee conditions, because we want to maintain our employees' well-being.

In 2024/ 25, we will continuously carry out employee engagement measurements as we see this to be a good development tool that helps ensure that we constantly focus on developing our company as a workplace, so that we can continue to retain and attract the very best 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.

In the financial year 2024/25, we will continue to ensure that all employees, including new employees, are aware of our policies and expectations of social and employee conditions, because we want to maintain our employees' well-being.

Management's review

Climate and Environmental aspects

As a Group, we believe we have a responsibility to improve the climate impact from our operations and the choices we make, in the way we make business. For that reason, we have in 2023 joined the CDP (Carbon Disclosure Project), who runs a global environmental disclosure system. The Group has identified energy consumption and the resulting emissions of CO2 to be the most significant risk of negatively affecting the climate. This reporting will continue in the next coming years.

Our strongest contribution comes from the services and solutions, we deliver to the renewable energy market, where we contribute to development and operation of constantly more efficient technology to produce green energy. In FY 2023/24, more than 50% of all activities in the Group were related to renewable energy. In FY 2023/24, we furthered our commitment to reduce our emissions by using more renewable energy sources for our business activities.

We offer services to industrial companies, to map and reduce energy consumption in production facilities and buildings, by introducing more efficient and sustainable solutions and thereby contribute with a scaled impact to the environment through our customers.

We have no own production facilities, but we set requirements to our sub-suppliers to set and follow environmental policies with the aim of continuously improving their impact on the climate.
It is our policy to always make the greener choice, when possible. In the future, we will continue to reduce our environmental footprint by using more renewable energy.

Anti corruption

The main risk faced by The Group regarding anticorruption is when interacting with suppliers. To prevent any form of corruption and bribery, all employees are obliged to act according to our anti-corruption policy. Consequently, we do not accept or tolerate any corrupt behavior.

In the FY 2023/24 we introduced all new employees to our anticorruption policy.

In FY 2023/24, there have been no incidence of corruption within our business activities. We will continue to inform our suppliers and employees about our anti-corruption policy, while monitoring incidents of corruption in our business.

Report on the gender composition of Management

It is The Group's policy and goal that positions must be filled by the best suitable candidates.

The distribution of men and women is highly influenced by our profession and industry. In most of the countries in which we operate, we experience a low ratio of female candidates among graduates within the engineering disciplines from where we mainly identify our candidates. This means that there are proportionally more male than female employees in The Group.

Even though we would like to see more gender equality, we are challenged by reality, where only few women choose the engineering career path. Naturally, we always hire the most qualified for the job - man or woman. 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 2024. 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 consists of 4 men and 0 women as of June 30, 2024. As of July 1, 2023 Mads-Ole Astrupgaard stepped into the position as Chairman of the Board, thereby replacing Søren Bunk. Søren Bunk continues his work as regular member of the Board.

The Board of Directors of The Group 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 proportion of women at Group level for FY 2023/24 was 24%

Management levels are the CEO and CFO and people reporting to the CEO or CFO. The current number of women on management levels are all located in DIS in Denmark.

Management's review

Overview

	2023/24
Supreme governing body	
Total number of members	4
Underrepresented gender in %	0
Target figure in %	50
Year in which the target figure is expected to be met	2028
Other levels of management	
Total number of members	14
Underrepresented gender in %	21
Target figure in %	29
Year in which the target figure is expected to be met	2025

Supreme governing body

DIS Group II A/S's goal is to get 50% of the underrepresented gender in the top management body, which the company's goal is to achieve in 2027/28. The top management body consists of 0 women and 4 men whereas the underrepresented gender is 0% and the goal is that the top management will consist og 2 women og 2 men within the fiscal year 2027/28.

Other levels of management

The company's other levels of management consist of the company's registered executive board, as well as the heads of the organization's individual functions, who report directly to the registered executive board. The other management levels consist of the following 3 women and 11 men whereas the underrepresented gender is 21%. The target figure is 29% in 2025.

