Strukton Rail A/S

Gammel Lyngvej 2, 4600 Køge
CVR-nr. 20 28 65 47

Annual Report 2024

1 January - 31 December

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 19 June 2025

_____
Alf Gustav Oscarsson

BDO Statsautoriseret revisionsaktieselskab
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BDO Statsautoriseret revisionsaktieselskab, a Danish limited liability company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Company Details

Company	Strukton Rail A/S Gammel Lyngvej 2 4600 Køge	
	CVR No.:	20 28 65 47
	Established:	5 September 1997
	Municipality:	Køge
	Financial Year:	1 January - 31 December
Board of Directors	Tjark Arno de Vries, chairman Alf Gustav Oscarsson Paulus Henricus Maria de Haas	
Executive Board	Alf Gustav Oscarsson	
Auditor	BDO Statsautoriseret revisionsaktieselskab Havneholmen 29 1561 Copenhagen V	

Management's Statement

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Strukton Rail A/S for the financial year 1 January - 31 December 2024.

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

In our opinion the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of Group's and the Company's assets, liabilities and financial position at 31 December 2024 and of the results of Group's and the Company's operations and cash flows for the financial year 1 January - 31 December 2024.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Køge, 19 June 2025

Executive Board

_____
Alf Gustav Oscarsson

Board of Directors

_____	_____	_____
Tjark Arno de Vries Chairman	Alf Gustav Oscarsson	Paulus Henricus Maria de Haas

Independent Auditor's Report

To the Shareholder of Strukton Rail A/S

Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Strukton Rail A/S for the financial year 1 January - 31 December 2024, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant accounting policies for both the Group and the Parent Company, as well as consolidated statement of cash flows for the Group. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the assets, liabilities and financial position of the Group or the Company at 31 December 2024 and of the results of the Group and the Parent Company's operations as well as the consolidated cash flows of the Group for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements” section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements

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

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

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company 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 the Parent Company Financial Statements.

Independent Auditor's Report

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 Parent Company Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the Consolidated Financial Statements and the Parent Company Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Consolidated Financial Statements and the Parent Company Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Group Financial Statements and the Parent Company Financial Statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Statement on Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

Independent Auditor's Report

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Consolidated Financial Statements and the Parent Company 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management Commentary.

Copenhagen, 19 June 2025

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Morten Christensen
State Authorised Public Accountant
MNE no. mne35626

Troels Stenholm
State Authorised Public Accountant
MNE no. mne47806

Financial Highlights of the Group

	2024 DKK '000	2023 DKK '000	2022 DKK '000	2021 DKK '000	2020 DKK '000
Income statement					
Net revenue	576.872	502.455	340.022	249.599	218.385
Gross profit/loss	54.804	-2.821	16.205	10.892	-53.596
Operating profit/loss	45.446	-14.144	-9.535	-16.155	-65.531
Financial income and expenses, net	-330	-1.268	93	-2.639	-5.653
Profit/loss for the year before tax	45.163	-12.966	8.704	-3.854	-70.706
Profit/loss for the year	44.155	-12.966	8.704	-3.854	-70.752
Balance sheet					
Total assets	177.096	145.638	149.578	355.092	321.360
Equity	63.878	19.724	32.690	23.986	27.840
Cash flows					
Cash flows from operating activities	-22.716	25.324	-39.912	18.556	-42.512
Cash flows from investing activities	-29	21.145	38.650	-808	3.476
Cash flows from financing activities	-5.816	6.541	-85.935	48.389	65.095
Total cash flows	-28.561	53.010	-87.197	66.137	26.059
Investment in property, plant and equipment	-311	-4.505	-3.250	-1.049	-1.212
Key ratios					
Gross margin	9,5	-0,6	4,8	4,4	-24,5
Operating margin	7,9	-2,8	-30,0	-46,7	0,0
Equity ratio	36,1	13,5	21,9	6,8	8,7
Return on equity	105,6	-49,5	30,7	-14,9	-224,0
Profit margin	7,8	-2,6	2,6	-1,5	-32,4

The ratios stated in the list of key figures and ratios have been calculated as follows:

Gross margin: $\frac{\text{Gross profit x 100}}{\text{Net revenue}}$

Operating margin: $\frac{\text{Operating profit/loss x 100}}{\text{Net revenue}}$

Equity ratio: $\frac{\text{Equity (ex. minorities), at year-end x 100}}{\text{Total assets, at year-end}}$

Return on equity: $\frac{\text{Profit/loss for the year x 100}}{\text{Average equity}}$

Profit margin: $\frac{\text{Profit/loss for the year x 100}}{\text{Revenue}}$

Management Commentary

Principal activities
The Group's principal activities comprise construction and maintenance of railways in Denmark.

