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# ***DS Stålkonstruktion A/S***

Samsøvej 2, DK-9500 Hobro

Annual Report for  
1 April 2023 - 31 March 2024

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CVR No. 25 13 09 79

The Annual Report was  
presented and adopted  
at the Annual General  
Meeting of the  
company  
on 27/8 2024

Simon Bisgaard  
Chairman of the  
general meeting



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# Management's statement

The Executive Board and Supervisory Board have today considered and adopted the Annual Report of DS Stålkonstruktion A/S for the financial year 1 April 2023 - 31 March 2024.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 March 2024 of the Company and of the results of the Company operations for 2023/24.

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

Hobro, 27 August 2024

## Executive Board

Morten Kaad  
CEO

## Supervisory Board

Dr. Benedikt Benjamin Krings  
Chairman

Hans Jörg Frieauff

Florian Laxander

# Independent Auditor's report

To the shareholders of DS Stålkonstruktion A/S

## Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2024 and of the results of the Company's operations for the financial year 1 April 2023 - 31 March 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of DS Stålkonstruktion A/S for the financial year 1 April 2023 - 31 March 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

## 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 Financial Statements" section of our report. We are independent of 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.

## Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

## Management's responsibilities for the Financial Statements

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

In preparing the Financial Statements, Management is responsible for assessing the 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 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 Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aarhus, 27 August 2024

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Jens Weiersøe Jakobsen  
State Authorised Public Accountant  
mne30152

Thyge Belter  
State Authorised Public Accountant  
mne30222

# Company information

<b>The Company</b>	DS Stålkonstruktion A/S Samsøvej 2 DK-9500 Hobro  CVR No: 25 13 09 79 Financial period: 1 April 2023 - 31 March 2024 Incorporated: 22 December 1999 Financial year: 25th financial year Municipality of reg. office: Mariagerfjord
<b>Supervisory Board</b>	Dr. Benedikt Benjamin Krings, chairman Hans Jörg Frieauff Florian Laxander
<b>Executive Board</b>	Morten Kaad
<b>Auditors</b>	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Jens Chr. Skous Vej 1 DK-8000 Aarhus C

## Financial Highlights

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

	2023/24	2022/23	2021/22	2020/21	2019/20
	TDKK 12 months	TDKK 9 months	TDKK 12 months	TDKK 12 months	TDKK 12 months
<b>Key figures</b>					
<b>Profit/loss</b>					
Revenue	909,620	689,637	765,078	627,123	1,331,999
Profit/loss of primary operations	116,957	74,294	87,600	80,885	82,624
Profit/loss of financial income and expenses	8,318	130	-393	3,605	-2,822
Net profit/loss for the year	98,474	58,387	68,154	66,200	61,166
<b>Balance sheet</b>					
Balance sheet total	568,691	467,433	376,968	317,498	564,043
Investment in property, plant and equipment	23,446	11,428	23,040	6,275	12,570
Equity	309,607	211,377	153,750	126,200	203,402
Number of employees	222	215	212	197	266
<b>Ratios</b>					
Profit margin	12.9%	10.8%	11.4%	12.9%	6.2%
Return on assets*	20.6%	21.2%	23.2%	25.5%	14.6%
Solvency ratio	54.4%	45.2%	40.8%	39.7%	36.1%
Return on equity*	37.8%	42.6%	48.7%	40.2%	40.0%

From 1 July 2020 the Company demerged the Engineering business to the Group Company DS Flexhal A/S. Comparative figures in the Financial Highlights have not been adjusted.

\*For the Ratios the Profit/loss statement have been adjusted to a 12 months period, for the financial year 2022/23.

# Management's review

## Key activities

The Company's activities comprise the design, manufacture and installation of steel structures.

## Development in the year

The income statement of the Company for 2023/24 shows a profit of TDKK 98,474, and at 31 March 2024 the balance sheet of the Company shows a positive equity of TDKK 309,607.

Management considers the results for the year satisfactory.

The results realised for the financial year 2023/24 are in line with expectations for the financial year.

## Outlook

The Company has met expectations of a profit for the financial year 2023/24. The Company expects a profit in the coming year, but at a lower level. The Company expects EBIT to be in the range DKK 40 - 80 million for the financial year 2024/25

## Special risks - operating risks and financial risks

### Currency risk

The Company is exposed to currency risks with respect to day-to-day operations. Currency risks are assessed to be low. Major projects are hedged by means of foreign exchange contracts and investment of cash and cash equivalents in currency.