Data ethics

The fundamental rights of individuals and confidentiality in handling information from customers, suppliers and other stakeholders are of great importance for The Group.

Thus, not only a legal perspective, but also an ethical perspective shall be applied.

The Group adheres to the guiding principles of EU Art. 5. GDPR not limited to processing of personal data, but also data towards customers and suppliers.

Data shall be:

- Processed lawfully, fairly and in a transparent manner
- Collected for specified, explicit and legitimate purposes
- Relevant and limited to what is necessary (data minimization)
- Accurate and, where necessary, kept up to date
- Kept for no longer than it is necessary for the purposes
- Appropriate secured

The statement is implemented through existing processes and announced in policies and procedures through our certified Management System. The documentation includes, but is not limited to The Group’s Confidentiality policy, Employee Handbook - Processing of personal data in compliance with EU Art. 6 GDPR, Non-Disclosure Agreements towards Customers and Suppliers and Procedure for IT and data security.

We prioritize a high degree of knowledge to these policies, ensured through process audits and continuous training and education. Our work with data ethics is anchored in our Finance department. Decisions on the use of data and new technology are anchored in the Executive Management, which continuously evaluates data ethics with the involvement of relevant employees.

Events after the balance sheet date

No events have occurred after the balance sheet date which materially affect The Group's financial position.

Management's review

Outlook

The initial quarter of FY 2024/25 has continued to witness robust demand for our engineering services within the market, in some industries were are experiencing a lower market growth. We are expecting growth in demand for our service offerings in FY 24/25. Our revenue guidance is 700.000 – 750.000 TDKK and EBITDA guidance is 45.000 – 60.000 TDKK. It's the aim is to meet the guidance set for the new financial year, but we must acknowledge rising uncertainties stemming from factors such as inflation, escalating interest rates, and the potential for a global economic downturn. Nonetheless, our primary objective remains achieving a greater performance compared to the previous financial year (2023-2024).

Emphasis on Quality and Performance:
We firmly believe that high-quality service delivery and exceptional performance are pivotal drivers for our future success, benefiting both our organization and our valued customers. Given the intensely competitive market conditions and the prevailing challenges posed by inflation, our Group anticipates that margin pressures will persist, especially as we operate on a global scale. However, we are optimistic that our scale and market presence will provide us with a competitive advantage, allowing us to effectively navigate these margin pressures in the year ahead.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Income statement

		Group		Parent company	
Note	DKK'000	2023/24	2022/23	2023/24	2022/23
2	**Revenue**	658,095	702,442	305	455
	Cost of sales	-185,905	-206,837	-297	-420
4	Other operating income	12,777	148	0	0
3	Other external expenses	-85,575	-82,121	-1,408	-450
	Gross profit	399,392	413,632	-1,400	-415
5	Staff costs	-358,887	-381,291	0	0
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-18,912	-15,155	-15	-2,721
	Other operating expenses	-160	-39	0	0
	Profit/loss before net financials	21,433	17,147	-1,415	-3,136
	Income from investments in group enterprises	0	0	15,506	1,935
	Income from investments in Participating interests	0	5	0	0
6	Financial income	272	4,726	2,992	16,686
7	Financial expenses	-5,187	-6,286	-5,515	-6,116
	Profit before tax	16,518	15,592	11,568	9,369
8	Tax for the year	-4,234	-5,886	716	337
	Profit for the year	12,284	9,706	12,284	9,706