Unusual matters
No unsual matters impacts the financial statements.

Recognition and measurement uncertainty
Work in progress, prepayments and other provisions are exposed to material uncertainty related to recognition and measurement. We refer to note 18 for a thorough description of the uncertaintites.

Development in activities and financial and economic position
The market has in general been good with a reasonable number of tenders compared to previous years. However, as orderbook related to year 2024 were already full beginning of the year, new tenders have been with focus on year 2025 and forward.

The revenue has increased with 15 % from DKK 502 million (2023) to DKK 577 million year 2024. The revenue exceeds the expectations expectations due to higher production than expected on several projects.

The EBIT margin for 2024 was +7,9%. The positive deviation compared to the outlook for 2023 (-2,8 %) is primarily caused by an increase in project profitability from initiatives on the F-bane Project related to financial and operational management described in the annual report 2023 as well as in note 18.

Profit/loss for the year compared to the expected development
The income statement of the Group for 2024 shows a profit before tax of DKK 45 million and at 31 December 2024 the balance sheet of the Group shows an equity of DKK 65 million. The result for 2024 fully meets the expectations from last year.

Significant events after the end of the financial year
After end of the financial year 2024 some major change requests related to our projects has been confirmed by our client. We consider this an adjusting event. The impact has been of material importance for the Company's financial position, and due to this the positive impact has been recognized in the annual report for 2024. We refer to the description of the F-bane project in note 18 for further information.

Business and Financial Risks
The main business risk of the Parent Company and the Group is related to the size and complexity of the projects and the dependency on a small number of customers. For a thorough description of the risks and uncertainties related to the projects we refer to note 18.

We have identified different financial risks:
Capital ressources and liquidity risk is identified as a medium financial risk. In general cash flows fluctuates during the year which calls for strong financial resources. New projects also demand credit insurance or alternatively favorable payment terms or bank guarantees.

As of year-end 2024 there is no Group external debts and cash position has been strengthened a lot during the year. This situation is expected to continue during year 2025. Despite strong cash position we still have an intra-group credit facility. We refer to note 17 for further information on the going concern assumption.

Foreign exchange risk is deemed low risk. The risk is related to payment of Group administration fees in SEK which historically has been affected by rather large fluctuations.

Credit risk is deemed small since many of the customers are public entities.

Management Commentary

Research and development activities
The Group has not been actively involved in any research and development activities.

Future expectations
During year 2024 some projects with high level of revenue has been completed. Even though the order book for 2025 is not fully met, we foresee a decrease in revenue for the coming year. In absolute figures this correspond to a drop in revenue of around 175 million to DKK 400 million. EBIT margin expects to be approximately 3% in year 2025.

The current staff is expected to decrease by 5-10 FTE in year 2025. This is a direct consequence of lower revenue level.

Income Statement 1 January - 31 December

	Note	Group 2024 DKK	Group 2023 DKK	Parent Company 2024 DKK	Parent Company 2023 DKK
Net revenue		**576.872.169**	**502.454.639**	**576.803.669**	**502.385.414**
Production costs	1	-522.068.322	-505.275.623	-521.999.822	-505.206.398
Gross profit/loss		**54.803.847**	**-2.820.984**	**54.803.847**	**-2.820.984**
Administrative expenses	1	-9.744.697	-11.878.320	-9.745.715	-11.872.039
Operating profit		**45.059.150**	**-14.699.304**	**45.058.132**	**-14.693.023**
Other operating income		387.236	555.680	387.236	555.680
Loss before financials		**45.446.386**	**-14.143.624**	**45.445.368**	**-14.137.343**
Income from investments in subsidiaries		0	0	-53.875	2.438.759
Income from investments in associates		46.344	2.445.041	0	0
Financial income	2	1.335.895	855.831	1.335.895	855.831
Financial expenses	3	-1.666.110	-2.123.567	-1.632.211	-2.123.566
Profit before tax		**45.162.515**	**-12.966.319**	**45.095.177**	**-12.966.319**
Tax on profit/loss for the year	4	-1.007.897	0	-940.559	0
Profit for the year	5	**44.154.618**	**-12.966.319**	**44.154.618**	**-12.966.319**

