

Northern Industries A/ S

Annual Report 2024/ 25

C/O Danders & More
Frederiksgade 17
1265 København K
Denmark
Registration no 42 72 86 40

The Annual Report was adopted at
the Annual General Meeting on
30 December 2025

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Company Details

Northern Industries A/S
C/O Danders & More
Frederiksgade 17
1265 København K

E-mail: yusufa@northern.industries
Website: <https://www.northernindustriesgroup.co.uk/>
Registered office: Copenhagen
Registration no.: 42 72 86 40
Established: 30 September 2021
Financial year: 1 July - 30 June

Board of directors

Paul Sweeting
Lee Jackson
Yusufa Sey

Executive Management

Paul Sweeting
Tatenda Mudzengerere

Auditors

Beierholm- Limited Partnership Company
Langagervej 1 - DK-9220 Aalborg Ø
Denmark

Statement by the Executive Board and Board of Directors on the Annual report

The Executive Management and Board of Directors have today considered and approved the consolidated financial statements and the financial statements for the financial year 01 July 2024 – 30 June 2025 of Northern Industries A/S.

The consolidated financial statements and the financial statements of the parent company have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the parent company financial statements and the consolidated financial statements give a true and fair view of the financial position on 30 June 2025 of the Group and the parent company and of the results of the Group and parent company operations and of the Group's cash flows for 2024/2025 in accordance with the applied accounting policies.

In our opinion, the Management's review includes a true and fair account of the development in the operations and financial circumstances, of the results for the year and of the financial position of the Group and the parent company as well as a description of the most significant risks and elements of uncertainty facing the Group and the parent company.

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

Copenhagen, 30 December 2025

Executive Management

Paul Sweeting
CEO

Board of Directors

Yusufa Sey
Chair

Paul Sweeting

Lee Jackson

Independent Auditor's Report

To the shareholders of Northern Industries A/S

Opinion

We have audited the consolidated financial statements and the financial statements of Northern Industries A/S for the financial year 1 July 2024 - 30 June 2025 , which comprise income statement, balance sheet, statement of changes in equity and notes, including significant accounting policies for the group and the company as well as the consolidated cash flow statement. The consolidated financial statements and the financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the accompanying consolidated financial statements and financial statements give a true and fair view of the groups and the company's financial position at 30 June 2025 and of the results of the group's and the company's operations and the consolidated cash flows for the financial year 1 July 2024 - 30 June 2025 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 financial statements' section of our report. We are independent of the group and the company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the consolidated financial statements and the financial statements

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

In preparing the consolidated financial statements and the financial statements, management is responsible for assessing the group's and the 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 consolidated financial statements and the financial statements unless management either intends to liquidate the group and the company or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's Report

Auditor's responsibilities for the audit of the consolidated financial statements and the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements and 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 groups and the 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 consolidated financial statements and 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 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 consolidated financial statements and 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 company to cease to continue as a going concern.

Independent Auditor's Report

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the financial statements, including the disclosures, and whether the consolidated financial statements and 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 regarding the management's review

Management is responsible for the management's review.

Our opinion on the consolidated financial statements and 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 consolidated financial statements and the financial statements, it is our responsibility to read the management's review and in doing so consider whether the management's review is materially inconsistent with the consolidated financial statements or 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 consolidated financial statements and 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 in the management's review.

Aalborg, 30 December 2025

Beierholm
Godkendt Revisionspartnerselskab

CVR no. 32 89 54 68

Martin Ødum Madsen
State Authorised Public Accountant
MNE no. mne45893

Financial highlights

NI AS Group Draft Financial Statements	GBP '000	GBP '000
	2024/ 25	2023/ 24
Revenue	32,819	32,332
Gross profit	11,927	11,684
Operating profit	1,569	1,295
Net financials	-659	-641
Profit for the year	753	403
Fixed assets	4,948	5,604
Current assets	10,026	8,596
Total assets	14,974	14,200
Share capital	128	128
Equity	1,083	341
Long-term liabilities other than provisions	1,679	2,163
Short-term liabilities other than provisions	11,798	11,220
Average number of employees	309	301
Financial ratios		
Operating margin	4,8%	4,0%
Gross margin	36,3%	36,1%
Current ratio	85,0%	76,6%

Management's Review

Background

Northern Industries' principal activity is to act as the parent company for a group of businesses associated with the manufacture and installation of steel engineering, access covers and security equipment.