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Balance sheet

Note	DKK'000	Group 2023/24	Group 2022/23	Parent company 2023/24	Parent company 2022/23
	ASSETS				
	Fixed assets				
10	**Intangible assets**				
	Acquired intangible assets	4,923	3,719	70	84
	Goodwill	133,284	145,385	0	0
	Development projects in progress and prepayments for intangible assets	0	728	0	0
		138,207	149,832	70	84
11	**Property, plant and equipment**				
	Land and buildings	0	65,456	0	0
	Fixtures and fittings, other plant and equipment	8,351	11,171	0	0
	Leasehold improvements	0	0	0	0
	Property, plant and equipment under construction	0	980	0	0
		8,351	77,607	0	0
12	**Investments**				
	Investments in group entities	0	0	242,385	258,405
	Investments in Participating interests	2,503	1,229	0	0
	Deposits, investments	8,821	3,452	0	0
		11,324	4,681	242,385	258,405
	Total fixed assets	157,882	232,120	242,455	258,489
	Non-fixed assets				
	Inventories				
	Finished goods and goods for resale	494	356	0	0
	Prepayments for goods	843	0	0	0
		1,337	356	0	0
	to be carried forward	1,337	356	0	0

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Balance sheet (continued)

		Group		Parent company	
Note	DKK'000	2023/24	2022/23	2023/24	2022/23
	brought forward	1,337	356	0	0
	Receivables				
	Trade receivables	136,732	174,874	0	0
13	Construction contracts	8,393	12,578	0	0
	Receivables from group entities	2,677	0	21,133	48,419
16	Deferred tax assets	0	0	734	981
	Corporation tax receivable	518	0	0	0
	Joint taxation contribution receivable	0	0	961	281
	Other receivables	2,219	1,839	1,423	67
14	Prepayments	14,690	10,852	292	0
		165,229	200,143	24,543	49,748
	Cash	14,581	14,214	1,280	744
	Total non-fixed assets	181,147	214,713	25,823	50,492
	TOTAL ASSETS	339,029	446,833	268,278	308,981

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Balance sheet

		Group		Parent company	
Note	DKK'000	2023/24	2022/23	2023/24	2022/23
	EQUITY AND LIABILITIES				
	Equity				
15	Share capital	500	500	500	500
	Translation reserve	451	382	451	382
	Retained earnings	163,650	172,366	163,650	172,366
	Dividend proposed	21,000	8,000	21,000	8,000
	Total equity	185,601	181,248	185,601	181,248
	Provisions				
16	Deferred tax	4,536	10,255	0	0
	Other provisions	2,404	7,759	0	0
12	Provision, investments in group enterprises	0	0	1,976	2,229
18	**Total provisions**	6,940	18,014	1,976	2,229
	Liabilities other than provisions				
17	**Non-current liabilities other than provisions**				
	Mortgage debt	0	28,646	0	0
	Corporate income tax payable	0	4,100	0	0
	Joint taxation contribution payable	5,315	0	0	0
	Other payables	18,921	18,600	0	0
		24,236	51,346	0	0
	to be carried forward	24,236	51,346	0	0

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Balance sheet (continued)

		Group		Parent company	
Note	DKK'000	2023/24	2022/23	2023/24	2022/23
	brought forward	24,236	51,346	0	0
	Current liabilities other than provisions				
17	Short-term part of long-term liabilities other than provisions	0	1,815	0	0
	Bank debt	17,469	44,347	0	0
13	Construction contracts	7,360	23,074	0	0
	Trade payables	37,041	42,798	249	560
	Payables to group entities	2,992	0	79,403	110,108
	Corporation tax payable	0	6,224	0	0
	Joint taxation contribution payable	2,590	0	0	0
	Payables to shareholders and management	9,213	12,300	0	0
	Other payables	44,245	63,027	1,049	14,836
19	Deferred income	1,342	2,640	0	0
		122,252	196,225	80,701	125,504
	Total liabilities other than provisions	146,488	247,571	80,701	125,504
	TOTAL EQUITY AND LIABILITIES	339,029	446,833	268,278	308,981

1 Accounting policies
9 Appropriation of profit
20 Contractual obligations and contingencies, etc.
21 Contingent assets
22 Security and collateral

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Statement of changes in equity