Balance Sheet at 31 December

Assets

	Note	Group 2024 DKK	Group 2023 DKK	Parent Company 2024 DKK	Parent Company 2023 DKK
Other plant, machinery tools and equipment		15.029.305	6.583.027	15.029.305	6.583.027
Property, plant and equipment	6	**15.029.305**	**6.583.027**	**15.029.305**	**6.583.027**
Investments in subsidiaries		0	0	20.314.888	20.368.763
Investments in associates		542.250	1.006.346	0	510.440
Rent deposit and other receivables		167.750	449.000	167.750	449.000
Financial non-current assets	7	**710.000**	**1.455.346**	**20.482.638**	**21.328.203**
Non-current assets		**15.739.305**	**8.038.373**	**35.511.943**	**27.911.230**
Raw materials and consumables		5.754.705	5.571.442	5.754.705	5.571.442
Inventories		**5.754.705**	**5.571.442**	**5.754.705**	**5.571.442**
Trade receivables		32.699.008	11.820.736	32.699.008	11.803.861
Contract work in progress	8	66.330.842	38.627.813	66.330.842	38.627.813
Receivables from group enterprises		17.463.886	11.531.200	23.179.281	18.060.444
Receivables from associated enterprises		63.768	10.112.906	63.768	10.112.906
Other receivables		927.424	765.366	1.062.424	764.068
Corporation tax receivable		0	0	0	135.000
Prepayments	9	8.770.916	1.263.735	8.770.916	1.263.735
Receivables		**126.255.844**	**74.121.756**	**132.106.239**	**80.767.827**
Cash and cash equivalents		**29.345.814**	**57.906.354**	**28.576.684**	**57.241.491**
Current assets		**161.356.363**	**137.599.552**	**166.437.628**	**143.580.760**
Assets		**177.095.668**	**145.637.925**	**201.949.571**	**171.491.990**

Balance Sheet at 31 December

Equity and liabilities

	Note	Group 2024 DKK	Group 2023 DKK	Parent Company 2024 DKK	Parent Company 2023 DKK
Share capital	10	1.100.000	1.100.000	1.100.000	1.100.000
Retained earnings		62.778.145	18.623.527	62.778.145	18.623.527
Equity		**63.878.145**	**19.723.527**	**63.878.145**	**19.723.527**
Other provisions	11	27.231.868	43.497.407	27.231.868	43.497.407
Provisions		**27.231.868**	**43.497.407**	**27.231.868**	**43.497.407**
Lease liabilities		10.498.467	4.003.293	10.498.467	4.003.293
Frozen holiday pay		14.662.207	14.621.189	14.662.207	14.621.189
Non-current liabilities	12	**25.160.674**	**18.624.482**	**25.160.674**	**18.624.482**
Bank debt		101.800	64.149	101.800	64.149
Lease liabilities		2.549.403	1.346.228	2.549.403	1.346.228
Contract work in progress	8	3.805.071	2.919.253	3.805.071	2.919.253
Trade payables		20.140.507	22.193.423	20.101.920	23.051.401
Debt to Group companies		12.461.396	18.714.401	37.466.799	43.719.805
Corporation tax payable		1.007.897	947	940.559	0
Other liabilities		20.758.907	18.132.591	20.713.332	18.124.221
Deferred income	13	0	421.517	0	421.517
Current liabilities		**60.824.981**	**63.792.509**	**85.678.884**	**89.646.574**
Liabilities		**85.985.655**	**82.416.991**	**110.839.558**	**108.271.056**
Equity and liabilities		**177.095.668**	**145.637.925**	**201.949.571**	**171.491.990**

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Equity

DKK	Group Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
Equity at 1 January 2024	1.100.000	0	18.623.527	19.723.527
Proposed profit allocation, see note 5		46.344	44.108.274	44.154.618
Transfers				
Settlem. negative balance		-46.344	46.344	0
Equity at 31 December 2024	**1.100.000**	**0**	**62.778.145**	**63.878.145**

DKK	Parent Company Share capital	Reserve for net revaluation under the equity method	Retained earnings	Total
Equity at 1 January 2024	1.100.000	0	18.623.527	19.723.527
Proposed profit allocation, jf. note 5		-53.875	44.208.493	44.154.618
Transfers				
Settlem. negative balance		53.875	-53.875	0
Equity at 31 December 2024	**1.100.000**	**0**	**62.778.145**	**63.878.145**