### Interest rate risks

As a result of the Company's equity ratio and financial resources, changes in the interest rate level will have no significant direct impact on earnings. Consequently, interest rate risks are not hedged.

### Credit risks

The Company's credit risks are primarily related to trade receivables. In accordance with the Company's credit risk assumption policy, all major customers and business partners are subject to continuous credit assessment.

## Statement of corporate social responsibility

The Company is included in the consolidated financial statements of DS Gruppen A/S, CVR no 40 68 50 14, which prepares a corporate social responsibility report in accordance with section 99a of the Danish Financial Statements Act.

# Management's review

## Statement on gender composition

Currently, the DS Group's Supervisory Board consists of three men. The Group's target is that, by 2025, at least one member of the Supervisory Board will be from the underrepresented gender, implying that by then, the Board will consist of two men and one woman, or, alternatively, three men and one woman if the target is most appropriately achieved by expanding the Supervisory Board.

In 2022, DS Gruppen A/S changed owners. In that regard, it has been essential to ensure management stability in connection with the establishment of a new Supervisory Board. Against this background, the gender composition of the supreme governing body has been less of a focal point during the period and was represented by one gender, male. From the beginning of the upcoming financial year, the supreme governing body will consist of mixed gender composition as one woman will be a part of the governing body.

	2023/24	2024/25	2025/26	2026/27	2027/28
<b>Company Board (Øverste ledelse)</b>					
Total members	3				
Underrepresented gender in pct.	0%				
Target in pct.	25%				
Year for target realization	25/26				
<b>Governing body and management group (Øvrige ledelse)</b>					
Total members	9				
Underrepresented gender in pct.	0%				
Target in pct.	10%				
Year for target realization	26/27				

\*The governing body and management group are the first and second level below the company board.

### *Policy and initiatives for increasing gender equality in governing body & management group (øvrige ledelse)*

It is the overall ambition of the Company to increase the representation of the underrepresented gender. Against this background, it is emphasized during recruitment that candidates of both genders are invited to apply, and that both genders are treated equally when they are assessed. In the following year the Company together with DS Gruppen plans to make a policy to increase the underrepresented gender in management positions throughout the company. Similarly, employees of the underrepresented gender are offered courses and further education on the same terms as employees of the overrepresented gender. In the coming years DS Stålkonstruktion will increase their focus on initiatives through competence development and employees showing the right potential, regardless of gender, will be considered for management positions in the Company. The gender composition of the Company's governing body and management group is generally challenged by the industry trend of men making up a large proportion of the workforce. In the management's assessment, the current staff reflects the industry's distribution between men and women, but a targeted effort by the Company would increase the number of women in the governing body and management group.

DS Stålkonstruktion as a part of DS Gruppen is currently working on future policy to ensure more systematic approach for promoting the underrepresented gender. The initiatives taken in 2023 for the Governing body and management group are listed below.

## Management's review

### *Initiatives for gender equality in FY2023/2024 – Supervisory Board (Øverste ledelse)*

There have not been take specific initiatives to increase gender equality in the supervisory board in 2023.

### *Initiatives for gender equality in FY2023/2024 – Governing body & Management group (Øvrige ledelse)*

- Opportunity to participate in Goldbeck International network, “Goldbeckwomen”. The first international network meeting was held in 2023 at Goldbeck in Frankfurt am Main with the focus on empowering women of the company. The network included workshops, talks and group work.
- Raising awareness of inclusion among management recruitment.
- Using our own powerful female role models to inspire both our people and those looking at the Group from the outside, this has resulted in increased PR of the Company, both on our website, newsletters and SoMe.
- Supporting memberships of external women’s networks.
- Working with promoting internal potential talent with follow up education opportunities, Network participation etc.
- Mentorship program for new talent.

## Statement on data ethics

The Company is included in the consolidated financial statements of DS Gruppen A/S, CVR no 40 68 50 14, which prepares a statement of data ethics in accordance with section 99d of the Danish Financial Statements Act.