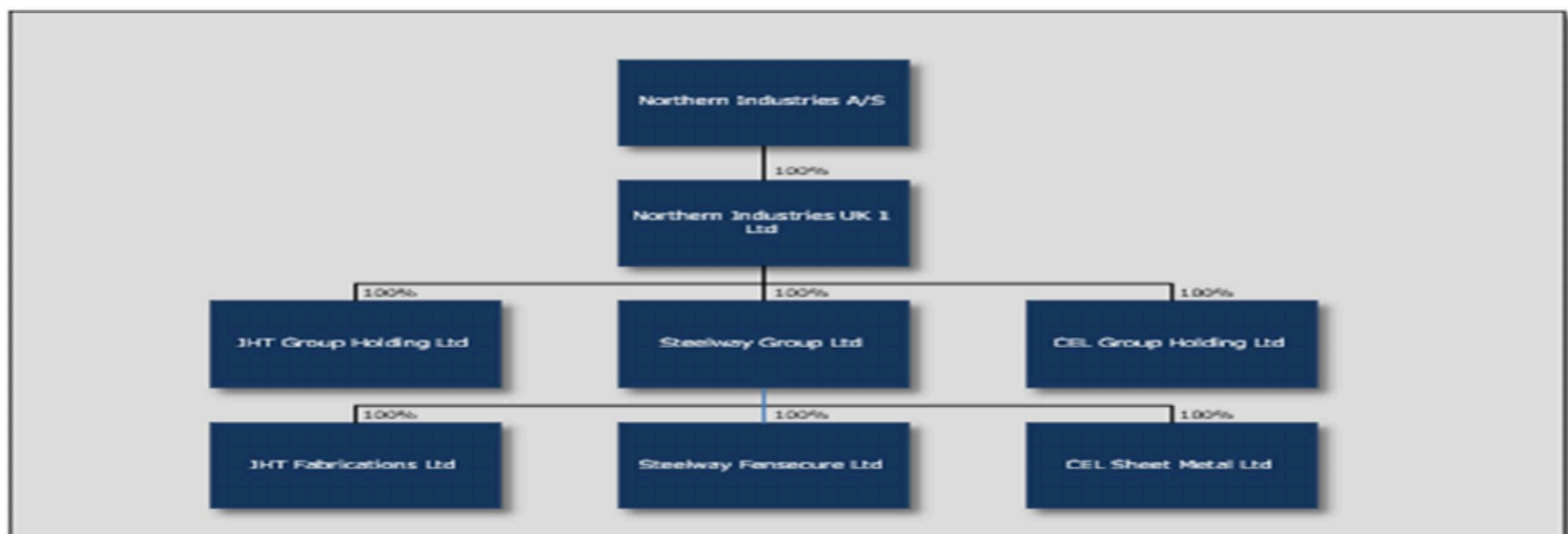
The journey can trace itself back to September 2019 where the U.K based subsidiary (Northern Industries UK 1 Ltd) was registered as part of the very first transaction to acquire a business unit in the steel engineering sector (namely, JHT Fabrications Ltd). With the successful acquisition of JHT Fabrications at hand, Northern Industries set about on executing its strategy of identifying profitable steel engineering businesses located in the United Kingdom and the buy-and-build growth strategy with the aim of generating synergies across the business units.

With the first acquisition at hand, Northern Industries then set about securing both its second and third business units, which were Steelway Fensecure Ltd and Steelway Access Covers Ltd (also called BrickHouse) in December of 2020. The combination of these three businesses under the Northern Industries umbrella helped Northern Industries start to achieve some scale as a much larger operator in the steel engineering sector than with the ownership of just JHT Fabrications alone.

With Northern Industries' increased scale and its growing ambition, a decision was made in 2021 to continue to execute on the buy-and-build strategy and it was decided that a Danish entity was to be established as the new ultimate parent company. Therefore, in the second half of 2021 Northern Industries A/S was established as part of a "share-swap" whereby all shareholders of Northern Industries UK 1 Ltd then became shareholders in Northern industries A/S the new parent company to the Northern Industries group.

To continue the growth through acquisitions further capital was raised over the course of 2022 by Northern Industries A/S from a broader base of investors. This made it possible to acquire CEL Sheet Metal Ltd in March 2022. Similarly, to the effects of the previous acquisitions the addition of CEL Sheet Metal Ltd materially increased Northern Industries A/S revenue base.

Illustration of Northern Industries A/S current group structure as of June 2025:



Management's Review

The financial year July 2024 to June 2025 was principally one of continued focus on stability, with the directors concentrating on ensuring a smooth transition from AMP7 into AMP8, strengthening the Group's equity position, and restoring capacity for future M&A activity. As AMP8 commenced, activity in the UK water market slowed temporarily, affecting the Group's two largest business units. Management responded by prioritising revenue diversification and tight cost control to protect earnings during this transitional period.

In April 2025, the board underwent a strategic restructure. Paul Sweeting, previously Chief Operations Officer, assumed the role of Chief Executive Officer, while Yusufa Sey became Chairman. This change marked the completion of organisational realignment across the existing business units, including the repositioning of JHT and the recruitment of a Managing Director. These adjustments freed leadership capacity to re-focus on the Group's original buy-and-build M&A strategy. Although no acquisitions were completed during the reporting period, substantial progress was made in developing a strong dealflow pipeline. At the time of writing, Northern Industries has acquired Landguard Holdings Limited and its operating subsidiary, Landguard Engineering Limited—an acquisition largely prepared following the April restructure.

Operationally, Steelway delivered a stable performance despite softer market conditions, maintaining strong output and demonstrating resilience during the AMP transition. JHT continued to perform profitably under its integrated model, although exceptional project-related issues temporarily impacted margins before being fully resolved, with lessons embedded into future project management processes. CEL, under refreshed leadership, showed encouraging signs of recovery, with improved operational performance and a clear path toward contributing positively to the wider Group in the coming financial year.

Business review

The Group generated revenue of £32,819,496 for the financial year ended 30 June 2025 (prior year: £32,331,729). EBITDA increased to £2,362,608 (prior year: £2,154,216), highlighting the Group's strengthened underlying profitability before financing and non-cash charges.

The Group's equity position improved substantially over the period, rising from £340,533 as at 30 June 2024 to £1,086,101 as at 30 June 2025, an increase of £745,567. This improvement reflects solid trading performance, enhanced operational efficiency, and ongoing strengthening of the Group's financial position.