Cash Flow Statement 1 January - 31 December

	Group	
	2024 DKK	2023 DKK
Profit/loss for the year	44.154.618	-12.966.319
Depreciation and amortisation, reversed	3.552.368	4.848.531
Profit/loss from associates	-46.344	-2.445.041
Change in deferred income	-421.517	421.517
Change in deferred cost	0	-473.272
Change in deposit and other receivables	281.250	100.000
Corporation tax paid	0	271.072
Change in inventories	-183.263	-659.895
Change in receivables (ex tax) and work in progress	-56.660.378	26.662.030
Change in other provisions	-16.265.539	-13.379.933
Change in current liabilities (ex bank, tax, instalments payable and overdraft facility)	1.910.075	22.471.710
Other cash flows from operating activities	-44.724	473.278
Cash flows from operating activity	**-22.715.557**	**25.323.678**
Purchase of property, plant and equipment	-310.715	-4.505.397
Sale of financial assets	281.250	0
Dividend received from associates	0	25.650.000
Cash flows from investing activity	**-29.465**	**21.144.603**
Raising/reduction of loans from group enterprises	-2.009.017	5.750.624
Change in lease liabilities	-3.844.152	844.352
Change in bank debt	37.651	-54.439
Cash flows from financing activity	**-5.815.518**	**6.540.537**
Change in cash and cash equivivalents	**-28.560.540**	**53.008.818**
Cash and cash equivalents at 1. January	57.906.354	4.897.536
Cash and cash equivalents at 31 December	**29.345.814**	**57.906.354**
Cash and cash equivalents at 31 December comprise:		
Cash and cash equivalents	29.345.814	57.906.354
Cash and cash equivalents	**29.345.814**	**57.906.354**

Notes

	Group		Parent Company	
	2024 DKK	2023 DKK	2024 DKK	2023 DKK
1 | Staff costs				
Average number of full time employees	139	126	139	126
Wages and salaries	115.623.651	107.583.719	115.623.651	107.583.719
Pensions	13.069.840	12.657.213	13.069.840	12.657.213
Social security costs	1.267.616	-1.274.355	1.267.616	-1.274.355
Other staff costs	5.059.156	2.788.215	5.059.156	2.788.215
	135.020.263	**121.754.792**	**135.020.263**	**121.754.792**

For 2024 remuneration to the Executive Board has not been disclosed in the annual figures in accordance with section 98 B(3) of the Danish Financial Statements Act.

Social security costs are negative in 2023 due to reversal of provision DKK 3.500.000.

2 | Financial income				
Group enterprises	445.111	0	445.111	0
Other interest income	890.784	855.831	890.784	855.831
	1.335.895	**855.831**	**1.335.895**	**855.831**
3 | Financial expenses				
Group enterprises	0	1.297.902	0	1.297.902
Other interest expenses	1.666.110	825.665	1.632.211	825.664
	1.666.110	**2.123.567**	**1.632.211**	**2.123.566**
4 | Tax on profit/loss for the year				
Calculated tax on taxable income of the year	1.007.897	0	940.559	0
	1.007.897	**0**	**940.559**	**0**
5 | Proposed distribution of profit				
Allocation to reserve for net revaluation under the equity method	46.344	2.445.041	-53.875	2.438.759
Retained earnings	44.108.274	-15.411.360	44.208.493	-15.405.078
	44.154.618	**-12.966.319**	**44.154.618**	**-12.966.319**

Notes

6 | Property, plant and equipment

DKK	Group Other plant, machinery tools and equipment
Cost at 1 January 2024	53.602.441
Transferred	1.020.880
Additions	11.591.206
Disposals	-2.414.474
Cost at 31 December 2024	**63.800.053**
Depreciation and impairment losses at 1 January 2024	47.019.414
Transferred	510.440
Reversal of depreciation of assets disposed of	-2.414.474
Depreciation for the year	3.655.368
Depreciation and impairment losses at 31 December 2024	**48.770.748**
Carrying amount at 31 December 2024	**15.029.305**
Of which finance lease assets	13.118.056

DKK	Parent Company Other plant, machinery tools and equipment
Cost at 1 January 2024	53.602.441
Transferred	1.020.880
Additions	11.591.206
Disposals	-2.414.474
Cost at 31 December 2024	**63.800.053**
Depreciation and impairment losses at 1 January 2024	47.019.414
Transferred	510.440
Reversal of depreciation of assets disposed of	-2.414.474
Depreciation for the year	3.655.368
Depreciation and impairment losses at 31 December 2024	**48.770.748**
Carrying amount at 31 December 2024	**15.029.305**
Of which finance lease assets	13.118.056

