unica

ANNUAL REPORT 2023

together we create the future

• building projects • building services • fire safety • access & security • building intelligence • energy solutions • ict solutions • industry solutions • datacenters

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Unica is a fast-expanding business that works hard to ensure a safe, healthy and sustainable future. An interview with John Quist, CEO of Unica.

Looking back, how would you describe 2023?
For Unica, 2023 was the best year in the company's 90-year history. We achieved further autonomous expansion and concluded several attractive acquisitions. For us, market prospects remain favourable. There were of course a number of difficulties, such as problems in the supply chain due to the reduced availability of microchips. That was a cause for concern, but we were well assisted by colleagues and partners. The lead time of some projects was occasionally extended due to lack of components, but broadly this was not an issue. We were able to reach good agreements with our loyal customers about the higher energy and material prices. It was mainly a question of indexing, and almost everyone was very understanding.

This excellent performance is in part due to our solid business culture, based on shared family values and entrepreneurially minded individuals. Once again in 2023, the entire workforce put their best foot forward.

So what are we talking about in terms of revenue and earnings?
We once again succeeded in achieving double figure growth. In 2023, we generated revenue of €843 million, an increase of €87 million as compared with 2022 (€756 million). We have now recorded this solid level of revenue growth four years in succession. But it is not a goal in and of itself. Our objective is above all controlled growth, to provide a solid basis for continuity. We also attach much importance to sustainably improving the rate of return. Our EBITDA rate of return percentage at 12% is a healthy foundation that offers every opportunity to continue to invest in our companies.

Unica has a clear growth scenario which in addition to autonomous growth is also based on acquisitions. Can you tell me a little more about the acquisitions in 2023?
When it comes to acquisitions, we go in search of solid businesses that deliver excellent performance, with a view to expanding our regional presence and reinforcing our specialisations. Of course also subject to the condition of a cultural match and shared values.

In 2023, we added several more attractive businesses to the Unica Groep, which will be discussed later on in this report. I would like to pick out the acquisition of Tenergy. Tenergy has developed a software platform for energy balancing. Up till now, the platform has been focused on greenhouse horticulture, but we see opportunities to further expand into other sectors. Balancing supply and demand on the electricity grid is a vital link in the energy transition. Without finding a solution to this problem, we will be unable to start phasing out fossil fuels, especially not in energy-intensive sectors like industrial manufacturing. Through this acquisition we have both broadened and deepened our knowledge of the energy market, with expertise and solutions in the field of emergency and control capacity.

What are you particularly proud of when it comes to increasing the sustainability of Unica's activities?
Our mission is to realise a safe, healthy and sustainable future, together with our customers. I am therefore justifiably proud if we can truly assist them in becoming more sustainable, above all through renovation and transformation in the built environment. Existing buildings are responsible for 40% of the nation's emissions, so with our extensive knowledge of sustainable renovation, we can make a real impact.

One excellent example is De Koepel in Haarlem. The former prison has been fully transformed into a multifunctional complex with shops, hospitality outlets and housing. It was an extremely difficult building in which to optimise the climate. However, by working with aquifer thermal heat storage (ATES), we have succeeded in realising a comfortable climate. We were also asked by a hospital to assist them in becoming independent in meeting their energy supply needs. The solution we offered is based on hydrogen. Although these are just two eye-catching examples, we can also make a real difference in smaller projects. Improving the energy label of a building from F or G to an A label is always a performance to be proud of.

And what about the sustainability performance of Unica itself?
In our own operations, our clear focus is on reducing energy consumption and CO2 emissions. For example, we now purchase Dutch green electricity, have improved the energy efficiency of our office and business locations, we are electrifying or vehicle fleet and are working to improve the sustainability of our home-work travel and business kilometres. This year, our efforts have resulted in certification at level 3 of the CO2 performance ladder, a management system based on CO2 reduction. But we still have some way to go. Just like our customers, we wish to improve our sustainability performance, and must find a sound balance between our resources and the impact we are able to deliver.

Could you describe a few trends and developments relevant to Unica?
We are facing ever more rules and regulations in a number of areas. For example the requirement that from 2023 onwards, all office buildings must have achieved at least label C. Regulations of this kind offer us opportunities to fully remove the concerns of our customers, through the services we provide. We have the knowledge and expertise they need to achieve the goals. You could perhaps best view us as a director who helps you make your building more sustainable and compliant with all the requirements of legislation and regulations.

In our judgement, advances in legislation and regulations are an excellent means of accelerating the pace of improved sustainability, while at the same time creating a level playing field. With this report, we have taken the first steps in complying with these regulations, by including a value-creation model and a separate chapter about our sustainability policy. These elements will be further expanded over the coming years so that we can issue a report for the financial year 2025 that will be audited by an accountant for both its financial and non-financial elements.

The digitalisation of society is still unstoppably advancing. We at Unica want to be an IT-managed business as far as possible, both in terms of our own systems and our activities. We are already placing digital concepts on the market. Building Insight is an excellent example of such a concept. It is our means of optimising buildings with the objective of improving safety, health and sustainability. At present, systems demonstrate only limited interoperability, despite the fact that all data can in fact be connected. If you know that a particular room is empty, you can switch off the lights and the heating, or use the space for another function. All these efforts contribute to improved sustainability.

Are there other developments you recognise as threats or opportunities?
Probably the most important factor is staff shortages. But there, too, digitalisation could be part of the solution. It may mean that we are able to complete more work with slightly fewer people. One aspect of real value in tackling our staff shortages is the fact that we are seen as an attractive employer. We are a winning team that focuses on three appealing themes for society: safety, health and sustainability. In particular younger people are increasingly attracted to a company with a clear purpose. They are keen to work for a company that matters. In addition, Unica is a company that operates on a broad front and offers numerous opportunities. Employees can achieve a great deal of career opportunities through internal transfers.

And then there are safety risks. How can you help safeguard against those?
There is a wealth of legislation and regulations when it comes to safety in engineering and construction. In practice, the situation is more unpredictable; after all, accidents still happen on construction sites. To make the construction industry a safer place, right from the start we joined the core group of the Governance Code for Safety in Construction. Together with 10 major construction companies and 3 important contract awarding parties, we are members of this core group. Safety may never become the playground of competition. Only by working together can you determine truly safe working practice.

Do you see any other dilemmas?
What should you do about a customer who at present has a major negative impact on people, the environment and society? Take for example the big CO2 emitters. Their activities may well be irreconcilable with our three themes: safety, health and sustainability. On the other hand, through our services, we can help them reduce their emissions. Situations like these do sometimes represent a dilemma, but if it is clear that customers truly wish to be more sustainable, we see it as our task to help them realise that objective.

The effect of digitalisation on humans is another dilemma. Digitalisation is an important development that can make our work much easier and faster. However, it must never be to the detriment of humanity. We must still gain enjoyment and fulfilment from our work. Although I am convinced that improved comfort and reduced workload can help bring that about, at the end of the day, it is our people who make the difference. In other words, we will constantly strive to find the perfect combination of smart solutions put into practice by friendly and engaged employees.

What is your vision on the future of Unica?
We wish to reinforce our positive impact on our customers and on society by further growing as an organisation. We have set a growth ambition of on average 10-20% each year. That level of growth enables us to deliver an ever greater impact in the discussions with our customers, our chain partners and our clients. Thanks to our network of nine clusters, we can deliver a unique palette of solutions and specialists for consultancy, engineering and digitalisation. From that solid foundation, we see it as a fantastic challenge to bring about a safe, healthy and sustainable future for our customers and for future generations.

Together we create the future!

Key figures

Five years Unica Groep

Amounts in € 1,000	2023 (IFRS)	2022 (IFRS)	1/1 2022 (IFRS)	31/12 2021 (NL-GAAP)	2022 (NL-GAAP)	2021 (NL-GAAP)	2020 (NL-GAAP)	2019 (NL-GAAP)
Profit and loss account								
Net revenue	843,327	756,207	n.a.	663,155	758,147	663,155	538,946	483,426
Operating result for depreciation (EBITDA)	103,421	91,719	n.a.	56,434	72,909	56,434	41,234	38,265
Operating result before amortisations of intangible fixed assets (EBITA)	77,497	68,457	n.a.	52,533	68,686	52,533	37,545	35,129
Operating result after amortisation of intangible fixed assets (EBIT)	69,495	60,277	n.a.	39,428	48,072	39,428	31,434	30,077
Earnings before taxes (EBT)	66,482	57,480	n.a.	38,662	45,725	38,662	30,922	29,982
Net profit	49,623	42,214	n.a.	26,813	30,275	26,813	21,485	21,249
Cash flow	83,549	73,656	n.a.	43,819	55,112	43,819	31,286	29,438
Balance sheet								
Intangible fixed assets	170,853	150,936	130,105	130,105	138,775	130,105	54,257	36,661
Tangible fixed assets	88,165	79,823	77,738	10,388	12,072	10,388	9,953	11,249
Financial fixed assets	240	72	114	347	242	347	107	153
Total fixed assets	259,258	230,811	208,152	140,840	151,089	140,840	64,316	48,063
Stocks	9,835	7,453	5,608	5,608	7,453	5,608	3,262	1,966
Receivables	240,000	240,197	177,979	94,688	124,471	94,688	91,867	121,063
Cash and cash equivalents	60,252	73,042	53,815	53,905	73,198	53,905	57,964	14,289
Total current assets	310,087	320,692	237,402	154,201	205,122	154,201	153,094	137,318
Total assets	569,345	551,503	445,554	295,041	356,211	295,041	217,410	185,381
Share capital	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Reserves	160,912	110,765	68,261	88,680	118,955	88,680	61,866	79,910
Legal entity's share in group equity	170,912	120,765	78,261	98,680	128,955	98,680	71,866	89,910
Third-party share in group equity	93	0	0	668	515	668	551	107
Provisions [*]	14,173	15,166	13,775	13,775	15,135	13,775	5,988	3,985
Long-term liabilities	88,130	118,718	98,874	50,000	64,213	50,000	0	0
Current liabilities	296,037	304,634	254,645	131,918	147,393	131,918	139,005	91,379
Total liabilities	569,345	551,503	445,554	295,041	356,211	295,041	217,410	185,381
Liquidity and solvency ratios								
Current ratio	1.02	1.03	n.a.	1.17	1.39	1.17	1.10	1.50
Solvency	30.0%	21.9%	n.a.	33.4%	35.1%	33.4%	33.1%	48.5%
Return ratios [**]								
EBT margin	7.9%	7.6%	n.a.	5.8%	6.0%	5.8%	5.7%	6.2%
EBITA margin	9.2%	9.1%	n.a.	7.9%	9.1%	7.9%	7.0%	7.3%
EBITDA margin	12.3%	12.1%	n.a.	8.5%	9.6%	8.5%	7.7%	7.9%
Return on shareholders' equity	29.0%	35.0%	n.a.	27.2%	42.7%	27.2%	29.9%	23.6%
Investments								
Investments in tangible fixed assets	15,150	27,544	n.a.	3,313	6,086	3,313	1,770	4,724
Investments in intangible fixed assets	23,008	29,440	n.a.	88,953	29,534	88,953	23,707	7,833
Number of FTE at end of financial year	3,778	3,555	n.a.	3,287	3,555	3,287	2,843	2,590
Absenteeism due to sickness	5.4%	6.3%	n.a.	5.1%	6.3%	5.1%	5.2%	5.3%

(*) Provisions are presented under IFRS under long-term and short-term liabilities, but are presented separately in this overview for consistency.