For the parent company, operating profit for the year amounted to £51,748, with gross assets of £1,582,548 and closing equity of £345,538 as at 30 June 2025.

Management expects the Group's positive trajectory of equity growth to continue into the next financial year, supported by sustained operational improvements, disciplined cost management, and continued focus on cash generation and financial stability.

Management's Review

Principal Risks and Uncertainties

The group's operations expose it to a variety of financial risks including the effects of changes in interest rates on debt, credit risk and liquidity risk.

The groups principal financial instruments comprise sterling cash and bank deposits, inter-group debt used for the funding of the purchase of the business units alongside institutional debt from banks and invoice financing which is a major component debt, together with trade debtors and trade creditors that arise directly from the operations of its business units.

Key risks

General risks

The groups operations expose it to a variety of financial risks including the effects of changes in interest rates on debt, credit risk and liquidity risk.

The groups principal financial instruments comprise sterling cash and bank deposits, inter-group debt used for the funding of the purchase of the business units alongside institutional debt from banks, together with trade debtors and trade creditors that arise directly from the operations of its business units.

The main risks arising from the company's financial instruments can be analysed as follows:

Price risk

The group is exposed to price risk from the cost increases in material and utility cost in the market.

Financial risks

Interest rate risks

Interest rate risks arise in relation to interest-bearing assets and liabilities. The Company is in a net debt position which is expected to continue into 2024/25. The Group expects to be financed mainly through fixed interest rate loans. The interest rate risk will therefore be very limited.

Currency risks

The group's currency risks occur partly because there is an imbalance between income, expenses and group company loans in each currency (transaction risk), and partly because the group includes companies with a functional currency other than GBP (translation risk).

As the groups functional currency is GBP and operates mainly in the United Kingdom, the income statement, balance sheet, and cash flows are subject to a minimal risk of currency fluctuations.

Management's Review

Credit risk

The group's principal financial assets are bank balances, cash, and trade debtors, which represent the group's maximum exposure to credit risk in relation to financial assets. However, there is a risk that the operating businesses customers encounter credit downgrades due to the current market volatility, which could impact the operating business's ability to fully draw on the maximum invoice financing facilities against those associated customers up to a certain extent.

The primary customer base of the underlying business units is directly or indirectly linked to government infrastructure sites, specifically within the utility sector. Given the profile of the customers, the directors consider the risk associated to the debtor book to be modest.

The group's credit risk is primarily attributable to its trade debtors. Credit risk is managed by monitoring the aggregate amount and duration of exposure to any one customer depending upon their credit rating. The amounts presented in the balance sheet are net of allowances for doubtful debts, estimated by the group management based on prior experience and their assessment of the current economic environment.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies. The group has no significant concentration of credit risk, with exposure spread over many counterparties and customers.

Liquidity risk

The group's policy has been to ensure continuity of funding through acquiring an element of the group's fixed assets under finance leases and arranging funding via shareholder and bank loans.

However, as the steel sector has experienced a certain level of volatility there is always a risk of having to effectively manage the group's cash position as well as that of its business units.

Business outlook for the year ahead

Northern Industries enters the 2025/26 financial year with an improving order book and a healthy sales pipeline. Planned investments in CRM software, the appointment of a new commercial lead for the northern operation, and the introduction of extended shift patterns are expected to support the increased operational capacity required for growth.

Management expects EBITDA in the range of £3.3 million to £4.3 million, reflecting the new business acquisition, strengthened pipeline, operational efficiencies, and the benefits of recent organisational improvements.

Going Concern

These financial statements are prepared on the going concern basis. The director has a reasonable expectation that the group will continue in operational existence for the foreseeable future. Please refer to Note 1 for more information.

Income statement

NI AS Parent		Note	Profit & loss	NI AS Group		GBP
30.06.25	30.06.24			30.06.25	30.06.24	
319,737	318,632	2	Revenue	32,819,496	32,331,729	
0	0	3/11	Production costs	-20,892,717	-20,648,029	
319,737	318,632		Gross profit	11,926,779	11,683,700	
0	0	3/11	Sales- and distribution costs	-1,094,828	-912,235	
-267,989	-314,882	3/11	Administrative expenses	-9,270,962	-9,494,936	
0	-416,966		Amounts written off subsidiaries			
0	0		Other operating income	7,889	18,863	
			Other operating expenses	0	0	
51,748	-413,216		Operating profit	1,568,878	1,295,392	
134,299	171,268	4	Financial income	4,203	1,232	
-170,380	-178,560	5	Financial expenses	-663,581	-641,867	
15,667	-420,508		Profit before tax	909,500	654,757	
-3,447	779	6	Tax on profit/loss	-156,716	-252,017	
12,220	-419,729		Profit for the year	752,784	402,740	