		Group				
Note	DKK'000	Share capital	Translation reserve	Retained earnings	Dividend proposed	Total
	Equity at 1 July 2022	500	603	189,660	0	190,763
	Transfer through appropriation of profit	0	0	1,706	8,000	9,706
	Adjustment of investments through forreign exchange adjustments	0	-221	0	0	-221
	Proposed extraordinary dividend recognised under equity	0	0	-19,000	0	-19,000
	Equity at 1 July 2023	500	382	172,366	8,000	181,248
	Transfer through appropriation of profit	0	0	-8,716	21,000	12,284
	Adjustment of investments through forreign exchange adjustments	0	69	0	0	69
	Dividend distributed	0	0	0	-8,000	-8,000
	Equity at 30 June 2024	500	451	163,650	21,000	185,601

		Parent company				
Note	DKK'000	Share capital	Translation reserve	Retained earnings	Dividend proposed	Total
	Equity at 1 July 2022	500	603	189,660	0	190,763
9	Transfer, see "Appropriation of profit"	0	0	1,706	8,000	9,706
	Adjustment of investments through forreign exchange adjustments	0	-221	0	0	-221
	Proposed extraordinary dividend recognised under equity	0	0	-19,000	0	-19,000
	Equity at 1 July 2023	500	382	172,366	8,000	181,248
9	Transfer, see "Appropriation of profit"	0	0	-8,716	21,000	12,284
	Adjustment of investments through forreign exchange adjustments	0	69	0	0	69
	Dividend distributed	0	0	0	-8,000	-8,000
	Equity at 30 June 2024	500	451	163,650	21,000	185,601

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Cash flow statement

Note	DKK'000	Group 2023/24	Group 2022/23
	Profit for the year	12,284	9,706
23	Adjustments	17,398	20,085
	Cash generated from operations (operating activities)	29,682	29,791
24	Changes in working capital	-5,847	1,625
	Cash generated from operations (operating activities)	23,835	31,416
	Interest received, etc.	273	4,725
	Interest paid, etc.	-5,188	-6,287
	Income taxes paid	-6,496	-5,825
	Cash flows from operating activities	12,424	24,029
	Additions of intangible assets	-2,004	-4,714
	Additions of property, plant and equipment	-2,057	-10,715
	Disposals of property, plant and equipment	683	2,582
	Purchase of financial assets	-1,755	-1,073
	Sale of financial assets	21,290	0
	Cash flows to investing activities	16,157	-13,920
	Dividends paid	-8,000	-19,000
	Repayments, long-term liabilities	0	-1,806
	Change in debt to credit institutions	-18,536	8,806
	Cash flows from financing activities	-26,536	-12,000
	Net cash flow	2,045	-1,891
	Cash and cash equivalents at 1 July	14,214	16,105
	Decrease of cash and cash equivalents due to disposal of financial assets	-1,678	0
	Cash and cash equivalents at 30 June	14,581	14,214

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

1 Accounting policies

The annual report of DIS Group II A/S for 2023/24 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.

Reporting currency

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

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and group entities controlled by the Parent Company.

Control means a parent company's power to direct a group entity's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

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.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

1 Accounting policies (continued)

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.

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 group entities 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 group entities 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 group entities 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 2023 - 30 June 2024

Notes to the financial statements

1 **Accounting policies (continued)**

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

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.

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

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.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

1 Accounting policies (continued)

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:

Land and buildings	25 years
Fixtures and fittings, other plant and equipment	3-4 years
Leasehold improvements	5 years

Other operating expenses

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

Profit/loss from investments in group entities and participating interests

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares. In participating interests, only proportional elimination of profit and loss is carried out, taking into account ownership shares.

The proportionate share of the individual group entities' 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

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.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

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

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

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 group entities and participating interests

Equity investments in group entities and participating interests are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in group entities and participating interests 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 deduced from the carrying amount.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

1 Accounting policies (continued)

Equity investments in group entities and participating interests 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, investments in group entities 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

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

Receivables are measured at amortised cost.

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.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

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.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

1 Accounting policies (continued)

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.

Prepayments

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

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in group entities and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

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.