(**) Return ratios calculates on the basis of production revenu

For definitions of the financial instruments, please refer to the glossary.

About Unica

Company profile

As a trendsetter in sustainable innovations and an all-round technical service provider, Unica delivers technological solutions in the built environment. Unica's services include installation engineering, energy, IT, industry, the Internet of Things (IoT) and smart buildings. Unica envisages and realises a safe, healthy and sustainable future for its customers and for future generations. At the end of 2023, Unica consisted of 45 companies, organised in a network of nine leading business clusters, each with its own area of focus or specialisation. We cooperate intensively, are flexible, and with a local presence are able to offer nationwide coverage. With almost 4,000 employees, Unica is one of the largest technical service providers in the Netherlands.

Unica is the trade name for Unica Groep BV, a private group of limited companies with registered offices in Hoevelaken. The operating companies that belong to the group are all listed here. The companies are grouped in nine business clusters.

Unica provides services to a wide range of customers and sectors. Each segment has its own specific identity, wishes and needs, all of which are served by Unica thanks to its capacity to adapt the services it provides. The most common segments in which we operate are healthcare, education, government, industry & engineering, datacenters, business & financial services, real estate, retail & trade and sport, culture & hospitaility.

For detailed information about our network of companies and our solutions, visit our website: www.unica.nl/english.

Network of companies

Vision, mission and strategic pillars

Vision: *Unica creates a safe, healthy and sustainable working and living environment, with smart technology*

Mission: *To envisage and realise a safe, healthy and sustainable future for our customers and for future generations.*

Our primary activities are the development, realisation and long-term maintenance of technical solutions in the built environment and industrial applications. We offer a complete range of services from our network of nine clusters, each of which has its own area of focus or specialisation. The clusters operate independently, but depending on the wishes and needs of the customer, can also collaborate closely and deliver integrated technical services.

Our strategic spearheads are:

- An attractive employer: the distinctive opportunities for development and personal advancement we offer mean our employees remain loyal to our organisation for many years
- Innovative propositions and digitalisation: we develop new business models with new techniques and employ Artificial Intelligence (AI) and make maximum use of data to optimise our internal processes and customer service
- Controlled growth: natural growth in combination with mergers and acquisitions that deliver increased capacity and greater knowledge and skills
- Solid financial base and combination of specialist knowledge to support our businesses

As a partner in sustainable transformation, Unica can make a positive difference both for our own company and for our customers. We focus on four topics relevant to our society. To successfully continue to deliver a structural contribution to our sustainable development and a sustainable future for all, these topics have been translated into the core pillars Energy & Climate, Circularity & Environment, People & Society and Innovation & Digitalisation. Ethics & Integrity as the fifth spearhead further underpins the foundations of our operational approach.

- **Energy & Climate**: sustainable solutions for customers and maximising our impact in bringing about a CO2-neutral society.
- **Circularity & Environment**: preserving the natural environment by making sustainable and efficient use of resources.
- **People & Society**: a strong culture of safety, investing in people, diversity in teams and attracting new talent for a career in technology.
- **Innovation & Digitalisation**: investing continuously in sustainable innovation, so that through digitalisation we can make the working, living and process environments of our customers safe, healthy and sustainable.
- **Ethics & Integrity**: working together with stakeholders in a transparent and honest manner in bringing about and taking responsibility for a demonstrably positive impact on people, the environment and society.

The way in which Unica is structured as a network of companies is a strategy spearhead and the heart of the business model. Thanks to this network of independent companies, we can both continue to develop special services and complete multidisciplinary projects and assignments with contributions from different knowledge domains.

These multidisciplinary services are combined in end-to-end solutions. We can offer a complete package of products and services that delivers our customers an integrated solution. Take for example Sustainable Renovation, an integrated proposition that combines expertise in the field of energy systems, renovation projects, smart building applications, fire safety and ICT, delivered by the different clusters.

Integrated fire safety is another example of a complete proposition in which all construction-related, technical installation and organisational elements of fire safety are brought together.

Broadening the cooperation between the Unica companies is one of the key objectives of our commercial strategy. Combining the knowledge contained within the network of companies also strengthens the way in which we can help our customers achieve further sustainability. Alongside the more ‘conventional’ solutions, we increasingly offer our customers more sustainable options. In daily operations, almost every new order involves a sustainability component while the ever changing energy landscape calls for an integrated approach. In 2023, Unica expanded the capacity of the remote control platform for industry to include an electricity balancing function. This application helps stabilise the electricity grid in the Netherlands, while at the same time reducing the energy costs for our customers. Knowledge of industrial process management was another key element in delivering a solution for the remote testing of sprinkler systems.

Acquisitions are another important aspect of our growth strategy. Wherever possible, we focus on expanding our regional presence as well as strengthening our specialisations. Economies of scale make us stronger while for our customers we can offer an even broader portfolio with more expertise and knowledge, based on more in-depth specialisations. One of the most important criteria for any acquisition is the cultural match with the potential acquisition candidate. We focus on successful businesses with a committed management, which also after joining our group of companies is capable of generating the positive energy needed to take the acquired company to the next phase. There must of course also be a strategic match and we impose a number of financial criteria. Our Post Merger Integration (PMI) process helps us bring the acquired companies into line with our standards and ESG policy. The acquisitions successfully concluded in 2023 appear under the heading strategic developments.

Corporate governance

The Board of Directors determines policy at Unica. The Supervisory Board supervises the implementation of policy and advises the Board of Directors. The Executive Committee which includes the directors of all nine business clusters, the business services and the Board of Directors, is responsible for coordination of the business cluster organisation. There are also regular constructive consultation meetings with the Joint Works Council.

The structure regime was introduced in November 2021. According to this regime, the Supervisory Board has responsibilities that previously lay with the shareholders. The Works Council was also given a reinforced recommendation right for the appointment of one third of the Supervisory Board. This recommendation right was employed during the most recent appointment of supervisory directors, to support the reappointment of supervisory director Henk ten Hove.

Shareholders

Unica has two shareholders with a substantial interest. Investor Triton has been a majority shareholder since 2017, while the Van Vliet family, as the founders of our company, remain closely involved with Unica as major shareholder. The management of Unica also have a participation in the company.

In 2023, Triton and the Van Vliet family extended their investment in Unica. This move was once again an expression of their solid confidence in the growth potential and strategy of our company. As a result, we are able to continue to combine our long history as a family-owned Dutch company with the professional support of an investment organisation. We are delighted to be able to continue this form of cooperation, in which the stability of the two major shareholders provides a solid foundation for the continued success of our company. The support from these two shareholders is an excellent starting point from which to realise the further growth and ambitions of Unica.

Board of Directors and Supervisory Board
In 2023, the Board of Directors was made up of John Quist (CEO) and Ron van Laar (CFO). John Quist has been CEO at Unica since 2014 while Ron van Laar was appointed CFO in 2021. A third position was created on the Board of Directors on 1 January 2024 with the appointment of Debby Slofstra as Chief Operating Officer (COO). The appointment of Debby Slofstra as third member of the Board of Directors reinforces the continuity of our company and ensures a more balanced distribution of tasks within our Board. Through this appointment, Unica has also fulfilled its aim of bringing about more gender diversity in the board.

The Supervisory Board remained unchanged in 2023. The Supervisory Board consists of Michiel Jaski (chair), Luc Hendriks and Henk ten Hove. Michiel Jaski and Luc Hendriks were reappointed for a further period of four years in 2021, and Henk ten Hove was reappointed for four years in 2022. In any future changes to the composition of the Board, we will continue to strive for a more balanced representation between men and women.

Acquisitions
In addition to continuing the shareholder structure, the group of companies that makes up Unica was expanded in 2023 with a number of new companies. The operating companies Tenergy Portfolio Services BV, Tenergy Engineering BV, Engine Competences Services BV and Tenergy Consultancy BV were part of the acquisition of Tenergy to reinforce and expand the activities of Unica Energy Solutions. In addition, Breedveld & Schröder BV and Hermans Elektra BV became part of the national network of Unica Building Services, via acquisitions. Also in 2023, the remaining shares of Numan & Kant BV were acquired.

Joint Works Council
When it comes to implementing policy, the management of Unica consults both formally and informally with the Joint Works Council. This Joint Works Council represents all clusters , and each cluster has a number of seats on the council, proportional to their employee numbers. The works councils of the companies acquired in recent years have been integrated in this Works Council and can make their contribution via their own sub committee which specifically represents the grassroots at their company. Pranger-Rosier Installaties continues to have its own Works Council. The intention for 2024 is to further expand the Joint Works Council to include the remaining employee representation bodies.

The Board of Directors enjoys a constructive relationship with the Works Council. In 2023 there was positive dialogue on a number of topics and in various policy areas the Works Council gave its support and approval to a number of requests for advice. The Works Council also called in an external consultant to discuss a number of such requests.

Management

Board of directors

John Quist (CEO)
John Quist (1960) has been CEO at Unica since 2014. Before taking up this position, Quist was Managing Director at VolkerWessels Telecom for five years. Previously he held management positions at KPN and Eircom. Quist studied Econometrics at the University of Groningen, Marketing at the University of Tilburg and Product Innovation at Harvard University. He is also a member of the Supervisory Board of Lely.

Ron van Laar (CFO)
Ron van Laar (1971) has been CFO at Unica since the summer of 2021. Previously he was CFO at Dynniq, former Imtech Traffic & Infra (2016-2021) and at the Dutch engineering and manufacturing company Mirror Controls International (MCi) (2013-2015). Between 2007 and 2012, he was employed as CFO and COO at HealthCity/Basic-Fit. He started his career in 1998 at Telfort, where he occupied a series of financial management positions. He studied Business Studies at Nyenrode Business University, followed by Commercial Economics at VU Amsterdam. Several years later, he qualified as a Registered Controller.

Debby Slofstra (COO)
Debby Slofstra (1974) has been Unica's Chief Operating Officer (COO) since January 2024. Prior to that, she was Country President of Schneider Electric's Dutch office (2021-2024), where she started as Vice President Building in 2017. She was also Commercial Director at Honeywell's Dutch office (2014-2017) and at Imtech Building Solutions (2011-2014). Prior to 2011, she held various positions at companies in the automation industry. Since 2022, in addition to her work, Slofstra has also been chairman of the Technical Association for Heating and Air Treatment (TVVL), a prominent knowledge platform and association of professionals in installation technology. She studied History at the University of Utrecht and holds an MBA from the University of Bradford.

Supervisory Board

Michiel Jaski (president)
Michiel Jaski (1959) has a wealth of experience in heading industry-leading companies in the Netherlands and abroad. His most recent appointment was with the German real estate company OfficeFirst, where he was CEO. Previously Jaski spent four years as CEO of Grontmij, which under his leadership was acquired by the Swedish firm Sweco. Before that, for ten years, Jaski was member of the Board of Management at Arcadis, where he was responsible for various business units in Europe, the United States and a number of smaller offices in the Middle East and Asia. He also held a number of different management positions at Shell and Philips. As well as being Chairman of the Supervisory Board at Unica since 2017, Jaski has been a Supervisory Board member at Royal Reesink, Chairman of the Board of Supervisory Directors at Faber Halbertsma Groep and Chairman of the Board of Supervisory Directors at Rhoon, Pendrecht and Cortgene. He is also Chairman of the Advisory Board at the De Hoge Veluwe National Park and Royal Burgers Zoo. Jaski obtained an M.Sc. in Hydrology from the University of Wageningen and an MBA (with distinction) from INSEAD in France.