Balance Sheet 30.06.2025

NI AS Parent				NI AS Group	
30.06.25	30.06.24	Note	Balance sheet	30.06.25	30.06.24
0	0	7	Goodwill	2,675,796	3,102,815
0	0	8	Patents & licences	0	4,500
0	0		<u>Total intangible assets</u>	<u>2,675,796</u>	<u>3,107,315</u>
0	0	9	Plant and machinery	2,037,883	2,227,201
0	0	10	Fixtures and fittings, tools and equipment	148,569	180,505
0	0		<u>Total property, plant and equipment</u>	<u>2,186,452</u>	<u>2,407,706</u>
		12	Deposits		
85,908	88,515	13	Deferred tax	85,908	88,515
124,100	1,281,417		Amounts owed by affiliated companies	0	0
367,799	364,341	14	Investments in subsidiaries	0	0
<u>577,807</u>	<u>1,734,273</u>		<u>Total financial assets</u>	<u>85,908</u>	<u>88,515</u>
<u>577,807</u>	<u>1,734,273</u>		<u>Total fixed assets</u>	<u>4,948,156</u>	<u>5,603,536</u>
0	0	15	Inventories	1,439,873	1,477,535
12,904	13,346		Trade receivables	7,536,583	6,348,303
974,486	336,732		Amounts owed by affiliated companies	0	0
0	0		Corporate tax recoverable	0	12,366
0	0		Other receivables	18,326	7,221
0	0		Prepayments	466,656	402,790
<u>987,390</u>	<u>350,078</u>		<u>Total receivables</u>	<u>8,021,565</u>	<u>6,770,680</u>
<u>13,905</u>	<u>90,765</u>		<u>Cash at bank and in hand</u>	<u>564,423</u>	<u>347,950</u>
<u>1,001,295</u>	<u>440,843</u>		<u>Total current assets</u>	<u>10,025,861</u>	<u>8,596,165</u>
<u>1,579,102</u>	<u>2,175,116</u>		<u>Total assets</u>	<u>14,974,017</u>	<u>14,199,701</u>

Balance Sheet 30.06.2025

NI AS Parent				GBP	
30.06.25	30.06.24	Note		30.06.25	30.06.24
127,788	128,386	16	Share capital	127,788	128,386
214,304	198,124		Retained earnings	954,867	212,147
0	0		Proposed dividend	0	0
342,092	326,510		Equity	1,082,655	340,533
0	0	17	Deferred tax	414,758	476,166
0	0		Total provisions	414,758	476,166
124,035	653,691		Amounts owed to affiliated companies	122,040	653,691
0	0	18	Finance lease obligations	357,946	413,592
0	0	18/19	Bank loans and overdrafts	98,369	147,811
855,378	397,553	18	Other loans	1,100,378	947,553
979,413	1,051,244		Long-term liabilities other than provisions	1,678,733	2,162,647
0	4,012	18/19	Current portion of long term liabilities other than provisions	300,000	299,012
125,505	565,019		Amounts owed to affiliated companies	127,500	565,019
0	0	18	Borrowings	4,856,190	4,169,654
0	0	18	Finance lease obligations	43,907	167,054
0	0	18	Other loans	38,940	49,767
35	7,275		Trade payables	4,310,481	3,715,826
8,022	0		Corporation taxes	218,859	198,862
124,035	221,056		Other payables	1,901,993	2,055,161
257,597	797,362		Short-term liabilities other than provisions	11,797,870	11,220,355
1,237,010	1,848,606		Total liabilities other than provisions	13,476,603	13,383,002
1,579,102	2,175,116		Total liabilities and equity	14,974,017	14,199,701

- 19 **Financial Instruments**
- 20 **Contingent liabilities**
- 21-22 **Notes without reference**
- 23-24 **Notes to cashflow statement**
- 25 **Events after the balance sheet date**

Statement of Changes in Equity

Parent		Share capital	Share premium	Retained earnings	Total
Note					
16	Equity at 1 July	128,386	0	198,124	326,510
	Capital increase	0	0	0	0
	Transfers	0	0	0	0
	Profit for the year	0	0	12,220	12,220
	Foreign currency translation adjustments	-598	0	3,960	3,362
	Sale of treasury shares	0	0	0	0
	Purchase of treasury shares	0	0	0	0
	Equity at 30 June	127,788	0	214,304	342,092

Group		Share capital	Share premium	Retained earnings	Total
16	Equity at 1 July				
	Capital increase	0	0	0	0
	Transfers	0	0	0	0
	Profit for the year	0	0	753,063	753,063
	Foreign currency translation adjustments	-598	0	-10,343	-10,941
	Sale of treasury shares	0	0	0	0
	Purchase of treasury shares	0	0	0	0
	Equity at 30 June	127,788	0	954,867	1,082,655

Cash Flow Statement

		GBP	
		Group	
	Note	30.06.25	30.06.24
Operating profit		1,568,878	1,295,392
Net financials		-659,378	-640,635
Depreciation, amortisation and impairment losses		793,730	858,824
		<u>1,703,230</u>	<u>1,513,581</u>
Changes for the year on items below:			
Inventories		37,662	-167,982
Trade receivables		-1,188,280	-147,357
Other receivables		-1,261	4,598
Prepayments		-63,866	-34,852
Trade payables		594,655	-279,318
Other payables		-153,168	8,241
Currency exchange adjustments		-10,662	-10,236
Paid tax		19,997	-56,925
		<u>938,307</u>	<u>829,750</u>
Total cash flow from operating activities		938,307	829,750
Total cash flow from investing activities	22	-136,754	-395,378
Total cash flow from financing activities	23	-585,080	-354,885
Cash flow from operating activities		938,307	829,750
Cash flow from investing activities		-136,754	-395,378
Cash flow from financing activities		-585,080	-354,885
Increase/ decrease in cash and cash equivalents		216,473	79,487
Cash and cash equivalents at beginning of the year		347,950	268,463
Cash and cash equivalents at the end of the year		564,423	347,950

Notes

Parent			Group		GBP
30.06.25	30.06.24	Note	30.06.25	30.06.24	

1 Going Concern

These financial statements are prepared on a going concern basis. The directors have a reasonable expectation that the group will continue in operational existence for the foreseeable future.