Notes

7 | Financial non-current assets

DKK	Group Investments in associates	Group Rent deposit and other receivables
Cost at 1 January 2024	19.145.440	449.000
Transferred	-510.440	0
Disposals	0	-281.250
Cost at 31 December 2024	**18.635.000**	**167.750**
Revaluation at 1 January 2024	-18.139.094	0
Profit/loss for the year	46.344	0
Revaluation at 31 December 2024	**-18.092.750**	**0**
Carrying amount at 31 December 2024	**542.250**	**167.750**

DKK	Parent Company Investments in subsidiaries	Parent Company Investments in associates	Parent Company Rent deposit and other receivables
Cost at 1 January 2024	42.361.044	15.510.440	449.000
Transferred	0	-510.440	0
Disposals	0	0	-281.250
Cost at 31 December 2024	**42.361.044**	**15.000.000**	**167.750**
Revaluation at 1 January 2024	-5.914.433	-15.000.000	0
Profit/loss for the year	-53.875	0	0
Revaluation at 31 December 2024	**-5.968.308**	**-15.000.000**	**0**
Impairment losses and amortisation of goodwill at 1 January 2024	16.077.848	0	0
Carrying amount at 31 December 2024	**20.314.888**	**0**	**167.750**

Investments in subsidiaries (DKK)

Name and domicil	Equity	Profit/loss for the year	Ownership
Strukton Rail Holding A/S, Køge	20.382.225	13.462	100 %

Investments in associates (DKK)

Name and domicil	Equity	Profit for the year	Ownership
Strukton - Aarsleff JV I/S, Viby J.	1.205.000	103.000	45 %
Fjernbane west Projekt I/S, Ballerup	-	-	50 %

Notes

	Group		Parent Company	
	2024 DKK	2023 DKK	2024 DKK	2023 DKK
8 | Contract work in progress				
Sales value of work performed	2.479.499.164	1.897.376.776	2.479.499.164	1.897.376.776
Progress invoicing/advances received	-2.416.973.393	-1.861.668.216	-2.416.973.393	-1.861.668.216
Contract work in progress, net	**62.525.771**	**35.708.560**	**62.525.771**	**35.708.560**
Recognised as follows				
Contract work in progress (asset)	66.330.842	38.627.813	66.330.842	38.627.813
Contract work in progress (liability)	-3.805.071	-2.919.253	-3.805.071	-2.919.253
	62.525.771	**35.708.560**	**62.525.771**	**35.708.560**

9 | Prepayments

Prepaid costs relates to subcontracters, administrative costs e.g. insurance.

Prepaid costs	8.770.916	1.263.735	8.770.916	1.263.735
	8.770.916	**1.263.735**	**8.770.916**	**1.263.735**

	2024 DKK	2023 DKK
10 | Share capital		
Allocation of Share capital:		
Shares, 1.100 unit in the denomination of 1.000 DKK	1.100.000	1.100.000
	1.100.000	**1.100.000**

Notes

	Group		Parent Company	
	2024 DKK	2023 DKK	2024 DKK	2023 DKK
11 | Other provisions				
The due dates for provisions are expected to be:				
Within 1 year	8.625.000	10.125.000	8.625.000	10.125.000
Between 1 and 5 years	18.606.868	33.372.407	18.606.868	33.372.407
	27.231.868	**43.497.407**	**27.231.868**	**43.497.407**

Other provisions include a provision for future losses in respect of work in progress for third parties.

12 | Long-term liabilities

	Group			
DKK	31/12 2024 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2023 total liabilities
Lease liabilities	13.047.870	2.549.403	0	5.349.521
Frozen holiday pay	14.662.207	0	14.662.207	14.621.189
	27.710.077	**2.549.403**	**14.662.207**	**19.970.710**

	Parent Company			
DKK	31/12 2024 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2023 total liabilities
Lease liabilities	13.047.870	2.549.403	0	5.349.521
Frozen holiday pay	14.662.207	0	14.662.207	14.621.189
	27.710.077	**2.549.403**	**14.662.207**	**19.970.710**

13 | Deferred income

Deferred income include prepayments relating to income in subequent years.

Notes

14 | Contingencies etc.

Contingent assets

The Company has not recognised a deferred tax asset of DKK 46,090k as of 31 December 2024 and DKK 51,870 for the Group, as it is uncertain whether the tax asset will be utilised in the foreseeable future.