Luc Hendriks (supervisory board member)

Luc Hendriks (1963) is Senior Advisor at investment company Triton, where he has been employed since 2007. He has been involved with more than ten companies. Before that, Hendriks worked for eight years as Executive Director at Brambles, Belgium, where he was responsible for a number of European and US companies. He previously spent ten years in a variety of commercial and management positions on behalf of General Electric in the Netherlands, Germany and the United States. Since 2017, Hendriks has been Supervisory Board member at Unica. Hendriks has a master’s degree in Mechanical Engineering from the University of Technology in Eindhoven.

Henk ten Hove (supervisory board member)

Henk ten Hove (1952) was Chairman of the Management Board at Wavin between 2010 and 2013, and a member of the Board from 1999. Prior to that he held a number of other management positions at Wavin in the Netherlands and abroad. Since 2014, Ten Hove has been a Supervisory Board member at Unica. He is also Chairman of the Supervisory Board at small cap fund Alfen and Chairman of the BDR Thermea Foundation, the single shareholder of the BDR Thermea group. Ten Hove studied Economics & Management at the University of Amsterdam.

Executive Committee

Organisational management is coordinated by the Executive Committee, in which alongside the Board of Directors, all cluster directors and shared services directors have a seat. Beyond the Board members the Executive Committee comprises:

- William Swinkels – *managing director Unica Building Projects*
- Herbert Rabelink – *managing director Unica Building Services*
- Tom Verschoor – *director of Unica Fire Safety*
- Hans van Driel – *director of Unica Access & Security*
- Antoine Brunink – *director of Unica Building Intelligence*
- Jan Willem Keur – *director of Unica Energy Solutions*
- René Albers – *director of Unica ICT Solutions*
- Arjen Bos – *director of Unica Industry Solutions*
- Arno Uiterweerd – *director of Unica Datacenters*
- Arnout Vink - *QHSE, Security & Risk director*
- Caroline Bruins - *General Counsel*
- Dik Geelen - *Procurement & Supply Chain director*
- Eric de Kruif - *Group Controller*
- Sanneke Sarels van Rijn – *HRM director*
- Susan de Vree - *marketing & sales director*
- Tijs Zijderveld - *IT director*

Management report

Management report 2023

2023 saw no sign of a return to geopolitical calm. In addition to the war in Ukraine, a number of other serious conflicts have emerged. There is real political unrest and the impact of climate change is becoming ever clearer.

For the time being, these unfortunate developments have had no impact on our company. Unica can once again look back on an excellent year. Our solid foundations combined with our entrepreneurial capacity have once again borne fruit in 2023. The local business activities of our more than 45 companies make us extremely flexible in the face of unforeseen circumstances, and the variety of specialisations makes us less susceptible to economic developments. Consequently, in many respects, we can look back on the year just ended, with satisfaction.

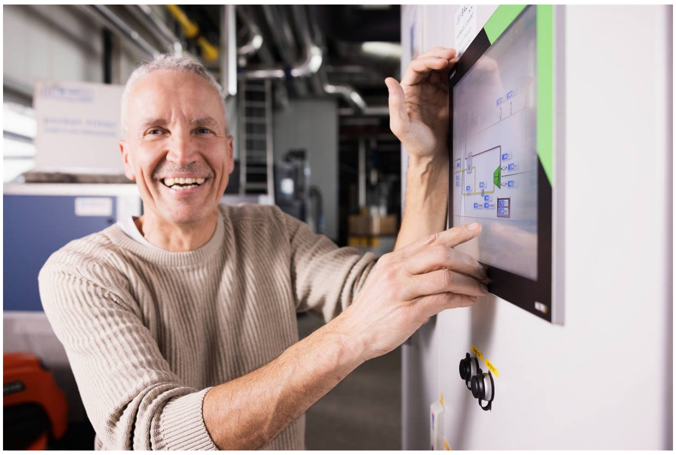
Trends and developments

A number of trends and developments in the world around us that are relevant for Unica have influenced both our service provision and our business operations.

Growing demand for electricity

The growing number of electric cars and the use of heat pumps have contributed to growing demand for electricity. Advances in sustainability in business and industry will also serve to increase the demand for electricity. In 2026, the world's total electricity demand is expected to rise by 3.4%. We are also seeing growth in the demand for electricity in the Netherlands.

The positive news is that according to the International Energy Agency (IEA), this additional electricity demand can be more than covered by renewable forms of energy from solar, wind and hydroelectric sources and nuclear energy. The only note of concern is that the demand for and supply of energy are often not in balance. Solar energy is generated during the daytime while many households consume much of their energy at night.



Unica wishes to play a role in introducing a better balance in this new energy system. We aim to provide this service among others with smaller, local electricity generation stations, the use of residual heat and the introduction of buffering and balancing of assets (ramping up and down) on the energy grid. Thanks to smart software, supply and demand can be optimally matched, and energy operators can be assisted in avoiding congestion on the grid. The acquisition of Tenergy in 2023 will play an important role in this activity. In our energy advice to other customers we are using risk models and analyses to enable them to optimise the match between their consumption and purchase of energy and their business processes and risk profile.

Legislation and regulations

In a number of areas we are seeing further growth in legislation and regulations, focused specifically on sustainability. This is a reflection of the obvious urgency and the fact that the process of sustainability is unavoidably advancing among our clients and within our society. Unica expects this to deliver a positive boost in favour of more technical and technological solutions in buildings.

For us, this offers opportunities for new energy supply systems in the framework of gas-free buildings and improving the CO_2 performance or overall efficiency of buildings. For almost every set of problems, we can offer safe, healthy and sustainable solutions, and thanks to our broad knowledge base, we are able to support our customers in fulfilling their wide range of climate ambitions. In other words, we can offer our customers a full range of services in complying with the requirements of legislation and regulations.

With regard to reporting, the CSRD (Corporate Sustainability Reporting Directive) plays an important role. This standard requires business to actually demonstrate that they are working to further the sustainability of their activities. Increasingly, the financial sector is demanding compliance with these standards. In this way, banks, investors, private financiers and other financial institutions are able to influence the sustainability policy at businesses.

Shortage of (technically trained) personnel

There are still staff shortages on the Dutch market. Unica is an attractive employer, also thanks to the solid growth maintained over the past few years, the attention we pay to our employees and the opportunities for internal advancement within the various companies. Nevertheless, there is still a risk within the sector that services cannot be provided if there are not sufficient people to carry out the work, or that the pressure of work will become too great for the existing workforce. The accelerated introduction of digitalisation may be part of the solution. Digitalisation is able to replace much manual work, accelerate processes and offers a scalable model for tackling labour market shortages. It means we can complete more work faster, with the same number of people. Knowledge and employee development are therefore clear spearheads in our strategy.

Digitalisation

Digitalisation offers opportunities for tackling the shortages on the labour market, and is of strategic importance in achieving the climate goals. Through innovation and the use of data, we aim to improve and accelerate the services to our customers, and help bring about the transition. Information generated by data systems is vital in making the right analyses and choices, and in offering the right elements to the solution.

Stakeholder summary

To improve the future proofness and relevance of our sustainable strategy, we are constantly in consultation with our stakeholders. This infographic shows the key stakeholders consulted by Unica.

Employees
Our technicians and specialists are vital to implementing our solutions and are our calling card for our customers.

Customers
Companies and organisations that wish to improve their buildings and operations to save costs and to improve sustainability.

Suppliers
Manufacturers, distributors and technology partners that deliver products and services and subcontractors we use to supplement and support or work.

Governance and Supervisors
Our Supervisory Board and Joint Works Council who advise us on our strategy and operations.

Shareholders
The investors behind our group of companies to whom we report and are accountable for all our results and operations.

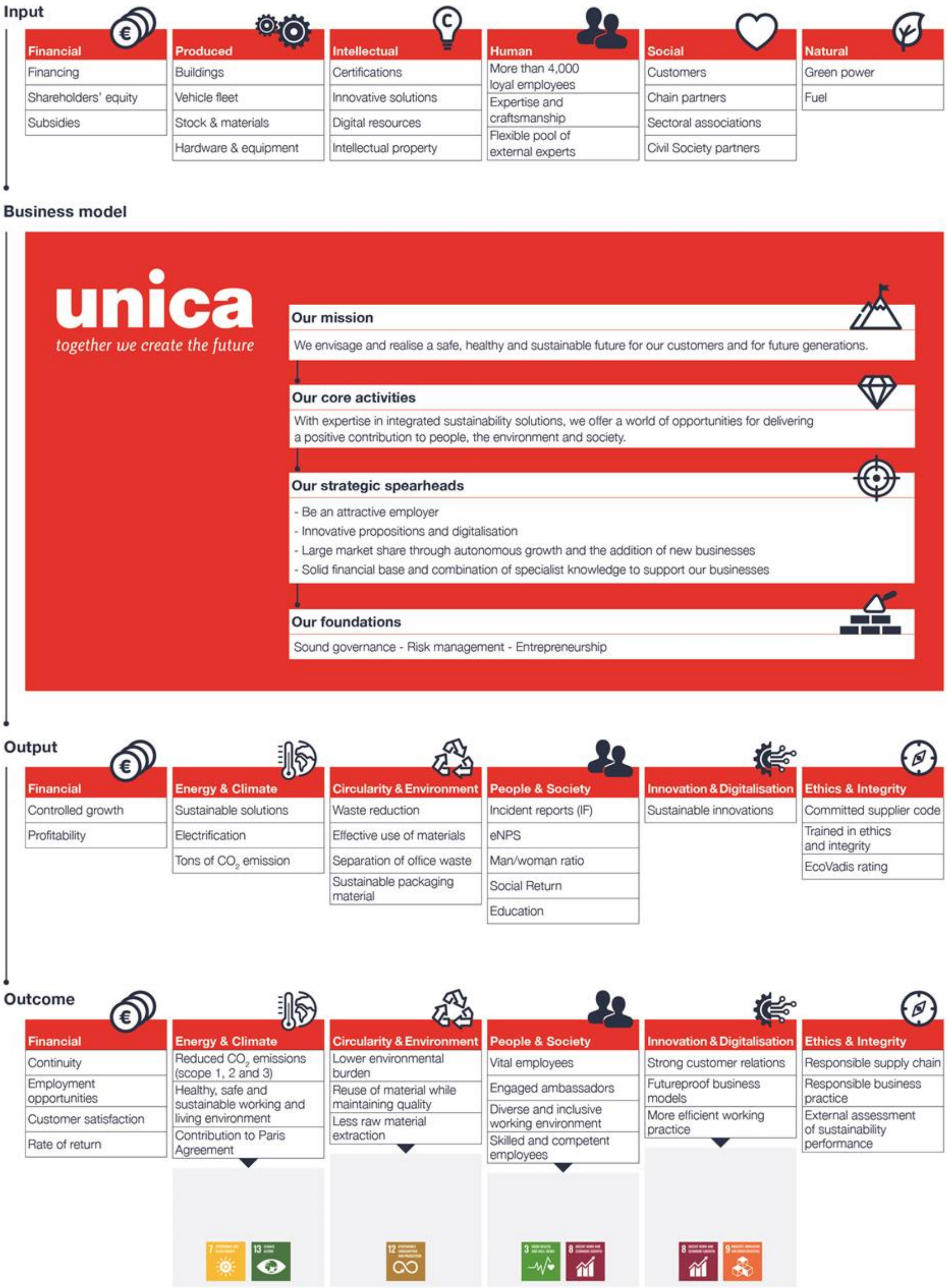
Financial institutions
Capital investors who provide us with funds for targeted investments and who advise us on our financial management.