For the financial year ended 30 June 2025, the Group generated revenue of £32,819,496 (prior year: £32,331,729). EBITDA increased to £2,362,608 (prior year: £2,154,216), highlighting the Group's strengthened underlying profitability before financing and non-cash charges.

The Group's equity position improved substantially over the period, rising from £340,533 as at 30 June 2024 to £1,086,101 as at 30 June 2025 an increase of £745,567. This improvement reflects a combination of higher profitability, reduced net debt exposure, and improved working capital management across the Group.

Management expects this positive trajectory of sustained equity growth to continue into the next financial year, supported by ongoing operational initiatives, a strengthened market position, and continued focus on efficiency and cash generation.

In addition, the Group will be pursuing strategic M&A activities in the forthcoming year, including the planned acquisition of a new subsidiary, as further disclosed in Note 25. This forms part of the Group's long-term growth strategy and is expected to enhance scale, market presence, and consolidated financial performance.

The directors remains optimistic about the Group's prospects and anticipates further growth over the next 12–24 months, which is expected to enhance the Group's financial position. The directors is also exploring various funding options, including potential financial support from shareholders or attracting external capital, to further strengthen the Group's resources.

Given these positive developments, the director is confident in the Group's ability to maintain a stable operational footing and secure any necessary financing solutions.

Notes

			GBP	
Parent			Group	
30.06.25	30.06.24	Note	30.06.25	30.06.24

2 Segment information

Primary segment: geography

Parent			Group	
30.06.25	30.06.24		30.06.25	30.06.24
		<u>Revenue</u>		
319,737	318,632	United Kingdom	32,819,496	32,308,115
0	0	Europe		23,614
<u>319,737</u>	<u>318,632</u>	<u>Total</u>	<u>32,819,496</u>	<u>32,331,729</u>

Secondary segment: business area

Parent			Group	
30.06.25	30.06.24		30.06.25	30.06.24
		<u>Revenue</u>		
		Steelway core division	10,898,618	12,700,309
		Fencing	1,447,111	1,781,799
		Access Covers	4,644,678	5,795,969
		Security Products	3,431,142	2,531,348
		Laser cutting	10,185,909	9,148,680
		Scrap metal sales	240,135	220,389
		Other	1,971,903	153,235
<u>0</u>	<u>0</u>	<u>Total</u>	<u>32,819,496</u>	<u>32,331,729</u>

Notes

			GBP	
Parent			Group	
30.06.25	30.06.24	Note	30.06.25	30.06.24
3 Staff costs				
81,930	126,683	Wages and salaries	11,018,204	10,189,457
0	0	Pensions	1,106,164	252,256
234	367	Other social security costs	332,449	958,119
<u>82,164</u>	<u>127,050</u>	Total	<u>12,456,817</u>	<u>11,399,832</u>
1	1	Average number of employees	309	301
The staff costs has been included in the following line items:				
0	0	Production costs	8,745,823	8,003,723
0	0	Sales- and distribution costs	0	0
82,164	169,031	Administrative expenses	3,710,994	3,396,109
0	416,966	Amounts written off subsidiaries		
<u>82,164</u>	<u>585,997</u>	Total	<u>12,456,817</u>	<u>11,399,832</u>
82,164	126,683	Remuneration including incentive plans to: Executive Management and Board of Directors	82,164	407,973
4 Financial income				
134,299	170,155	Financial income from subsidiaries	0	0
0	1,113	Other financial income	4,203	1,232
<u>134,299</u>	<u>171,268</u>	Total	<u>4,203</u>	<u>1,232</u>
5 Financial expenses				
-170,380	-170,155	Financial expenses to affiliated companies	-106,530	-179,374
0	-8,405	Other financial expenses	-557,051	-462,493
<u>-170,380</u>	<u>-178,560</u>	Total	<u>-663,581</u>	<u>-641,867</u>
6 Tax				
0	0	Tax on profit and loss	382,222	361,223
0	0	Adjustment of tax relating to previous years	-166,282	-105,980
-3,447	779	Adjustment of deferred tax	-59,224	-2,447
<u>-3,447</u>	<u>779</u>	Total	<u>156,716</u>	<u>252,796</u>

Notes

			GBP	
Parent		Note	Group	
30.06.25	30.06.24		30.06.25	30.06.24
7 Goodwill				
0	0	Cost at 1 July	4,813,173	4,813,173
0	0	Additions	0	0
0	0	Cost at 30 June	4,813,173	4,813,173
0	0	Impairment losses and amortisation at 1 July	-1,710,358	-1,283,340
0	0	Amortisation	-427,019	-427,018
0	0	Impairment losses	0	0
0	0	Impairment losses and amortisation at 30 June	-2,137,377	-1,710,358
0	0	Carrying amount at 30 June	2,675,796	3,102,815
8 Patents & licenses				
0	0	Cost at 1 July	45,000	45,000
0	0	Additions	0	0
0	0	Cost at 30 June	45,000	45,000
0	0	Impairment losses and amortisation at 1 July	-40,500	-36,000
0	0	Amortisation	-4,500	-4,500
0	0	Impairment losses and amortisation at 30 June	-45,000	-40,500
0	0	Carrying amount at 30 June	0	4,500