## Subsequent events

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

## Income statement 1 April 2023 - 31 March 2024

	Note	2023/24	2022/23
		TDKK 12 months	TDKK 9 months
Revenue	1	909,620	689,637
Other operating income		2,779	90
Expenses for raw materials and consumables		-474,121	-391,484
Other external expenses		-148,936	-101,514
<b>Gross profit</b>		<b>289,342</b>	<b>196,729</b>
Staff expenses	2	-158,310	-112,171
Depreciation and impairment losses of property, plant and equipment		-14,075	-10,264
<b>Profit/loss before financial income and expenses</b>		<b>116,957</b>	<b>74,294</b>
Income from investments in subsidiaries	3	3,811	1,071
Financial income	4	7,617	2,023
Financial expenses	5	-3,110	-2,964
<b>Profit/loss before tax</b>		<b>125,275</b>	<b>74,424</b>
Tax on profit/loss for the year	6	-26,801	-16,037
<b>Net profit/loss for the year</b>	7	<b>98,474</b>	<b>58,387</b>

## Balance sheet 31 March 2024

### Assets

	Note	2023/24	2022/23
		TDKK	TDKK
Land and buildings		47,242	39,340
Plant and machinery		26,134	26,480
Other fixtures and fittings, tools and equipment		12,662	13,774
Leasehold improvements		906	1,099
Property, plant and equipment in progress		3,222	404
<b>Property, plant and equipment</b>	<b>8</b>	<b>90,166</b>	<b>81,097</b>
Investments in subsidiaries	9	19,851	11,422
Receivables from group enterprises		4,050	44,380
<b>Fixed asset investments</b>		<b>23,901</b>	<b>55,802</b>
<b>Fixed assets</b>		<b>114,067</b>	<b>136,899</b>
Raw materials and consumables		39,411	49,359
<b>Inventories</b>		<b>39,411</b>	<b>49,359</b>
Trade receivables		74,307	78,133
Contract work in progress	10	48,442	63,256
Receivables from group enterprises		65,795	18,413
Other receivables		14,847	996
Corporation tax		6,932	13,089
Prepayments	11	4,208	1,737
<b>Receivables</b>		<b>214,531</b>	<b>175,624</b>
<b>Cash at bank and in hand</b>		<b>200,682</b>	<b>105,551</b>
<b>Current assets</b>		<b>454,624</b>	<b>330,534</b>
<b>Assets</b>		<b>568,691</b>	<b>467,433</b>

## Balance sheet 31 March 2024

### Liabilities and equity

	Note	2023/24	2022/23
		TDKK	TDKK
Share capital		6,250	6,250
Reserve for net revaluation under the equity method		10,699	7,132
Retained earnings		275,458	197,995
Proposed dividend for the year		17,200	0
<b>Equity</b>		<b>309,607</b>	<b>211,377</b>
Provision for deferred tax	12	32,062	25,133
Other provisions	13	3,721	2,529
<b>Provisions</b>		<b>35,783</b>	<b>27,662</b>
Trade payables		98,837	64,809
Contract work in progress	10	103,065	135,671
Payables to group enterprises		2,963	3,293
Other payables		18,436	24,621
<b>Short-term debt</b>		<b>223,301</b>	<b>228,394</b>
<b>Debt</b>		<b>223,301</b>	<b>228,394</b>
<b>Liabilities and equity</b>		<b>568,691</b>	<b>467,433</b>
Contingent assets, liabilities and other financial obligations	14		
Related parties	15		
Fee to auditors appointed at the general meeting	16		
Accounting Policies	17		

## Statement of changes in equity

	Share capital	Reserve for net revaluation under the equity method	Retained earnings	Proposed dividend for the year	Total
	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 April	6,250	7,132	197,995	0	211,377
Exchange adjustments relating to foreign entities	0	-244	0	0	-244
Net profit/loss for the year	0	3,811	77,463	17,200	98,474
<b>Equity at 31 March</b>	<b>6,250</b>	<b>10,699</b>	<b>275,458</b>	<b>17,200</b>	<b>309,607</b>

# Notes to the Financial Statements

	2023/24	2022/23
	TDKK 12 months	TDKK 9 months
<b>1. Revenue</b>		
<b>Geographical segments</b>		
Revenue, Denmark	514,352	291,131
Other countries EU/EØS	395,268	398,506
	<b>909,620</b>	<b>689,637</b>

	2023/24	2022/23
	TDKK 12 months	TDKK 9 months
<b>2. Staff Expenses</b>		
Wages and salaries	139,670	100,234
Pensions	8,957	5,299
Other social security expenses	528	366
Other staff expenses	9,155	6,272
	<b>158,310</b>	<b>112,171</b>