	Group		Parent Company	
	2024 DKK	2023 DKK	2024 DKK	2023 DKK
Lease liabilities (operating leases), the payment is due:				
Within 1 year	295.898	1.308.251	295.898	1.308.251
Between 1 and 5 years	100.907	2.728.152	100.907	2.728.152
	396.805	**4.036.403**	**396.805**	**4.036.403**
Rent obligation:				
Terms up to 6 months	600.323	588.764	600.323	588.764
	600.323	**588.764**	**600.323**	**588.764**

Other contingent liabilities:

By virtue of its business operations, the Parent and Group is a party to legal disputes that can be expected in the course of its business operations. Management keeps all such involvement under constant review and makes provisions accordingly.

Other contingent liabilities include the Parent's and Group's joint and several liability together with other stakeholders for Fjernbane West Project I/S' obligations (Municipality of reg. office: Gladsaxe). The Group has entered into the partnership due to the signing of a major contract, with a share of ownership of 50%. At 31 December 2024, the limited partnership's debt totals DKK 12,176k.

The Parent and Group is a partner in Strukton - Aarsleff JV I/S and is jointly and severally liable with other stakeholders for its obligations. The latest audited annual report at 30 September 2024 showed a total debt of DKK 4k.

Furthermore, the Parent and Group has provided guarantee for Danske Bank regarding Strukton Rail AB's bank engagement.

Joint liabilities

The Company is jointly and severally liable together with the Parent Company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of STRUKTON RAIL HOLDING A/S, which serves as management Company for the joint taxation.

Notes

15 | Charges and securities

As security for the Company's debt to bank facilities and for another group company's bank debt, the Group has issued a company charge. The company charge, which is maximised to DKK 30,000k, comprises the two entities' combined or separate debt at 31 December 2024. For the Group, the company charge includes the following assets:

- Other plant, fixtures and fittings, tools and equipment
- Inventories
- Work in progress for third parties
- Trade receivables

16 | Related parties

The Company's related parties include:

Controlling interest
Stichting Administratiekantoor Sanderink Investments, Netherlands (The ultimate parent company)
Srukton Rail AB, Sweden (The Intermediate parent company)

Transactions with related parties
The Company did not carry out any material transactions that were not concluded on market conditions. According to section 98c, subsection 7 of the Danish Financial Statements Act information is given only on transactions that were not performed on an arm's length basis.

Notes

17 | Prerequisites for the going concern assumption

The 2024 annual Financial Statements of Strukton Rail A/S are prepared based on the going concern assumption. To support the going concern assumption, Management has prepared cash forecasts for 2025. As in previous years, the Group has secured a letter of support from the ultimate parent company providing a funding of maximum DKK 50 million until 31 December 2025. As per 31 December 2024 and per the signing of this Annual Report the credit facility is unused.

The total need of cash is to a large extent dependent on the below items:
- Production and progress in line with the negotiated milestones on especially the F-bane Project as described in note 17.
- Execution of the new project "Høje Taastrup Station" in line with the tender and forecast.
- Management has taken the uncertainties related to the above items into account in the cash forecast for 2025. Should the Group at any point during 2025 need more cash than described above, Management is comfortable that it will be possible to negotiate further extension of loans and credit lines with its ultimate owner.

Moreover, in making the assessment of the Group's ability to continue as a going concern, Management has, amongst others, taken into consideration the operating plan and 2025 budget, development in the orderbook, cash projections and the ability to fulfil the short-term liabilities towards the supply chain. In performing this assessment, Management has considered factors that could indicate the presence of material uncertainties that might cast significant doubt upon the Group's ability to continue as a going concern.

Notes

18 | Information on significant uncertainties at recognition and measurement

Notes

The Group executes design and construction projects for principals (engineering contracts). In these kind of projects both design risks and construction risks play a role in a wide range of project works in terms of complexity, scale and order size.

Depending on the contract type, errors in forecasts and estimates may result in project losses and negative cash flows. In some cases, this results in discussions with the principal regarding financial performance of the project. This generally concerns the invoicing of contract deviations, the cost of delays or the quality of the works. In some cases, this may lead to claims and further legal proceedings. However, in most cases such discussions are resolved to the satisfaction of all parties involved. The Group is committed to structural application of tender procedures, both during the acquisition phase and during the execution phase, in order to prevent this sort of risks.

The total project cost is subject to accounting estimates. Such accounting estimates are subject to more uncertainty as:

- The agreed contract form entails more risk for the contractor. After all, in a design and construction contract the contractor also bears the design risk.

- In some contracts, the contractor is responsible for maintenance.

-The contract term is longer (or maybe extended even longer), whereby the estimate of the final amount of work is inherently subject to greater uncertainty.