Government
European, national and local governments that through legislation and regulations influence the requirements on our services and the obligations on our customers.

Inspection bodies
Certifying bureaus, institutions and consultants who determine the standards and quality requirements with which our services must comply.

Value creation model

As one of the largest technical service providers in the Netherlands, Unica is an important player in the development of solutions that contribute to bringing about a more sustainable society. This is a precondition for a cleaner working and living environment. With almost 4,000 employees, we are constantly working to deliver a safe, healthy and sustainable future for our customers and future generations. The value creation model below shows the capital we apply and how we use that capital to create value for people, the environment and society.



Financial developments

For the fourth year in succession, revenue achieved double figure growth. Revenue for 2023 rose to €843 million, an increase of €87 million as compared with 2022 (€756 million). An overall rise of 11.5%.

Unica follows a controlled growth strategy with a sound balance between autonomous growth and growth through mergers and acquisitions. This is well reflected in the financial results for 2023. In 2023, more than 75% of revenue growth came from autonomous growth, and one quarter from the acquisition of businesses.

The focus on improving the rate of return was reflected in 2023 in an EBITDA of €103 million, a rise of 13% as compared with 2022 (€91 million). Net profit rose by 17.5% to €49.6 million (2022: €42.2 million).

The aim of maintaining a stable rate of return at Unica was once again achieved in 2023. At 12%, the rate of return percentage remains the same as in 2022. As a consequence, Unica enjoys a healthy return position, appropriate to companies of this size. In 2023, inflation did affect the level of costs, but thanks to adequate cost management and favourable agreements with our clients, we were able to minimise the effect on overall return.

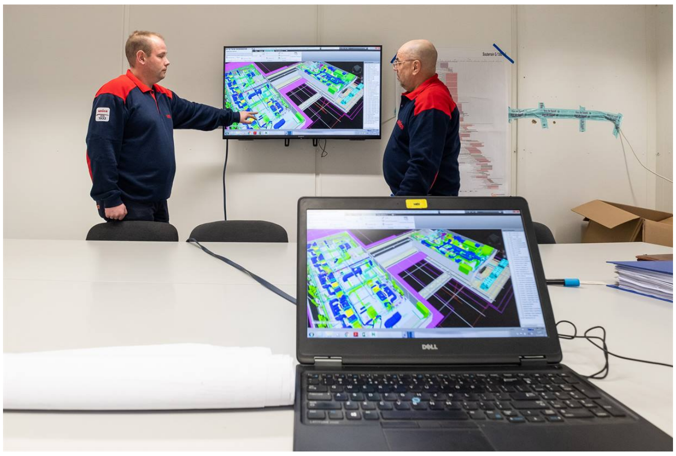
Developments per cluster

At Unica, the market approach is organised in nine clusters. Each cluster has its own focus area or specialisation, each contributes to the growth and strengthening of the position of Unica and each is a leading player in its own market. Thanks to this structure, we are able to respond rapidly to changing market conditions, while still focusing on innovation so that each cluster retains its distinctive capacity to attract the right specialists.

Building Projects

Unica Building Projects manages and coordinates all-round technological solutions for new build and renovation projects, with a team of in-house specialists and craftspeople who can manage every project from A to Z; from design, engineering, project management, production and prefabrication through to installation and commissioning. At the same time, Unica Building Projects can fulfil the management role in delivering appropriate energy supply solutions at every stage of the project.

Developments in the field of nitrogen restrictions have had only a limited impact on our activities. For some time, our focus has been on transformation and renovation projects, an area in which Unica Building Projects specialises. We offer our knowledge and experience in this field as an integrated proposition to provide our customers the optimum assistance in facing up to different sustainability challenges. We are also frontrunners in the field of BIM (Building Information Modelling), an essential tool for analysing, visualising, managing and exchanging building information. In collaboration with BIM4ALL, we developed a learning programme for employees in 2023, to further improve our digital skills in cooperation, knowledge utilisation and growth.



Building Services

Unica Building Services improves the working and living environment by effectively managing and maintaining buildings. This guarantees the customer and users of these buildings comfort, safety, health and sustainability, based on the latest proven technology and most recent government standards.

With a network of branches throughout the Netherlands, the activities of Unica Building Services are organised geographically. The acquisition of Breedveld & Schröder and Hermans Elektra, resulted in 2023 in the establishment of an 18th branch in Almere, from which we can deliver an even better level of service to customers in the central Netherlands.

Fire Safety
The Unica Fire Safety cluster delivers optimum fire safety throughout the entire lifecycle of fire safety systems, with certified fire safety solutions. We offer a full range of fire safety solutions by integrating the specialisations extinguishing systems, fire detection and evacuation, pump sets and water supply, together with structural fire safety. Through this integrated approach, we aim to realise an innovative and fire-safe living and working environment.

One remarkable milestone in 2023 was the official certification of the Fire Vision Sprinkler, a solution that allows two-weekly sprinkler system tests to be carried out remotely. The certifying body KIWA confirmed that the solution complies with the highest quality standards. This application offers our customers sustainable support for the periodic management and testing of sprinkler systems by granting digital access to the status of their system, 24/7. The remote solution also represents a major reduction in CO2 emissions by removing the need for multiple travel movements.

Access & Security
Unica Access & Security develops, installs, manages and maintains complete systems in the field of access control and security, leaving employees and visitors to carry out their work, worry free. The cluster specialises in answering complex access control and security issues with solutions that are smart, intelligent and sustainable. In providing those solutions we always seek the perfect balance between security, safety and hospitality. As a result, irrespective of their size, organisations maintain full control over their access policy, without disrupting everyday processes.

The cluster is an excellent example of the opportunities offered by digitalisation and remote service provision. In 2023, the Access & Security cluster took its first steps abroad, as part of its overall ambition to expand this form of service to various countries across Europe.

Building Intelligence
Unica Building Intelligence integrates all technical systems in a building using intelligent building automation. The monitoring, uniform presentation and management of all technical building functions results in an optimum interior climate, smoothly performing systems and an excellent user experience.

The strength of Unica Building Intelligence was reflected in 2023 in the order to carry out a major renovation at the Tax and Customs Administration (Belastingdienst) in Apeldoorn. This was in fact the largest order awarded to the cluster, to date. At two different locations with multiple office blocks, all technical measurement and control systems will be removed and replaced by a new system, in phases. Also in 2023, the portfolio of this cluster was expanded to include the Building Insight platform. This platform was developed by Unica Innovation Center, an independent strategic division of the company, which following its further professionalisation can now be placed onto the market, as a fully fledged solution.

Energy Solutions
With its team of dedicated specialists that help organisations to make their real estate and/or systems more sustainable and save energy, Unica Energy Solutions guides its customers through the ever changing energy landscape. The cluster offers advice for and supervision through integrated energy issues, from energy purchasing and energy generation through to (dynamic) energy management and building sustainability.

The acquisition of Tenergy and Engine Competences Services (ECS) was the most important milestone for 2023. The software platform developed in house at Tenergy establishes a connection between the energy market and adjustable technical systems, and as such makes a contribution to solving the imbalance problems on the national electricity grid. Our technical portfolio has also been expanded to include specialist overhaul and maintenance activities for cogeneration systems. This development could also contribute to smart buffering for the emergency power market.

ICT Solutions
Unica ICT Solutions opens up the world of digital opportunities to its customers, by building platforms, infrastructures and environments in which ICT systems live up to their expectations. The aim is to create workplaces at which users can work more effectively and more efficiently, as well as generating more value and insight from their data. These services are backed up by a large and expert service and management team.

For many of the customers of Unica ICT Solutions, it is essential that key company data be stored in Dutch datacenters. With our own equipped datacenter, we are able to satisfy that requirement. In 2023, for example, we provided this service for financial service provider Vesting Finance. The primary data environment is housed in our datacenter that complies fully with the policy demands and rules and regulations imposed De Nederlandsche Bank (DNB) on financial service providers. Vesting Finance also relies on Microsoft's robust cloud platform. Our specialists have securely linked these two cloud environments and are responsible for overall management. This allows Vesting Finance to benefit from the optimum combination of proven international cloud solutions, and a data environment equipped in compliance with Dutch legislation.

Industry Solutions
Unica Industry Solutions delivers turn-key total solutions to various industrial sectors including the food industry, pharmaceuticals, light chemicals and the logistics and distribution markets. The services provided by this business cluster include software, electrical engineering, process technology, mechanical engineering and refrigeration and climate-control technology. These five industrial specialisations can be offered individually and in combination.

2023 saw solid growth in the field of Integrated Solutions. According to this market approach, we develop issues proposed by our industrial customers into concepts, which we then fully implement and follow up with 24/7 all-in service. Our customers are served from a single point of contact, responsible for all harmonisation issues between the various technical disciplines, thereby delivering overall clarity of service. An industrial electricity balancing model was also launched, to improve the balance between supply and demand on the Dutch high-voltage grid. The result is improved stability in power supply while at the same time achieving considerable benefits and savings for the customer.

Datacenters
For more than twenty years, Unica Datacenters has been the number one specialist in the Netherlands for the design, realisation, maintenance and modification of intelligent and advanced datacenters and IT infrastructures. Thanks to our knowledge and years of experience, we operate as main contractor for the realisation of datacenters and as all-round service provider for the optimum use of datacenters in the Benelux countries and Germany.

Datacenters are an essential link in the modern digital world. Although energy intensive, thanks to their size, huge economies of scale can be achieved by implementing energy-saving measures. With that in mind, during construction and maintenance, we focus on energy and water saving, the reuse of residual heat and special cooling techniques. The cooperation announced in 2023 with Asperitas, a company that cools server racks with a special liquid instead of air thereby achieving considerable energy savings, is an excellent example of a sustainability solution that delivers significant impact in respect of residual heat.

Strategic developments

In 2023, we further elaborated our vision into three topics: safety, health and sustainability. Our daily activities are now focused on these three topics, in which we are responsible for the entire process of consultancy, design, realisation and management and maintenance, for sustainable solutions.

Sustainable renovation

An excellent example of an area in which the innovative and operational skills of Unica are combined is Sustainable Renovation. This proposition combines the expertise from various clusters to deliver a sustainable integrated solution in the field of renovation work. Customers looking to improve their sustainability can count on an approach that fully relieves them of all responsibility for the transformation of real estate into sustainable and futureproof buildings.

Acquisitions

Unica has the ambition to grow between 10 and 15% each year. This makes us a meaningful player, capable of delivering long-term impact for our customers and other market parties. In addition to autonomous growth, this growth ambition is achieved through acquisitions and mergers. Once again in 2023, our acquisition policy helped expand our regional presence and reinforce our specialisations.

Breedveld & Schröder and Hermans Elektra

In October, we reinforced our regional position in the central Netherlands with the acquisition of Breedveld & Schröder and Hermans Elektra. Both companies, that belong to the same installation group, are leading technical service providers with an excellent reputation. Breedveld & Schröder has been involved in the construction and maintenance of electrical engineering systems for more than 125 years, and for more than 40 years, Hermans Elektra as an (electrical engineering) installation company has specialised in measurement and control technology and panel building. This acquisition offers us a solid base of operation in Flevoland. In collaboration with the existing branches of Unica in Amsterdam, we can now offer even better service to our customers in the Central Netherlands. The combined location for Breedveld & Schröder and Hermans Elektra has been integrated in the branch network of Unica Building Services. The cluster now consists of 18 branches spread all across the Netherlands.