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.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

1 Accounting policies (continued)

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 group entities' income taxes vis à vis the tax authorities as the group entities pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

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, 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.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

1 **Accounting policies (continued)**

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before net financials +/- Other operating income and other operating expenses
Return on assets	$\frac{\text{Profit/loss from operating activites x 100}}{\text{Average assets}}$
Current ratio	$\frac{\text{Current assets x 100}}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$

The financial ratios for the year 2019/20 only consists of The Parent Company's figures cf. The Danish Companies Act §128, stk. 4.

		Group		Parent company	
	DKK'000	2023/24	2022/23	2023/24	2022/23
2	**Segment information**				
	Breakdown of revenue by business segment:				
	Consultancy	436,601	473,216	305	307
	Solutions	221,494	229,226	0	148
		658,095	702,442	305	455
	Breakdown of revenue by geographical segment:				
	Denmark	581,311	591,299	305	352
	EU	39,700	39,678	0	103
	Other	37,084	71,465	0	0
		658,095	702,442	305	455
3	**Fee to the auditors appointed in general meeting**				
	Total fees to EY	684	979	217	170
	Statutory audit	388	437	105	103
	Tax assistance	234	465	50	35
	Other assistance	62	77	62	32
		684	979	217	170

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

	DKK'000	Group 2023/24	Group 2022/23	Parent company 2023/24	Parent company 2022/23
4	**Other operating income**				
	Gain on sale of fixed assets	2,159	148	0	0
	Gain on sale of financial assets	10,618	0	0	0
		12,777	148	0	0
5	**Staff costs**				
	Wages/salaries	326,521	347,789	0	0
	Pensions	19,227	20,460	0	0
	Other social security costs	9,863	12,189	0	0
	Other staff costs	3,276	853	0	0
		358,887	381,291	0	0
	Average number of full-time employees	579	639	0	0

Group

Total remuneration to group Management : DKK 1,371 thousand (2022/23: DKK 1,352 thousand)

Parent company

The parent Company has no employees.

	DKK'000	Group 2023/24	Group 2022/23	Parent company 2023/24	Parent company 2022/23
6	**Financial income**				
	Interest receivable, group entities	0	0	2,965	3,180
	Other financial income	272	4,726	27	13,506
		272	4,726	2,992	16,686
7	**Financial expenses**				
	Interest expenses, group entities	0	0	5,375	6,114
	Other financial expenses	5,187	6,286	140	2
		5,187	6,286	5,515	6,116
8	**Tax for the year**				
	Estimated tax charge for the year	5,411	3,748	0	0
	Deferred tax adjustments in the year	377	2,139	247	-339
	Tax adjustments, prior years	-368	0	0	0
	Refund in joint taxation	-1,186	-1	-963	2
		4,234	5,886	-716	-337

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

		Parent company	
	DKK'000	2023/24	2022/23
9	**Appropriation of profit**		
	Recommended appropriation of profit		
	Proposed dividend for the financial year	21,000	8,000
	Extraordinary dividend for the financial year	0	19,000
	Retained earnings/accumulated loss	-8,716	-17,294
		12,284	9,706

10 **Intangible assets**

	Group			
DKK'000	Acquired intangible assets	Goodwill	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 July 2023	4,210	224,593	728	229,531
Additions	2,004	0	0	2,004
Transferred	728	0	-728	0
Cost at 30 June 2024	6,942	224,593	0	231,535
Impairment losses and amortisation at 1 July 2023	491	79,208	0	79,699
Amortisation for the year	1,528	12,101	0	13,629
Impairment losses and amortisation at 30 June 2024	2,019	91,309	0	93,328
Carrying amount at 30 June 2024	4,923	133,284	0	138,207
Amortised over	10 years	20 years		