The F-bane project
The F-bane project (construction contract and participation in Fjernbane West Project I/S) is associated with a high degree of judgmental uncertainty in the financial year 2024. The F-Bane project is executed by a consortium of Strukton Rail A/S and Thales Denmark A/S on behalf of Banedanmark. The contract concerns installation and maintenance of signaling systems for Fjernbane West. All existing signaling systems on Fjernbane West will be replaced by a system based on ERTMS (European Railway Traffic Management System. The F-Bane project is highly complex, in particular due to the high technical requirements imposed on the railway sector and due to the long duration of the project. As of 31 December 2024, the project has generated accumulated revenue of DKK 1.123 million (2023: DKK 921 million) and is approx. 79,4 % complete (2023: 69,6 % complete). The F-bane contract is onerous, and the expected contract result for the F-bane project improved by DKK 95 million to a loss of DKK 94 million in 2024. The reduction in the loss is based on a strengthened operational and financial management implemented in 2023.
The provision for the loss-making contract was decreased from DKK 40 million in 2023 to DKK 8 million in 2024 through utilisation of the provision and reversal through profit and loss based on reassessment of the expected losses to complete the project.

The year-end balances and results incurred during 2024 are based on Management's best forecast. The forecast takes into account the project history and also makes assumptions about future efficiencies and synergies to be achieved. Management stresses that significant accounting estimates have been applied and, consequently, due to the size of the contract changes to these estimates may affect future results materially.

In addition to the uncertainty related to measurement of work in progress, we draw attention to uncertainty related to measurement of Prepayments recognized in current assets. Strukton Rail A/S has recognized a receivable of DKK 8,8 million on the balance sheet date related to one supplier of materials for the F-bane project. The outstanding amount is under dispute from the counterparty with a deviation of currently DKK 4 million. Settlement of the dispute might lead to positive or negative deviations from the recognized amount.

Østbane Project
In 2023 Strukton Rail A/S entered into the Østbane contract. The contract amount is fixed and the work consist of renewal of existing tracks on two lines and installation of new tracks on one line in 2023 and 2024. In the renewal stage it became apparent that the project would result in a loss due to higher costs than expected related to the process of removing the existing tracks and preparing for the new tracks. This has resulted in an accumulated loss of DKK 52 million including recognition of loss-provision of DKK 7 million in 2024. As of 31 December 2024, the project has generated revenue of DKK 428 million and is approx. 90 % complete.

The uncertainty related to recognition and measurement of the project is driven by disputes with the client related to work performed and potential penalties. It is still uncertain which party is responsible for the disputes. Management finds that sufficient risk reserves have been included in the recognition of the project loss to mitigate the financial impact when the disputes are settled. The financial uncertainty is assessed to be around DKK 7 million.

19 | Consolidated Financial Statements

The following wholly-owned companies are fully consolidated in the concolidated financial statements of Strukton Rail A/S:

- Strukton Rail Holding A/S, Køge
- Strukton Rail S-Bane A/S, Køge

The Company and Group is included in the consolidated financial statements of Strukton Railinfra AB (address: Västberga allé 60, 126 30 Hägersten, Sweden) and Strukton Rail BV (Address Westkanaaldijk 2, 3542 DA Utrecht, Netherlands). Their consolidated financial statements can be obtained through inquiry to the companies.

Accounting Policies

The Annual Report of Strukton Rail A/S for 2024 has been presented in accordance with the provisions of the Danish medium-size Financial Statements Act for enterprises in reporting class C .

The Annual Report is prepared consistently with the accounting principles applied last year.

Consolidated Financial Statements

The Consolidated Financial Statements include the Parent Company Strukton Rail A/S and the subsidiaries in which Strukton Rail A/S directly or indirectly holds more than 50% of the voting rights or in any other way has a controlling influence. Enterprises in which the Group holds between 20% and 50% of the voting rights and exercises significant, but not controlling influence, are considered associates, see the Group structure.

The Consolidated Financial Statements consolidate the Financial Statements of the Parent Company and the subsidiaries by combining uniform accounts items. Intercompany income and expenses, shareholdings, intercompany accounts and dividend, and realised and unrealised gains and losses arising from transactions between the consolidated enterprises are fully eliminated in the consolidation.

Newly acquired or newly formed entities within the Group are recognised in the Consolidated Financial statements from the date of acquisition or the date of formation. Sold or wound-up entites are recognised in the Consolidated Income Statement to the date of sale. The comparative figures are not corrected for newly acquired, sold or wound-up entities.

The date of acquisition is the date on which the Group gains actual control over the acquired entity.