Notes

			GBP	
Parent			Group	
30.06.25	30.06.24	Note	30.06.25	30.06.24
9 Plant and machinery				
0	0	Cost at 1 July	5,345,122	5,060,156
0	0	Additions, business combinations	0	0
0	0	Additions	96,330	374,966
0	0	Disposals	0	-90,000
0	0	Cost at 30 June	5,441,452	5,345,122
0	0	Impairment losses and amortisation at 1 July	-3,117,921	-2,824,558
0	0	Adjustments	0	0
0	0	Drepreciations	-285,648	-359,921
0	0	Depreciation on disposals	0	66,558
0	0	Impairment losses	0	0
0	0	Impairment losses and amortisation at 30 June	-3,403,569	-3,117,921
0	0	Carrying amount at 30 June	2,037,883	2,227,201
10 Other fixtures and fittings, tools and equipment				
0	0	Cost at 1 July	1,298,081	1,298,081
0	0	Additions, business combinations	0	0
0	0	Additions	44,627	0
0	0	Disposals	-13,500	0
0	0	Cost at 30 June	1,329,208	1,298,081
0	0	Impairment losses and amortisation at 1 July	-1,117,576	-1,050,191
0	0	Drepreciations	-76,563	-67,385
0	0	Depreciation on disposals	13,500	0
0	0	Impairment losses	0	0
0	0	Impairment losses and amortisation at 30 June	-1,180,639	-1,117,576
0	0	Carrying amount at 30 June	148,569	180,505
11 Impairment losses and depreciation				
The total impairment losses and depreciation analysed as follows:				
0	0	Production costs	0	0
0	0	Sales- and distribution costs	0	0
0	0	Administrative expenses	793,730	858,824
0	0	Total	793,730	858,824

Notes

			GBP	
Parent			Group	
30.06.25	30.06.24	Note	30.06.25	30.06.24

12 Deposits

0	519	Cost at 1 July	0	519
0	0	Additions	0	0
0	-519	Disposals	0	-519
0	0	Cost at 30 June	0	0
0	0			
0	0	Carrying amount at 30 June	0	0

13 Deferred tax, asset

88,515	88,326	Deferred tax at 1 July	88,515	88,326
-3,447	189	Additions	-3,447	189
85,068	88,515	Deferred tax 30 June	85,068	88,515
Deferred tax relates to:				
85,068	88,515	Loss carried forward	85,068	88,515
85,068	88,515	Carrying amount at 30 June	85,068	88,515

The parent expects to generate revenue and be profitable within the next few years,

14 Investments in subsidiaries

0	0	Cost at 1 July
364,001	364,341	Additions
0	0	Salg af dattervirksomhed
364,001	364,341	Cost at 30 June
0	0	Value adjustment 1 July
3,798	0	Foreign currency translation adjustments
0	0	Value adjustment 30 June
367,799	364,341	Carrying amount at 30 June

Subsidiaries	Ownership	Registered office	Net Profit	Equity
Northern Industries UK 1 Limited	1	Co, Durham, United Kingdom	-73,716	72,274
JHT Group Holdings Limited	1	Newcastle Upon Tyne, United Kingdom	82,809	-228,401
JHT Fabrications Limited	1	Newcastle Upon Tyne, United Kingdom	38,703	97,869
Steelway Group Holdings Limited	1	Wolverhampton, United Kingdom	649,994	2,337,041
Steelway Group Limited	1	Wolverhampton, United Kingdom	0	0
Steelway Holdings Limited	1	Wolverhampton, United Kingdom	3,262	1,196,340
Steelway Fensecure Limited	1	Wolverhampton, United Kingdom	1,249,143	1,908,243
CEL Sheet Metal (Holdings) Limited	1	Co, Durham, United Kingdom	180,101	1,263,214
CEL Sheet Metal Limited	1	Staffordshire, United Kingdom	-53,792	1,941,269

Notes

Parent			Group	
30.06.25	30.06.24	Note	30.06.25	30.06.24

15 Inventories

Parent			Group	
30.06.25	30.06.24	Note	30.06.25	30.06.24
0	0	Raw material and consumables	546,108	850,464
0	0	Work in progress	790,121	522,897
0	0	Manufactured goods and goods for resales'	103,644	104,174
0	0	Carrying amount at 30 June	1,439,873	1,477,535

16 Share capital

The share capital at 30 June 2025 was thus nom. 127,788,63 GBP (1.114.448,70 DKK) and consists of 11.144.448 shares of 0,01135 GBP (0,1 DKK).

The parent owns treasury shares with a nominal value of 571 GBP (4.952,70), corresponding to 0,44% of the share capital. The shares are valued at nil and are not included in the balance sheet.