Tenergy & Engine Competences Services (ECS)

This organisation, acquired in June, offers two core activities: energy balancing and special overhaul and maintenance work on cogeneration systems. This acquisition reinforces our key disciplines in the Unica Energy Solutions cluster.

Activities at Tenergy are based on a software platform developed in-house, which is able to automatically adopt positions on the electricity market. The platform is optimised for the ramping up and down of cogeneration systems, lighting systems, boilers and PV systems in the greenhouse horticulture sector with a view to re-establishing balance on the electricity grid. In addition, Engine Competences Services (ECS) is responsible for maintenance and overhaul work on cogeneration systems, mainly in the greenhouse horticulture sector. Both activities have an important role to play in the energy transition, where there is huge demand for solutions for the ramping up and ramping down of emergency power and balancing the electricity grid.

In the face of the rapid increase in congestion on the electricity grid, we see huge growth potential on the market for energy balancing. In combination with the knowledge of energy markets and the technology available to us in house, this acquisition places us in an even better position to play a key role in this challenge.

Acquisitions since the balance sheet date

Our merger and acquisition strategy was further enhanced in the first few months of 2024 with two new acquisitions. In January, Unica signed an agreement to acquire the Fire & Gas business unit from Dräger. The integration of this specialist in fire and gas detection and extinguishing materials will further broaden and expand our fire safety portfolio, brought together in the Unica Fire Safety cluster. The Fire & Gas business unit of Dräger is a leading player in fire and gas protection projects and maintenance in the Netherlands, has around 120 employees and generated revenue in excess of €20 million euro in 2023. The unbundling of this business unit will be concluded in May 2024.

In April 2024, we announced the acquisition of Eljes, an operator involved in the construction of optic fibre networks for datacentres and network providers in the Benelux. This acquisition will expand the range of services offered by the Unica Datacenters cluster. Eljes has 24 employees and in 2023 generated revenue of €15 million.

Innovation

The Unica Innovation Center is a separate strategic division that operates independently of our business clusters to reinforce and to further structure our innovative capacity. The division is the antenna for the outside world and its mission is to make Unica and its customers futureproof and adaptable to change.

A new manager was appointed to for the Unica Innovation Center in 2023 to head up a newly established professional framework. From within that innovation framework, customer-specific applications are developed by analysing problems and needs identified on the market, by conducting prototype testing of solutions and eventually placing successful solutions on the market.

The Center operates according to three strategic innovation pillars:

1. **Explore**: Starting with strategic topics and trends, we elaborate and develop new propositions and concepts for future growth.
2. **Accelerate**: According to a strict innovation process, we accelerate ideas. Within this programme, we test for 3 aspects: desirability, viability and feasibility. These parameters are essential for the successful future marketing of a proposition.
3. **Lead**: Strengthening and communicating our innovation capacity. We wish to be the most reliable and innovative sustainable partner on the market, and our goal is to strengthen Unica as a whole, to enable us to adopt that position.

In addition to sustainability and energy transition in industry and the built environment, we believe that AI also has an important role to play. We can employ this disruptive technology in many different ways. Against that background, our priority is focused on digitalisation in the world of technological solutions.

Internationalisation

Where possible, we do provide services to internationally operating customers outside the Netherlands, but because the Dutch market still offers so many opportunities for growth, we still operate a mainly national strategy. In a number of specialist fields of expertise, we do intend to investigate international marketing opportunities over the next few years.

Specifically this relates to services we can supply remotely, from our powerful organisational foundations in the Netherlands, and in which the technological solution is not tied down to specific locations. The Unica Access & Security cluster has already taken the first steps along this road, in 2023.

Continuity

In 2023, the shareholders in Unica, the Van Vliet family and investment company Triton extended their investment in our company. This reflects the huge confidence they have in our potential for growth and our strategy. We see the stability and support of these two parties as key reasons for our success and look forward to working with them over the coming years in energetically fulfilling our ambitions and realising further growth.

In 2023, the Board of Directors was made up of John Quist (CEO) and Ron van Laar (CFO). A third position was created on the Board of Directors on 1 January 2024 with the appointment of Debby Slofstra (COO). From 2024 onwards, the Executive Board will consist of two men and one woman. The Supervisory Board consists of 3 men. In any future changes to the composition of the Board, we will continue to strive for a more balanced representation between men and women.

Risk management

Unica constantly focuses its attention on systematically recognising opportunities and responding to risks, in good time. Our aim is to seize opportunities to mitigate and avoid risks by precisely identifying where the greatest risks lie and taking appropriate measures to reduce them. We carefully balance the financial performance against the scale of the risks.

In the table below, we have classified the risks in five categories to which have assigned the appropriate degree of risk appetite.

Category	Risk appetite	Description
Strategic	Average	Unica is willing to accept risks to fulfil its ambitions. During the assessment of risks, there is always a balance between commercial opportunities and long-term environmental, social and economic risks.
Operational	Low	During the implementation of its operational activities, Unica limits the risks to the continuity of business operations and the quality of work for its customers.
	Zero	Safety is subject to a zero tolerance policy, according to which risks are never taken that could endanger the safety of employees, customers or work.
Financial	Low	Unica enjoys a solid financial foundation, with a good balance between equity and loan capital. Financial project risks are avoided through careful financial project management.
Digital	Low	With the help of technical, organisational and policy-based measures, Unica limits the digital risks associated with the digital transformation of its own organisation and the digitalisation of the external environment.
Compliance	Zero	Unica applies the highest standards of integrity, complies with all relevant legislation and regulations and ensures that these standards are observed within all companies.

Integrated risk management and security are becoming increasingly important at Unica, as we grow as a business, service different types of customer and expand our services. In 2022, a new position was created within the Executive Committee for the director QHSE, Security & Risk, who is responsible for execution of the enterprise risk management (ERM) policy and its implementation within our companies.

As the size of orders accepted by Unica grows, so too do the potential risks. To improve decision making in respect of tenders, the progress of specific orders and investments, the Tender, Project/contract review and Investment Board (TPI Board) was established in February 2023. The TPI Board helps the management of the various clusters make more deliberate risk assessments and record risk management measures on the basis of a standardised process, in a special file. The TPI Board consists of the Board of Directors, General Counsel, the QHSE Security & Risk Director and the group controller.

Within the power of attorney schedule at Unica, all contracts with a value exceeding €2.5 million undergo a check for legal aspects. For multiyear contracts with an annual contract value of more than €10 million, approval is also required from the Supervisory Board.

In managing its companies, Unica strives to achieve a sound balance on the one hand between autonomy and entrepreneurship and on the other the formalisation and standardisation of business processes. The current network structure of nine clusters is the perfect expression of this desired balance. Monitoring and reassessing that balance is a continuous point for attention in our risk management policy.

Strategic

One prominent strategic risk is cybersecurity. Digital working practice is our standard, but one which involves ever growing cyber security risks. We have therefore identified this prominent strategic risk as a separate area for attention, as described in detail under the heading Digital.

Finding sufficient suitable personnel remains one of the greatest challenges for the technical sector, and as such also represents a growing risk for Unica. At present we are able to sufficiently manage this risk thanks to our attractiveness as a growing and successful business with excellent career opportunities. Nevertheless, labour capacity remains a critical issue in risk management, since the projected shortages are expected to continue over the coming years.

Because Unica occupies a prominent position on the market, the risk of reputation damage as a result of incidents is automatically greater. Unrest around the world and market disruptions also increase the vulnerability of Unica to a greater or lesser extent. To enhance awareness of these issues, a case is discussed that relates to subjects that contribute to our reputation, in the national management consultation meeting held four times a year. We also operate a protocol for potential crisis situations. Any notifications submitted via that protocol are assessed by the Crisis Management Team (CMT), which in addition to the Board of Directors includes specialists in the field of legal affairs, human resources, security & risk and communication. To ensure that this CMT also maintains a thorough understanding of the latest developments, a crisis simulation is conducted annually, directed and supervised by an external specialist organisation.

In the past five years, Unica has made more than 15 acquisitions. To ensure that the acquired businesses are well integrated within our network, a Post Merger Integration (PMI) scenario has been drawn up. Following each acquisition, an assessment is made of which elements of the PMI scenario apply and by what date they must have been completed. The General Counsel is responsible for implementation of the scenario for all acquired businesses.

Given the challenges facing our society, companies the size of Unica can be expected to demonstrate responsibility in respect of sustainable business practice. Our stakeholders, from employees and customers through to shareholders and financiers, recognise the urgent need for companies like Unica to make every possible effort to achieve greater sustainability in business operations and service provision. Based on our strategic sustainability programme, in this report, we have taken the first steps towards reporting on these issues.

Operational

A central quality management system that complies with the ISO 9001 and ISO 14001 standards is a central element of our policy for mitigating operational risks. This quality management system is subjected to an internal and external audit every year, with the aim of identifying and implementing improvements. The certifications for various organisation components of Unica were extended, in 2023.

It is important to limit the legal and financial risks involved in the implementation of orders and contracts. The price risks of materials have been more precisely mapped out and secured in the bid / no-bid process by including price volatility as one of the elements of the bid price and contract indexing.

To support our businesses in managing risks, we have prepared a standard risks and opportunities file. This is implemented for both project orders and contract orders. During the tender phase, poorly accounted for commercial choices can represent an operational risk. To avoid this, the bid form method is employed. If the assessment reveals that the risks exceed the risk appetite, the Legal Affairs department supervises contact amendments or ensures that specific operational measures are included in the project management. For each individual contract, key operational risks are recorded in a standardised risks and opportunities register, so that any threats and the mitigation measures taken remain in the picture, throughout the implementation stage. Evaluations are carried out by the TPI Board and generic lessons learned are shared each quarter, with the Executive Committee.

To ensure that Unica has in-house access to appropriately qualified employees, an online learning platform was launched in 2023 to offer employees permanent training and further career development. This also reconfirms our attractiveness as an employer and enables us to obtain the certification we are required to have in order to satisfy legislation, regulations and the requirements of our clients.

The Building (Quality Assurance) Act (WKB) came into effect on 1 January 2024. Among others this new Act specifies that contractors must pay greater attention in their work to the recording of information in building files. This ties in well with the trend of increasing digitalisation and quality accountability, in respect of which Unica has taken a series of measures across the board. Workshops were held during the course of 2023, to prepare the workforce for the introduction of this Act.

As one of the founding parties to the Governance Code for Safety in Construction (GCVB), Unica is a leading player in efforts to improve the safety culture in the construction and engineering sectors. This is reflected among others in the Safety Culture Ladder (SCL), for which we achieved certification at step 3, in 2023. This ladder demonstrates that we take responsibility for safe working practice.

We are also a regular participant in the Safety Awareness Day (Bewust Veilig Dag), a national day of action which focuses attention on safe working practice, throughout the sector. The Board of Directors and the Supervisory Board play an active role during that day, as a means of reinforcing awareness of this theme, within the organisation.

Financial

Unica pays continuous attention to the process of optimising its legal, fiscal and operational structure. Since 2023, the processing of the figures for each of the individual companies has been standardised via an approved Corporate Performance Management (CPM) solution. With the switch to accounting methods on the basis of the International Financial Reporting Standards (IFRS), in 2023, financial management and transparency within Unica was further tightened up. To supervise this switch and to permanently embed the new standards in the financial management processes at Unica, the organisation was reinforced with employees and managers with experience in this field. For the initial layout of the IFRS, the assistance of a renowned party was called in, who in close collaboration with the group auditor assisted in drawing up position papers describing the vision and operating principles of Unica on the most relevant IFRS reporting standards.