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

<b>Average number of employees</b>	<b>222</b>	<b>215</b>
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	2023/24	2022/23
	TDKK 12 months	TDKK 9 months
<b>3. Income from investments in subsidiaries</b>		
Share of profits	3,811	1,071
	<b>3,811</b>	<b>1,071</b>

## Notes to the Financial Statements

	2023/24	2022/23
	TDKK 12 months	TDKK 9 months
<b>4. Financial income</b>		
Interest received from group enterprises	1,140	142
Other financial income	3,671	401
Exchange gains	2,806	1,480
	<u>7,617</u>	<u>2,023</u>
	2023/24	2022/23
	TDKK 12 months	TDKK 9 months
<b>5. Financial expenses</b>		
Other financial expenses	846	866
Exchange loss	2,264	2,098
	<u>3,110</u>	<u>2,964</u>
	2023/24	2022/23
	TDKK 12 months	TDKK 9 months
<b>6. Income tax expense</b>		
Current tax for the year	19,543	1,004
Deferred tax for the year	7,134	15,033
Adjustment of tax concerning previous years	-81	3,934
Adjustment of deferred tax concerning previous years	205	-3,934
	<u>26,801</u>	<u>16,037</u>
	2023/24	2022/23
	TDKK	TDKK
<b>7. Profit allocation</b>		
Proposed dividend for the year	17,200	0
Reserve for net revaluation under the equity method	3,811	1,071
Retained earnings	77,463	57,316
	<u>98,474</u>	<u>58,387</u>

## Notes to the Financial Statements

### 8. Property, plant and equipment

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Leasehold improvements	Property, plant and equipment in progress
	TDKK	TDKK	TDKK	TDKK	TDKK
Cost at 1 April	102,447	87,924	35,795	1,929	404
Additions for the year	2,480	5,740	3,060	0	12,167
Disposals for the year	0	-91	-1,064	0	0
Transfers for the year	9,349	0	0	0	-9,349
Cost at 31 March	<u>114,276</u>	<u>93,573</u>	<u>37,791</u>	<u>1,929</u>	<u>3,222</u>
Impairment losses and depreciation at 1 April	63,107	61,444	22,021	830	0
Depreciation for the year	3,927	6,086	3,868	193	0
Reversal of impairment and depreciation of sold assets	0	-91	-760	0	0
Impairment losses and depreciation at 31 March	<u>67,034</u>	<u>67,439</u>	<u>25,129</u>	<u>1,023</u>	<u>0</u>
<b>Carrying amount at 31 March</b>	<u><b>47,242</b></u>	<u><b>26,134</b></u>	<u><b>12,662</b></u>	<u><b>906</b></u>	<u><b>3,222</b></u>
Amortised over	<u>10-20 years</u>	<u>5-10 years</u>	<u>3-8 years</u>	<u>5-10 years</u>	

## Notes to the Financial Statements

	2023/24	2022/23
	TDKK	TDKK
<b>9. Investments in subsidiaries</b>		
Cost at 1 April	4,290	4,290
Additions for the year	4,862	0
Cost at 31 March	<u>9,152</u>	<u>4,290</u>
Value adjustments at 1 April	7,132	7,125
Exchange adjustment	-244	-760
Net profit/loss for the year	3,811	1,071
Dividend to the Parent Company	0	-304
Value adjustments at 31 March	<u>10,699</u>	<u>7,132</u>
<b>Carrying amount at 31 March</b>	<b><u>19,851</u></b>	<b><u>11,422</u></b>
Positive differences arising on initial measurement of subsidiaries at net asset value	<u>4,599</u>	<u>0</u>
Remaining positive difference included in the above carrying amount at	<u>4,599</u>	<u>0</u>

The goodwill on investments in subsidiaries will be depreciated over two years.  
Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
DS Nor AS	Norway	100%
DS Skanding d.o.o.	Slovenia	100%
DS Engineering sp. z o.o.	Poland	100%
Halber ApS	Denmark	100%

## Notes to the Financial Statements

	2023/24	2022/23
	TDKK	TDKK
<b>10. Contract work in progress</b>		
Selling price of work in progress	582,218	512,105
Payments received on account	-636,841	-584,520
	<u>-54,623</u>	<u>-72,415</u>
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	48,442	63,256
Prepayments received recognised in debt	-103,065	-135,671
	<u>-54,623</u>	<u>-72,415</u>