17 Deferred tax, liability

Deferred tax relates to:

Parent			Group	
30.06.25	30.06.24	Note	30.06.25	30.06.24
0	0	Accelerated capital allowance	476,166	476,166
0	0	Loss carried forward	-61,408	0
0	0	Carrying amount at 30 June	414,758	476,166

Notes

			GBP	
Parent			Group	
30.06.25	30.06.24	Note	30.06.25	30.06.24
18 Borrowings				
Bank loans				
0	0		38,940	49,767
0	0		98,369	147,811
0	0		137,309	197,578
Finance lease obligations				
0	0		43,907	167,054
0	0		357,946	413,592
0	0		401,853	580,646
Factoring obligations				
0	0		4,856,190	4,169,654
0	0		0	0
0	0		4,856,190	4,169,654
Amounts owed to affiliated companies				
127,500	565,019		127,500	565,019
114,581	653,691		114,581	653,691
242,081	1,218,710		242,081	1,218,710
Other loans				
0	4,012		300,000	299,012
855,378	397,553		1,100,378	947,553
855,378	401,565		1,400,378	1,246,565

180.000 GBP of the amount in Loans (short term) relates to deferred consideration due to the sellers from the purchase of CEL Sheet Metal Limited which is payable within one year.

120.000 GBP of the amount in Loans (short term) relates to deferred consideration due to the sellers from the purchase of Steelway Group Limited which is not yet payable.

165.000 GBP of the amount in Loans (long term) relates to deferred consideration due to the sellers from the purchase of CEL Sheet Metal Limited which is not yet payable.

80.000 GBP of the amount in Loans (long term) relates to deferred consideration due to the sellers from the purchase of Steelway Group Limited which is not yet payable.

19 Financial instruments

Debt refinancing

During the year, the Group undertook a refinancing of its existing intercompany debt. As part of this process, the Group entered into eight new third-party loan agreements with external lenders. The proceeds from these new borrowings were used to settle amounts previously owed to affiliated companies.

The loans carry interest at 12% per annum, payable quarterly, and are repayable after four years by way of a bullet repayment of principal at the end of the loan term. At 30 June 2025, the full loan principal is presented as a non-current liability, with accrued interest recognised within current liabilities.

Cynergy Business Finance arrangements

In connection with a change in finance provider, the Group granted fixed and floating charges in favour of Cynergy Business Finance Limited with effect from 28 March 2024. These charges relate to the Group's invoice finance facilities and provide security over certain assets, including trade receivables and other company assets.

Steelway Fensecure loan – Cynergi Finance

Steelway Fensecure Limited entered into a loan agreement with Cynergi Finance in March 2023. The loan is repayable over five years in equal monthly instalments and bears interest at 13,9% per annum. The loan is scheduled to be fully repaid by March 2028. The loan is secured by way of a fixed charge over the plant and equipment owned by Steelway Fensecure Limited.

Invoice discounting facilities

Invoice discounting arrangements are in place for CEL Sheet Metal Limited and Steelway Fensecure Limited. These facilities are secured against each company's trade debtors, supported by fixed and floating charges over the assets of the respective companies. Invoice discounting balances outstanding at year-end are presented within borrowings.

Notes

			GBP	
Parent			Group	
30.06.25	30.06.24	Note	30.06.25	30.06.24

20 Contingent liabilities and pledged assets

Operating lease

0	0	Due within the first year	863,450	702,488
0	0	Due between 2 and 5 years	988,311	935,457
0	0	Due after 5 years	196,655	190,296
0	0	Total	2,048,416	1,828,241

Bank loans

The loan entered into by JHT Group Holdings Limited is secured by way of a fixed and floating charge over the assets held by JHT Group Holdings Limited and JHT Fabrications Limited, its wholly owned subsidiary.

The loan entered into by Steelway Group Holdings Limited is secured by way of a fixed and floating charge over the assets and investments held by Steelway Group Holdings Limited and group companies Steelway Fensecure Limited, Steelway Access Covers Limited, Steelway Group Limited, JHT Fabrications Limited and JHT Group Holdings Limited.

The loan entered into by Steelway Fensecure Limited in March 2023, with Cynergi Finance is secured by way of a fixed charge over the plant and equipment owned by Steelway Fensecure Limited.

21 Fee paid to auditors appointed at the annual general meeting

22,532	20,862	Fee regarding statutory audit	34,532	50,312
0	7,670	Tax assistance	22,042	17,770
0	14,294	Other assistance	0	21,934
22,532	42,826	Total	56,574	90,016

22 Related parties

Northern Industries A/S' related parties are:

<u>Control:</u>	<u>Basic</u>
Kjøller A/S, Aalborg, Denmark	Majority shareholder
<u>Other related parties:</u>	
Northern Industries UK 1 Limited	Subsidiary
JHT Group Holdings Limited	Subsidiary
JHT Fabrications Limited	Subsidiary
Steelway Group Holdings Limited	Subsidiary
Steelway Group Limited	Subsidiary
Steelway Holdings Limited	Subsidiary
Steelway Fensecure Limited	Subsidiary
CEL Sheet Metal (Holdings) Limited	Subsidiary
CEL Sheet Metal Limited	Subsidiary

Related parties also include Board of Directors and the Executive Management

All transactions with related parties are settled on an arm's length basis.