Each month, the financial results are discussed in detail with every cluster, so that any problems can be tackled early. The consistent evaluation of the financial performance in a financial dashboard offers an accurate and up-to-date picture of the overall financial health of Unica. As necessary, the cash flow from other group companies can be used to guarantee the liquidity of each individual company. In exceptional circumstances, bank lending facilities can be called in to bridge a temporary shortfall.

To maintain a sound operating capital position, an active policy of debtor management is employed. The use of lease contracts for various investment components also contributes to a stable and strong working capital position. Due to rising interest rates, interest risks have grown in the past few years. Interest rates for our company have partially been fixed by means of an interest derivative product, as a means of mitigating the risks of further interest rate rises.

Unica relies on external expertise to attract multiyear financing, primarily in the form of the expertise regarding the financial markets, of majority shareholder Triton.

Credit risks are limited as all outstanding claims are insured with a credit insurance company, as required.

Digital

Digital threats such as ransomware, DDoS attacks and phishing are among the greatest risks facing business and industry. Quite apart from serious harm to reputation, cyberattacks are often also a direct threat to the continuity of enterprises. Cybersecurity risks are therefore the subject of emphatic attention in Unica’s risk management policy. We operate a dynamic security policy that continuously evolves and adapts to the risks, market conditions and changes to technology and legislation and regulations. Unica is able to rely on the expertise of Unica ICT Solutions to provide in-depth knowledge of digital risks. This specialist cluster deploys its knowledge on cybersecurity in its own service provision. We make use of the Security and Network Operating Centre (SOC & NOC) established at Unica ICT Solutions, in combination with an extensive 24/7 Managed Detection & Response solution, to protect us against potential cyber incidents.

As well as preventing cyber incidents, we are deeply aware of our responsibility for the information in our systems. Among others under the protection of the ISO 27001 and ISO 27002 standard, Unica screens this information against internal and external threats with a view to safeguarding business continuity and where possible preventing damage to its own organisation and the organisation of other stakeholders (such as consultants, suppliers and clients). Via our online learning platform and advanced simulation programmes, we constantly train our employees to recognise cybersecurity risks such as phishing. In the course of 2023, a Data Protection Impact Assessment (DPIA) was conducted. The most important recommendations for better organising our data protection will be implemented in 2024. Also in 2024, we will be preparing for the implementation of the NIS2 Directive.

In 2023, our core application landscape was recalibrated. Together with external specialists, we investigated how we could further standardise our digital foundation and our information management policy. This will enable us to derive synergetic and cost benefits, as well as delivering a more manageable application landscape. The first adjustments were implemented in 2023, including standardisation of all human resource issues in a single HRM system.

As companies are acquired and merged, the number of applications and the ICT environment at Unica continue to grow. To guarantee the high quality of our service provision, and not least to mitigate cybersecurity risks, the newly acquired companies are integrated as quickly as possible following acquisition in our IT infrastructure, and connected to the basic components of our central IT services. The basic facilities include measures to protect against cybersecurity risks. An added benefit is that system integration facilitates optimum cooperation and enables us to realise further economies of scale.

Compliance

Unica maintains and implements the highest integrity standards in the form of unequivocal ethical standards and basic principles, borne out by all employees. This is achieved via our code of conduct and the ‘Speak out’ (Spreek je uit) protocol on abuse, employment disputes and undesirable behaviour. The rules on abuse were adapted to match the latest legal statutory guidelines, in 2023. From the start of the new year, an additional application has been activated according to which it is possible to guarantee anonymous reporting.

In support of our policy, we rely on four external confidential counsellors. These confidential counsellors and the compliance officer at Unica prepare annual reports on the operation of the ‘Speak out’ protocols. These reports are shared with the Supervisory Board, Board of Directors and the Executive Committee, and discussed with the Works Council. The reports are also used for reinforcing policy or taking specific additional measures. Compliance cases are also periodically discussed at meetings with the Executive Committee and the Supervisory Board.

During the company introduction day, new employees also receive training on integrity, compliance and security. These subjects are also regularly discussed during periodic internal management training courses. To further expand knowledge of specific issues, the Legal Affairs department organises accessible online legal workshops every month, for which every employee is free to register, via our online learning platform.

In the light of their role model position, Unica focuses particular attention on training for management in ethical behaviour and compliant working practice, during every management meeting. Each year, all directors issue a compliance statement, which includes a declaration that they comply with all applicable legislation and regulations. Following a planned compliance fraud risk assessment in 2023, a number of issues were further tightened up.

Outlook for 2024 and beyond

Unica is entering the next phase of growth in which, as ever, the central focus will remain on our customers and attention for our employees, all in conjunction with our growing social responsibility.

Employees

From our origin as a family-owned business, we continue to focus on our employees, by paying permanent attention to their safety, health, career prospects and mutual engagement. Unica is now one of the 200 largest companies in the Netherlands and we enjoy a solid reputation.

To realise our ambitions, we wish to become even more attractive and more visible for (potential) employees, both inside and outside the technical sector. We intend to boost our awareness among others via a new 'working at' website and new recruitment initiatives.

Customers

Unica works to deliver a safe, healthy and sustainable future for our customers and for future generations. We are happy to work for customers who also underwrite the importance of these three key topics for society. Our society is in a transition phase, in which for certain activities, huge advances will have to be achieved over the coming years in improving sustainability, if we are to avoid burdening future generations. Based on our in-depth specialist knowledge, we can help customers with a clear desire to achieve sustainability in realising this shared ambition.

Business Services

Business Services is primarily responsible for coordinating a series of central improvement processes aimed at further boosting the professionalisation of the organisation at Unica. Business Services act as a Centre of Excellence that makes specific knowledge available to all our companies. The economies of scale that result from combining these support activities mean that as a group of companies, we continue to comply with all relevant legislation and regulations. The centralised nature of these services helps us further professionalise and increase the efficiency of our operations. As such, these Business Services play an important role in the optimum customer journey, and are the driving forces behind digitalisation.

Innovation and digitalisation

Innovation and digitalisation are the building blocks that support the rollout of our strategy for the coming years. They play a vital role in our integrated approach and sustainability ambitions. Based on the technology and knowledge available to us in-house, we are in an ideal position to deliver a meaningful contribution to the energy transition and the digital evolution taking place in our customers' businesses. We already have access to the necessary components to deliver this level of digitalisation, and are currently making real progress in the field of system and chain integration, so that in these areas, too, we will be able to make a positive contribution to the chain.

End-to-end solutions

We plan to operate increasingly in multidisciplinary teams to relieve the concerns of our customers, in which we will use data to deliver added value. End-to-end solutions in which aspects of sustainability play a role will be a spearhead for the coming years. Among others this will be expressed in the further establishment of a sustainable development team, which will bring together services from various clusters to achieve a more sustainable energy supply, to reinforce our position on the market and our role in the energy transition, and to enhance our sustainability efforts. We intend to make optimum use of our innovative capacity in the form of joint propositions, while retaining the individual entrepreneurship offered by the more than 45 companies that make up our network.

Growth expectation
The results for 2023 reveal that with its solid foundations, Unica is less susceptible to economic difficulties such as high inflation or geopolitical tensions. Once again in the years to come, we expect to achieve revenue growth of between 10 and 15%, thanks to our inherent stability. Half of this growth should be autonomous and the remaining half will be realised through mergers and acquisitions. Steady growth and a healthy rate of return in excess of 10% will remain a spearhead in our strategy.

Summary
Over the past few years, Unica has developed from a contractor to a partner and advisor on issues of sustainable technological development. Starting from this stronger position in the chain, we are in an excellent position to further expand to become a leading technical service provider capable of bringing about a safe, healthy and sustainable future for and with our customers.

We are proud and grateful for the confidence once again shown in us by our customers, in 2023. This would never have been possible without the efforts and enthusiasm of our employees, for which they deserve our heartfelt appreciation. We also express our gratitude to the Supervisory Board, the management, the Joint Works Council and all other stakeholders. We look forward to furthering the success of Unica, together with you all.

Hoevelaken, 26 April and 1 May 2024
John Quist, CEO (middle)
Ron van Laar, CFO (right)
Debby Slofstra, COO (left)

Sustainability policy

This chapter is not part of the annual report audited by the independent accountant.

Sustainability policy

This chapter (pages 33 to 47) is not part of the annual report audited by the independent accountant.

Unica is working intensively to further professionalise its sustainability policy and reporting in accordance with international standards. Our annual report will gradually be expanded into a report in financial year 2025 that will be in compliance with the Corporate Sustainability Reporting Directive (CSRD). At present this chapter is not part of the audit statement by the independent auditor.

We can only successfully make a sustainable impact if everyone involved in our company embraces the movement that aims to deliver a meaningful and positive contribution to people, the environment and society. As such, the basis for our sustainable business practice is embedded in the fibres of our common purpose. In 2023 this was summarised as follows: we conceive and realise a safe, healthy and sustainable future for our customers and for future generations. Fulfilling that objective calls for a clear policy on sustainability and unequivocal reporting.

With its range of services, Unica is perfectly positioned to deliver a powerful contribution to the energy transition. We can make a real difference in the built environment which currently has a major (negative) impact. We can call upon the knowledge and technology available in-house to bring about major advances in the sustainability of the built environment, and have access to the high level of digitalisation needed to make this possible. On that basis, right across the board, we can assist customers in their desire to achieve a sustainable future. On their behalf, we are also fully equipped to meet the requirements laid down in legislation and regulations and to implement and demonstrate the effectiveness of the necessary sustainability measures. We are also active in achieving our own sustainability goals and constantly assess our position among others according to the CO2 performance ladder, the Performance Ladder Social Entrepreneurship and the Safety Culture Ladder.

We have translated our sustainability policy into the following central pillars: Energy & Climate, Circularity & Environment, People & Society and Innovation & Digitalisation. The underlying principle and fifth pillar is Ethics & integrity.

In 2023, we further implemented this Sustainability Framework and the related programmes.

Energy & Climate

We fulfil the challenging ambitions of our customers and maximise our impact for a CO2-neutral society.