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 2023 - 30 June 2024

Notes to the financial statements

11 Property, plant and equipment

	Group				
DKK'000	Land and buildings	Fixtures and fittings, other plant and equipment	Leasehold improvements	Property, plant and equipment under construction	Total
Cost at 1 July 2023	71,800	23,905	836	980	97,521
Additions	0	2,058	0	0	2,058
Disposals on demerger and sale of other enterprise	-71,800	0	0	0	-71,800
Disposals	0	-1,110	-836	0	-1,946
Transferred	0	980	0	-980	0
Cost at 30 June 2024	0	25,833	0	0	25,833
Impairment losses and depreciation at 1 July 2023	6,344	12,734	836	0	19,914
Depreciation	86	5,174	0	0	5,260
Depreciation and impairment of disposals	-6,430	-426	0	0	-6,856
Reversal of accumulated depreciation and impairment of assets disposed	0	0	-836	0	-836
Impairment losses and depreciation at 30 June 2024	0	17,482	0	0	17,482
Carrying amount at 30 June 2024	0	8,351	0	0	8,351
Depreciated over	25 years	3-4 years	5 years		

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

12 Investments

DKK'000	Group: Investments in Participating interests	Group: Deposits, investments	Group: Total
Cost at 1 July 2023	2,529	3,452	5,981
Additions on merger/corporate acquisition	1,115	0	1,115
Additions	159	482	641
Disposals on demerger and sale of other enterprise	0	4,887	4,887
Cost at 30 June 2024	3,803	8,821	12,624
Value adjustments at 1 July 2023	-1,300	0	-1,300
Value adjustments at 30 June 2024	-1,300	0	-1,300
Carrying amount at 30 June 2024	2,503	8,821	11,324

Group

Participating interests

Name	Legal form	Interest
Upteko	ApS	17.09%
Drive Pilot	ApS	50.00%

DKK'000	Parent company: Investments in group entities
Cost at 1 July 2023	305,632
Disposals	-32,456
Cost at 30 June 2024	273,176
Value adjustments at 1 July 2023	-47,227
Exchange adjustment	69
Dividend received	-23,000
Profit/loss for the year	16,992
Goodwill depreciations	-12,101
Reversal of prior year revalutations	-22,764
Offsetting negative value in trade receivables from group enterprises	27,628
Reversal of prior year impairment losses	29,866
Reversla of impairment losses on assets disposed	-2,229
Transferred	1,975
Value adjustments at 30 June 2024	-30,791
Carrying amount at 30 June 2024	242,385

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, earnings and marked position, the useful life of goodwill is fixed at 20 years.

The carrying amount of the investment in group enterprises comprises a share of the entities' net asset value of DKK 107,231 thousand, goodwill with a carrying amount of DKK 135,156 thousand, and offset in receivables from group enterprises with a carrying amount of DKK 27.628 thousand.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

12 Investments (continued)

Parent company

Name	Legal form	Domicile	Interest
Dansk IngeniørService	A/S	Denmark	100.00%
mpeople	A/S	Denmark	100.00%
DIS House (sold in the year)	ApS	Denmark	0.00%
Creadis Wind Solutions	ApS	Denmark	100.00%
inqba2r	ApS	Denmark	100.00%
CREADIS	GmbH	Germany	100.00%
CREADIS	Inc.	USA	100.00%
CREADIS	sp. z.o.o	Poland	100.00%
CREADIS	S.A	Spain	100.00%
CREADIS (closed in the year)	SASU	France	0.00%
mpeople	sp. z.o.o	Poland	100.00%
CREADIS	Ltd.	UK	100.00%

	Group		Parent company	
DKK'000	2023/24	2022/23	2023/24	2022/23
13 Construction contracts				
Selling price of work performed	123,986	145,449	0	0
Progress billings	-122,953	-155,945	0	0
	1,033	-10,496	0	0
recognised as follows:				
Construction contracts (assets)	8,393	12,578	0	0
Construction contracts (liabilities)	-7,360	-23,074	0	0
	1,033	-10,496	0	0

14 Prepayments

Group

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

15 Share capital

The share capital consists of 500 A shares of DKK 1,000 nominal value each.