Notes

		GBP
	Group	
	30.06.25	30.06.24

23 Cash flow from investing activities

Purchase of subsidiary	0	0
Proceeds from issue of shares, net	0	0
Purchase of tangible fixed assets	-140,957	-426,621
Sale of tangible assets	0	30,011
Cash acquired with subsidiary	0	0
Interest received	4,203	1,232
I alt	-136,754	-395,378

24 Cash flow from financing activities

Repayment of borrowings	-1,546,877	-2,020,729
Proceeds from invoice discounting facility	686,536	1,274,863
Proceeds from borrowings	454,053	401,566
Purchase of treasury shares	0	0
Payment of finance lease obligations	-178,792	-10,585
I alt	-585,080	-354,885

25 Events after the balance sheet date

Acquisition of Landguard Engineering Limited
 On the 2nd December 2025, the Group completed the acquisition of the entire share capital of Landguard Engineering Limited and Landguard Holdings Limited which specialises in the fabrication of bespoke steelwork designs for industrial and commercial applications, The total consideration payable for the acquisition was £2m financed through additional external borrowings.
 The acquisition is a non-adjusting event, though full disclosure of the transaction will be included in the financial statements to 30 June 2026. The Directors are unable to provide the full disclosures required to meet the requirements of the applicable financial reporting framework FRS102 relating to acquisitions after the reporting period but before the financial statements are authorised for issue because initial accounting for the business combination is incomplete. Specially, the purchase price allocation is not yet complete as identifiable intangible asset valuations have not yet been finalised and it is therefore not possible to calculate the value of goodwill arising in respect of the business combination until these valuations are complete.

Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act for medium-sized groups and enterprises in reporting class C.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

The annual report is presented in GBP the GBP/DKK exchange rate for 2024/25 is 872,110(FY2023/24 880,389).

For the fiscal year ended 30 June 2025 , the financial statements are expressed in GBP. Transactions are recognized and measured using the exchange rate at the end of the reporting period. The exchange rate as of the balance sheet date for the current year was 887,641(FY2023/24 868,048).

CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements comprise the parent and its subsidiaries in which the parent directly or indirectly holds more than 50% of the voting rights or by way of agreements exercises control.

All financial statements used for consolidation are prepared in accordance with the accounting policies of the group.

The consolidated financial statements consolidate the financial statements of the parent and its subsidiaries by adding together items of a uniform nature, eliminating intercompany income and expenditure, equity investments, intercompany balances and dividends as well as gains and losses resulting from transactions between the consolidated enterprises to the extent that the underlying assets and liabilities are not realised.

INCOME STATEMENT

Revenue

Income from the sale of goods is recognized in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Production costs

Costs incurred, directly or indirectly, to generate the revenue for the year, including raw materials and consumables, wages and salaries and lease of and depreciation, amortization and impairment losses on the fixed assets used in the production process, are recognized under production costs.

Distribution costs

Costs for the distribution of goods sold during the year and sales campaigns etc., including wages and salaries for sales staff, advertising, and exhibition costs etc. and lease of and depreciation, amortization and impairment losses on the fixed assets used in the distribution and sales activity, are recognized under distribution costs.

Administrative expenses

Expenses incurred during the year for management and administration, including wages and salaries for administrative staff and management as well as office premise expenses, office expenses, bad debts etc. and lease of and depreciation, amortization and impairment losses on the fixed assets used for administration, are recognized under administrative expenses.

Other operating income

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill, and gains on the sale of intangible assets and property, plant, and equipment.

Depreciation, amortization and impairment losses

The depreciation and amortization of intangible assets and property, plant and equipment aim at systematic depreciation and amortization over the expected useful lives of the assets. Assets are depreciated and amortized according to the straight-line method based on the following expected useful lives and residual values:

Plant and machinery	3 - 20 years
Fixtures and fittings, tools and equipment	3 - 10 years

Goodwill

Goodwill is amortized over 10 years. The useful life has been determined in consideration of the expected future net earnings of the enterprise or activity to which the goodwill relates.

Other net financials

Interest income and interest expenses etc. are recognized in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognized in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognized directly in equity.

BALANCE SHEET**Intangible assets****Goodwill**

Goodwill is measured in the balance sheet at cost less accumulated amortization and impairment losses.

Goodwill is amortized using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortization and impairment losses' section.

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

Property, plant, and equipment

Property, plant, and equipment comprise other fixtures and fittings, tools, and equipment.

Property, plant, and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant, and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortization and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Equity investments in group enterprises

Equity investments in subsidiaries are measured at cost less any impairment losses in the balance sheet of the parent. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments in the balance sheet of the parent, while transaction costs are recognised in the income statement in the consolidated financial statements.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

Inventories

Inventories are measured at cost calculated according to. Inventories are written down to the lower of cost and net realizable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realizable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

Receivables are measured at amortized cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Deposits recognized under assets comprise deposits paid to the lessor under leases entered into by the company.

Provisions

Other provisions comprise expected expenses incidental to restructuring etc. and are recognized when the company has a legal or constructive obligation at the balance sheet date, and it is probable that such obligation will draw on the financial resources of the company. Provisions are measured at net realizable value or fair value if the provision is expected to be settled over the longer term.

Current and deferred tax

Current tax payable and receivable is recognized in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Deferred tax liabilities and tax assets are recognized on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognized on temporary differences relating to goodwill which is non-amortizable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the tax-able income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognized, following an assessment, at the expected realizable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallize as current tax.

Payables

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortized cost where capital losses and loan expenses are recognized in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term payables are measured at amortized cost, normally corresponding to the nominal value of such payables.

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.

CASH FLOW STATEMENT

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the parent's share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term payables.

Cash and cash equivalents at the beginning and end of the year comprise cash.

Referring to section 86(4) of the Danish Financial Statements Act a cash flow statement has not been prepared for the parent as the parent is included in the consolidated cash flow statement.