Material subjects	Primary objective
Own business operations	Emissions to zero
Sustainable supply chain	
Products and services	

KPI	Results 2023
tCO2	CO2 performance ladder level 3 achieved
% electric cars	Switched to 100% Dutch green power for total electricity consumption (office and business locations and vehicle fleet)
# LCAs ‘preferred supplier’	Launch of knowledge platform ‘Knowledge base Sustainable Procurement’
	New orders for lease category 3 to 5 all EV

Action points for 2024	Objectives for 2025
Implementation of EML in all our premises	40% CO2 reduction in scope 1, 2 and business travel as compared with 2019
35% emission-free vehicle fleet in 2024	Science Based Targets scope 1, 2 and 3
Formulating SBTs (short and long term)	50% emission-free vehicle fleet in 2025
Developing an overall reduction roadmap	

Risks	Mitigating actions
Other mobility policy at acquired companies	Mobility policy of acquired companies harmonised to Unica standards
Availability of EV vans for suitable for high transport weight with sufficient operating radius	Entire vehicle fleet connected to digital management system
Lack of insight into vehicle fleet composition	

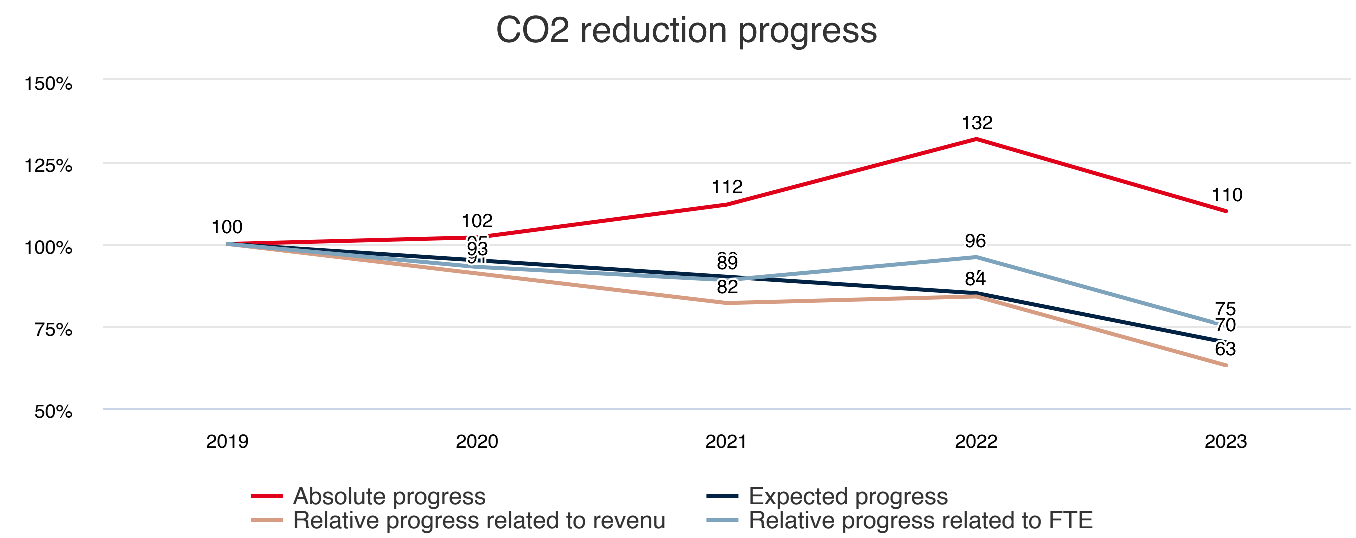
General
Among others, Unica is ISO 14001 certified. This certification means that we have embedded our environmental policy, all relevant environmental aspects and the possible management measures in an environmental management system. This enables us to make continuous improvements in the field of sustainable business operations.

Developments in 2023
CO2 reduction
Improving the sustainability of buildings and industrial processes, reducing the energy consumption and opting in favour of sustainable energy sources and materials are everyday business at Unica. A clear focus on energy and CO2 reduction is a priority for Unica. Our long-term ambition is to reduce our emission level to 0, in line with the climate goals for the Netherlands.

CO2 Performance ladder
To strengthen the management approach to energy and CO2 reduction within our own business operations, we make use of the CO2 Performance Ladder. Following the external audit of our management system in 2023, we successfully achieved level 3 certification on this Performance Ladder. We also successfully passed the annual interim external audit in the first quarter of 2024.

Our goal for scope 1, 2 and business travel is to reduce our emission level in 2025 by 40% as compared with our reference year 2019. This objective is related firstly to revenue and secondly to the number of FTEs.

The graph below shows our (relative) progress in CO_2 reduction. Since reference year 2019, absolute CO_2 emissions have risen by 10%, as a result of the enormous growth our organisation has undergone. Related to revenue, CO_2 emissions have been reduced by 38%, and related to the number of FTEs the reduction amounts to 23%. This places the organisation in line with our planned reduction target.

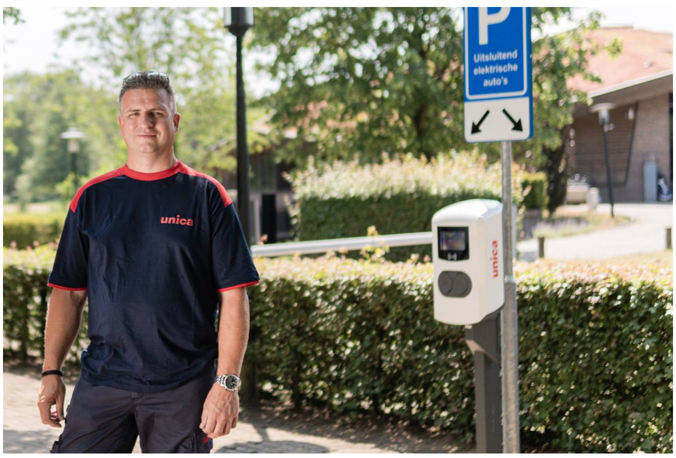


This relative progress has been achieved through a series of core measures, including the greening up of our total electricity consumption with Dutch Guarantees of Origin (GoOs), optimising climate control systems and the temperature settings in our office and business locations and electrifying our vehicle fleet. Recordings were made in the second half of 2023 to identify potential energy saving measures at our office and business locations, on the basis of which sustainability measures will be implemented in 2024 and 2025. Among others this involves the use of the updated Approved Measures List. For the full emission inventory, see the appendix.

After the summer of 2023, we started conducting a baseline measurement of our scope 3 emissions. We have concluded the consultation phase in the chain and are currently mapping out which services and segments deliver the greatest impact. In those areas, we are further consulting our suppliers about their emissions, for example by requesting information about the environmental impact of products. The scope 3 baseline measurement will be concluded in 2024 to enable us to determine which specific measures will have to be taken in order to reduce our scope 3 emissions and to improve the quality of data.

Electrification of the vehicle fleet

Our target for 2030 is an emission-free vehicle fleet. To achieve that target, from mid-2024 onwards, we aim to only order electric vehicles. Any new orders will have to comply with our target standards in the course of 2024, as the lifecycle of our vehicles often amounts to not more than 6 years.

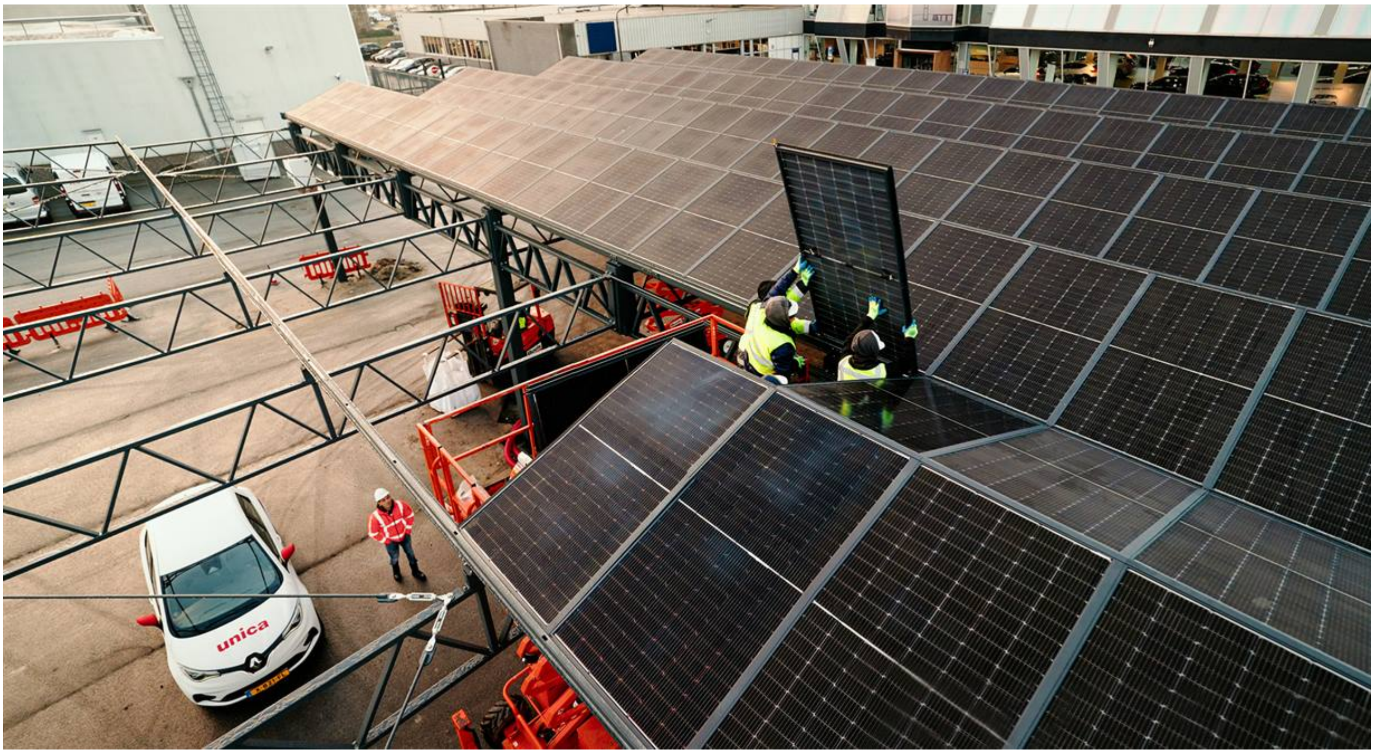


The greatest challenge currently facing us is in the van category. At present, the choice of vehicles with a sufficient operating radius is limited. The problem lies in the combination of weight and operating radius. When required to deliver high power levels, battery performance is not at its optimum. The weight of a fully laden van cuts the operating radius, while it is specifically the van fleet that is required to cover considerable distances, in the Netherlands. Trials with a number of electric vans in 2023 confirmed that they could not yet offer the operating radius we need to provide our services. Nevertheless, we do expect the technology to advance rapidly, so we intend to stick to the principle of an emission-free vehicle fleet by 2030.

For our regular vehicle fleet, we are already a step further. In 2023, 16% of all lease cars were electric. The target for 2024 is 35%, for 2025 50% and in subsequent years, each year a step further. The pace of electrification in 2023 was not what we had hoped, due to long delivery times. There was a shortage of vehicles on the market, but we are currently making up the backlog, and barring unforeseen circumstances, we expect to be able to once again pick up the pace and stay on schedule for an emission-free vehicle fleet by 2030.

Green power

In 2023, Unica switched to entirely Dutch green electricity by purchasing Guarantees of Origin (GoO). A GoO stands for 1 MWh of sustainably generated energy. The certificates include information about the energy source, the production installation and the production date and place. This enables us to prove that the energy supplied to us comes from a sustainable source.



Knowledge Base for Sustainable Procurement

In order to integrate the sustainable knowledge and solutions of our own specialists and suppliers in our supply chain, the Knowledge Base for Sustainable Procurement was established in 2023. This platform brings together all the sustainable products, processes and concepts and all the information we receive from our suppliers about sustainability issues. Thanks to this knowledge base, all employees at Unica can more easily compile sustainable solutions and answer questions from customers about sustainable products.

Circularity & Environment

We strive to preserve the natural environment through the sustainable and efficient use of materials.

Material subjects	Primary objective
Waste reduction Circularity	Zero office waste Circular business operations and value chain
KPI	**Results 2023**
Tonnes of waste	Six new Unica companies signed up to Renewi for waste collection
Action points for 2024	**Objectives for 2025**
Require wholesalers to comply with the Sector Packaging Plan Baseline measurement LCAs for framework contracted manufacturers	All wholesalers signed up to the Sector Plan on Packaging LCAs developed for 50% of manufacturers 50% of office waste separated By 2030, 95% of office waste separated
Risks	**Mitigating actions**
Not all Unica companies use the Unica Groep partner for waste management	Compulsory sign-up to central waste policy

General

Unica aims to achieve a structural reduction in waste volume and to ensure the high-quality processing of all released materials. Together with our chain partners in the sector, our ambition is to work towards a circular economy in which both the consumption of primary raw materials for packaging and packaging waste are minimised.