The parent's share capital has remained DKK 500 thousand over the past 5 years.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

		Group		Parent company	
	DKK'000	2023/24	2022/23	2023/24	2022/23
16	**Deferred tax**				
	Deferred tax at 1 July	10,256	8,118	-981	-642
	Adjustments regarding foreign exchange	-4	0	0	0
	Adjustments regarding disposal of affiliated company	-5,340	0	0	0
	Adjustment of the year	-377	4,435	247	-339
	Other deferred tax	0	-2,298	0	0
	Deferred tax at 30 June	4,535	10,255	-734	-981
	Deferred tax relates to:				
	Intangible assets	-172	-971	0	-875
	Property, plant and equipment	-2,650	4,100	0	-106
	Receivables	9,697	7,646	0	0
	Liabilities	0	1,691	0	0
	Tax loss	-2,340	-3,192	0	0
	Other taxable temporary differences	0	981	-734	0
		4,535	10,255	-734	-981

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 0 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.

Besides the tax loss recognised in the statement of deferred tax, the parent Company has additional tax loss carry-forwards at a carrying amount of DKK 0 thousand. As it is uncertain if these tax losses can be utilised within a foreseeable future, their carrying amount has not been recognised in the financial statements.

17 Non-current liabilities other than provisions

	Group			
DKK'000	Total debt at 30/6 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Joint taxation contribution payable	5,315	0	5,315	0
Other payables	18,921	0	18,921	18,921
	24,236	0	24,236	18,921

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

18 Provisions

Group

Other provisions comprise provisions for construction contracts which has been identified as loss-making, totalling DKK 2,373 thousand.
The provision is calculated by The Group for each project based on expected gross margin and total contract value. The uncertainty in the calculation regards the expected gross margin for the projects The provision is expected to be utilised in the coming financial year.

Parent company

There are no provisions regarding the parent company.

19 Deferred income

Deferred income, consists of payments received from customers that may not be recognised until the subsequent financial year.

20 Contractual obligations and contingencies, etc.

Other financial obligations

Rent and lease liabilities vis-à-vis the parent company and its other group entities:

	Group		Parent company	
DKK'000	2023/24	2022/23	2023/24	2022/23
Rent and lease liabilities	22,233	23,816	0	0

Group

Rent and lease liabilities include a rent obligation totalling DKK 19,753 thousand in interminable rent agreements with remaining contract terms of 1-5 years. Furthermore, the Company has liabilities under operating leases for cars and IT equipment, totalling DKK 2,480 thousand, with remaining contract terms of 1-4 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.

21 Contingent assets

The Group has tax loss carry-forwards totalling DKK 26,079 thousand in foreign subsidiaries. The nominal value thereof is 29.13%, totalling DKK 7,597 thousand. The amount has not been recognised in the balance sheet due to the uncertainty as to the utilisation of the tax losses.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

22 Security and collateral

Group

As security for DIS House ApS', DIS Group II A/S', and DPX A/S' debt to mortgage credit institutions, the Group has provided security. The total carrying amount of the bank debt is DKK 73,161 thousand.

The Group's mortgage credit institutions have provided guarantees at a carrying amount of DKK 447 thousand for the fulfilment of the commitments of the Group.

As security for the groups' debt to mortgage credit institutions, DIS Group II A/S has provided security in its shares in Dansk IngeniørService A/S.

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

Parent company

The Parent Company's shares in DIS Group II A/S have been provided as collateral for all bank balances.

The Parent Company has provided suretyship to the bank for other group entities' debt.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

		Group	
	DKK'000	2023/24	2022/23
23	**Adjustments**		
	Amortisation/depreciation and impairment losses	18,912	15,155
	Impairment of current assets	0	7,758
	Gain/loss on the sale of non-current assets	-10,618	-148
	Reversal of impairment of current assets	0	-13,607
	Financial income	-273	-4,727
	Financial expenses	5,188	6,287
	Tax for the year	4,232	6,092
	Other adjustments	-43	3,275
		17,398	20,085
24	**Changes in working capital**		
	Change in inventories	-981	-199
	Change in receivables	41,605	34,381
	Change in trade and other payables	-46,471	-32,557
		-5,847	1,625

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