## 11. Prepayments

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

	2023/24	2022/23
	TDKK	TDKK
<b>12. Provision for deferred tax</b>		
Deferred tax liabilities at 1 April	25,133	14,034
Adjustment of deferred tax concerning previous years	-205	-3,934
Amounts recognised in the income statement for the year	7,134	15,033
Deferred tax liabilities at 31 March	<u>32,062</u>	<u>25,133</u>

	2023/24	2022/23
	TDKK	TDKK
<b>13. Other provisions</b>		
Other provisions includes warranty provisions related to completed contracts.		
Other provisions	3,721	2,529
	<u>3,721</u>	<u>2,529</u>
The provisions are expected to mature as follows:		
Within 1 year	2,791	1,897
Between 1 and 5 years	930	632
After 5 years	0	0
	<u>3,721</u>	<u>2,529</u>

## Notes to the Financial Statements

	2023/24	2022/23
	TDKK	TDKK
<b>14. Contingent assets, liabilities and other financial obligations</b>		
<b>Rental and lease obligations</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	742	834
Between 1 and 5 years	72	843
	<u>814</u>	<u>1,677</u>
Rent obligations	6,214	7,355
The company has a rent obligation with an associated company with a total obligation of TDKK 1.461.		

### Guarantee obligations

As security for the completion of construction contracts, the usual security has been provided in the form of bank guarantees and performance bonds etc. for a total of TDKK 86,597 (2022/23: 91,817).

### Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of DS Gruppen A/S, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The company is involved in individual disputes, of which the outcome is currently uncertain. It is the management's opinion that the outcome of these cases will not have a significant impact on the company's financial position.

# Notes to the Financial Statements

## 15. Related parties and disclosure of consolidated financial statements

	<u>Basis</u>
<b>Controlling interest</b>	
DS Gruppen A/S, Mariagerfjord	Parent company
Ortwin Goldbeck Holding SE, Bielefeld	Ultimate parent

### Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

<u>Name</u>	<u>Place of registered office</u>
DS Gruppen A/S, CVR 40685014	Mariagerfjord, Denmark
Ortwin Goldbeck Holding SE	Bielefeld, Germany

The Group Annual Report of Ortwin Goldbeck Holding SE may be obtained at the following address:

Ummelner Straße 4-6  
33649 Bielefeld  
Germany

## 16. Fee to auditors appointed at the general meeting

With reference to section 96(3) of the Danish Financial Statements Act and to the disclosure on fee to auditors appointed at the general meeting in the consolidated financial statements of DS Gruppen A/S, the Company has not included a disclosure on fee to auditors appointed at the general meeting.

# Notes to the Financial Statements

## 17. Accounting policies

The Annual Report of DS Stålkonstruktion A/S for 2023/24 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year. Reclassifications have been made to the comparative figures in the financial statements. The reclassifications have not affected the result or equity.

The Financial Statements for 2023/24 are presented in TDKK.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2023/24 of DS Gruppen A/S, the Company has not prepared consolidated financial statements.

### Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of DS Gruppen A/S, the Company has not prepared a cash flow statement.

### Recognition and measurement

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

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

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

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

### Business combinations

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

# Notes to the Financial Statements

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

## Leases

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

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

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

## Translation policies

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

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Segment information on revenue

Information on business segments and geographical segments based on the Company's risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments

## Income statement

### Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

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

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

# Notes to the Financial Statements

## Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

## Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

## Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

## Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of property, plant and equipment.

## Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

## Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

## Financial income and expenses

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

## Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## Balance sheet

### Property, plant and equipment

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

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Interest expenses on loans contracted directly for financing the construction of property, plant and equipment are recognised in cost over the construction period.

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

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Production buildings	10-20 years
Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-8 years
Leasehold improvements	5-10 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

## Impairment of fixed assets

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

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

## Investments in subsidiaries

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

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

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

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

## Other fixed asset investments

Other fixed asset investments consist of asset investments in subsidiaries and group loans.

## Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

## Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

# Notes to the Financial Statements

## Contract work in progress

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

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

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

## Prepayments

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

## Equity

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

## Dividend

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

## Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

## Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

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

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

## Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account.

# Notes to the Financial Statements

## Financial liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

## Financial Highlights

### Explanation of financial ratios

Profit margin	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Revenue}$
Return on assets*	$\text{Profit/loss of ordinary primary operations} \times 100 / \text{Total assets at year end}$
Solvency ratio	$\text{Equity at year end} \times 100 / \text{Total assets at year end}$
Return on equity*	$\text{Net profit for the year} \times 100 / \text{Average equity}$