Acquired entities within the Group are recognised in the Consolidated Financial Statements according to the combination method, the combination being regarded as completed at the date of acquisition, and by using the carrying amounts of the assets and liabilities acquired.

Positive and negative differences between the acquisition cost and the carrying amounts of acquired and identified assets and liabilities are recognised in equity at the acquisition.

Transaction costs, incurred in connection with acquisition of businesses, are recognised in the income statement in the year when costs are incurred.

Investments in subsidiary enterprises are set off by the proportional share of the subsidiaries' fair value of net assets and liabilities at the acquisition date.

Investments in associates are measured in the Balance Sheet at the proportional share of the equity value of the enterprises, calculated under the accounting policies of the Parent Company and eliminating proportionally any unrealised intercompany gains and losses. The proportional share of the results of the associates is recognised in the Income Statement after elimination of the proportional share of internal gains and losses.

Accounting Policies

Income Statement

Net revenue
Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work performed 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 Group. 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.

Production costs
Production costs comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs etc, as well as operation, project administration and management.

Administrative expenses
Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Other operating income
Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets.

Income from investments in subsidiaries and associates
The proportional share of the results of subsidiaries and associates, stated according to the Parent Company's accounting policies and with full elimination of unrealised intercompany profits/losses and deduction of amortisation of added value and goodwill resulting from purchase price allocation at the date of acquisition, is recognised in the Parent Company's Income Statement.

In connection with transfers, potential profits are recognised when the economic rights related to the sold subsidiaries and associates are transferred, however, at the earliest when the profit has been realised or is regarded as realisable. Moreover, realised losses other than impairments are included where identified.

Financial income and expenses
Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

Accounting Policies

Balance Sheet

Property, plant and equipment

Other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, fixtures and equipment	3-7 years	0 %

Gain or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Gain or loss is recognised in the Income Statement as other operating income or other operating expenses.

Lease contracts

Lease contracts relating to tangible fixed assets
The capitalised residual lease liability is recognised in the Balance Sheet as a liability and the interest portion of the lease payment is recognised in the Income Statement over the contract period.

Financial non-current assets

Investments in subsidiaries and associates are measured in the Parent Company Balance Sheet under the equity method, which is regarded as a method of consolidation.

Investments in subsidiaries and associates are measured in the Balance Sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the Parent Company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of positive or negative goodwill calculated according to the acquisition method. Negative goodwill is recognised in the Income Statement when the equity interest is acquired. Where the negative goodwill is related to acquired contingent liabilities, the negative goodwill will be recognised as income when the contingent liabilities have been settled or cease.

The pooling of interests method is applied when acquiring enterprises within the Group, where the combination is regarded as completed at the date of acquisition, and by using the carrying amounts of the assets and liabilities acquired.

Net revaluation of investments in subsidiaries and associates is transferred under equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value.

Subsidiaries and associates with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds receivables, the residual amount is recognised under provision for liabilities to the extent that the Company has a legal or actual liability to cover the subsidiaries and associates deficit.

Accounting Policies

Impairment of fixed assets
The carrying amount of property, plant and equipment together with financial fixed assets, which are not measured at fair value,, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Inventories
Inventories are measured at cost using the FIFO-principle. If the net realisable amount is lower than cost, the inventories are written down to the lower amount.

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses. 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.

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, assets
Prepayments recognised as assets include costs incurred relating to the subsequent financial year.

Cash and cash equivalents
Cash and cash equivalents include cash at bank.

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

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

Accounting Policies

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the tax-on-account scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff 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 under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities
Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.

Accruals, liabilities
Accruals recognised as liabilities include payments received regarding income in subsequent years.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

Accounting Policies

Cash Flow Statement

With reference to Section 86(4) of the Danish Financial Statements Act, the Company has not prepared a cash flow statement. A cash flow statement has been prepared for the Group.

The cash flow statement shows the Group's cash flows for the year for operating activities, investing activities and financing activities in the year, the change in cash and cash equivalents of the year and cash and cash equivalents at beginning and end of the year.

Cash flows from operating activities:
Cash flows from operating activities are computed as the results for the year adjusted for non-cash operating items, changes in net working capital and corporation tax paid.

Cash flows from investing activities:
Cash flows from investing activities include payments in connection with purchase and sale of intangible and tangible fixed asset and fixed asset investments.

Cash flows from financing activities:
Cash flows from financing activities include changes in the size or composition of share capital and related costs, and borrowings and repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents:
Cash and cash equivalents include cash at bank and in hand.