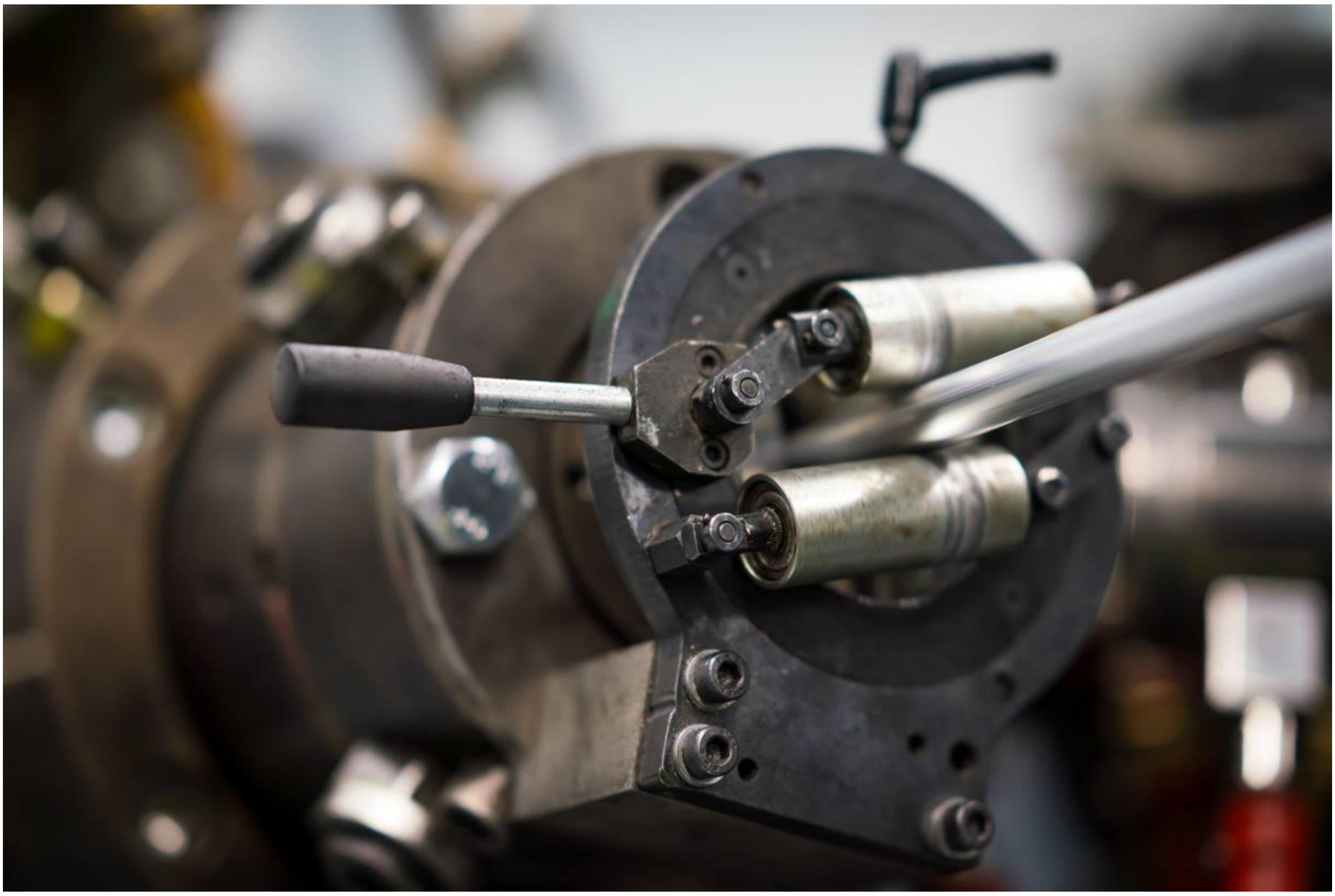
Developments in 2023

Waste reduction

For several years, Unica has been working alongside Renewi on the collection and separation of waste. In 2023, six new companies signed up to this collection system, making the structured approach to waste reduction even more reliable. Consequently, the reports on waste reduction are becoming increasingly representative for the whole of our business operations.

Also in 2023, together with Renewi, we launched a pilot programme on behavioural change and the tools needed for separating waste. This trial is focused on separating office waste. The first stage is to evaluate the nature of the flow of office waste. Based on the results, a campaign proposal will be drawn up in 2024, aimed at further boosting awareness of waste separation.

For the time being, our actual targets for waste reduction will focus on office waste, because the impact we can have on waste reduction at project locations is not always entirely under our control. Our influence depends on the choices made by our clients, who can either decide to remain individually responsible for waste processing, or to entrust the task to the implementing partners. We are promoting the latter choice by offering waste collection as a standard service. Thanks to our experience and the professional partners we work with, this enables us to sustainably dispose of the waste flow and report on the result. In particular for the processing of non-ferrous metals (copper, lead, aluminium, zinc and brass), this could help us deliver a significant impact.



Cooperation

The circular model is not yet commonplace in the engineering sector. The reuse of materials is sometimes seen as the source of a potential risk of defects, which could make it a more expensive solution in certain cases. In those situations, the safest choice is to opt to use new products, but that means that raw materials have to be extracted from the environment.

Against that background, the opportunities for making a real circular impact above all lie in cooperation throughout the ecosystem. This turnaround in thinking can be achieved by combining the knowledge and capacity of consultants, manufacturers, architects, wholesalers, technical service providers, sector organisations and government authorities, in the form of legislation and regulations that have an incentive effect. The greatest impact is expected to come from manufacturers who develop the technology and who are increasingly turning to the use of reliable circular materials. Wholesalers can make a contribution in the form of climate-neutral distribution.

People & Society

Together, we work to create a solid culture of safety, invest in our people, encourage diversity in our teams and attract new talent for a career in engineering and technology.

Material subjects	Primary objective
Safety	First-class employer
Long-term employability & development	Strong safety culture
Diversity and Inclusion	Long-term employability & development
Social business practice	Diverse and inclusive teams
Social engagement	
KPI	**Results 2023**
#accidents	Safety culture ladder level 3 achieved (xx% of companies)
# participation in Studica training	Studica training developed for 'Health and Safety at Work Act'
men:women Unica/men: women management, ...	Studica learning platform launched
% PMO participation	Board appointed for Unique diversity platform
% FTE social return	Performance ladder Social Business Practice level 2 achieved (e.g. installation engineering)
% supplier reviews	Social Return KPIs integrated in HR administration system
Action points for 2024	**Objectives for 2025**
Raise number of women in management positions to 19% (level 1 to level 4)	20% of management are women
Accident frequency index (If) figure <5	Ambition for zero lost time accidents
Establish SROI counter, including setting targets for cluster management to meet the 2025 target	Accident frequency index (If) figure <5
Further development of online learning platform with decentralised training courses and career pathways	2% FTE social return compared with total
Expand internal and external awareness of diversity platform	
Implement findings and recommendations of PMO	
Boost recruitment efforts with new Working at website	
Risks and mitigating actions	**Mitigerende acties**
Business focus and engagement	Escalation via contract managers
Social return targets in tenders	

General

Unica wishes to be an attractive employer for its technical and non-technical staff and to make use of their wide range of talents. As professionals with the DNA of a family-owned business, we focus particular attention on the safety and wellbeing of our employees and colleagues. We look to the long term and invest in our people, and are engaged in developments in society.

Developments at Unica in 2023

Employees and labour market

At year end 2023, Unica employed 3,778 FTE, an increase of more than 6% as compared with 2022 (3,555 FTE). To carry out our work, we also use a flexible pool of around 200 temporary FTE. These figures make Unica one of the 200 largest employers in the Netherlands.

Once again in 2023, we were faced with a difficult labour market. Despite the now structural shortage in the technical sector, broadly speaking we have remained successful in attracting qualified people. Not only because we are one of the largest employers, but above all because we are attractive to candidates thanks to the role we play in the energy transition and the efforts to make the Netherlands more sustainable. Employees are keen to work at a company that matters and with the services it provides, Unica can play a role in societal topics that many candidates consider important. In addition, thanks to the wide range of services we provide, we offer numerous opportunities for advancement and career development. As a result, we are often able to retain employees in our organisation who wish to develop outside their current position or switch to a different position. In addition, digitalisation should make a contribution to solving the persistent labour market shortage, by making work better and easier, and reducing the workload.

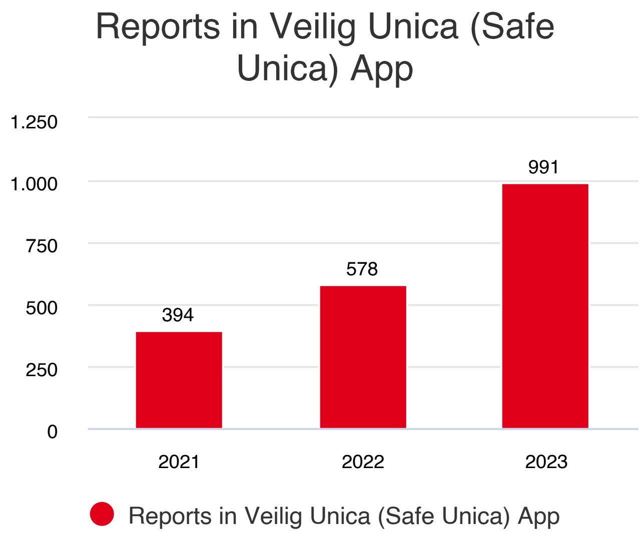
Safety

At Unica we operate according to the credo: we work safely or not at all! Safety is a high priority within all our activities. To ensure that this message is shared in easy to understand language, we have developed 10 safety rules of conduct, which are regularly highlighted and are an integral part of our national introduction programme.

One internationally recognised tool with a clear focus on safety awareness is the Safety Culture Ladder (SCL), also known as the safety performance ladder. In 2023, we achieved certification for step 3, demonstrating the importance we attach to safety rules and confirming that Unica takes responsibility for encouraging safe working practice. The next step in permanently reinforcing our culture of safety is to further embed safety awareness across the board within the organisation. For those companies that are eligible for step 4 of the ladder, due to the risks involved in the work they undertake, we plan to work towards achieving this certification over the next few years. Step 4 represents a level at which safety is shown to have a high priority and is an area for continuous improvement.

Almost 1,000 reports were made in 2023 via our Veilig Unica (Safe Unica) App for reporting unsafe situations or safety incidents, an increase of more than 70% as compared with 2022. The growing use of the app as a reporting tool is a positive signal, with the footnote that more attention must be paid to reporting in the appropriate category.

The accident frequency index achieved a score of 3.1 as compared with 4.4 in 2022. Once again, this is below the sector average and means that in 2023, fewer accidents occurred resulting in more than 1 day's lost time, as compared with 2022. We will continue to work on promoting safety awareness within the organisation, and will expand our efforts for example by rolling out new training courses on our online learning platform Studica.



In 2024, the Governance Code for Safety in Construction (GCVB) will celebrate its 10th anniversary. In 2014, Unica was the only technical service provider among the 14 initiators behind this sectoral code, the aim of which is to structurally improve the level of safety in the construction sector. Since its inception, the code has attracted more than 1,150 signatories, who support the accompanying rules of conduct and safety protocols. As a long-term member of the core group, Unica has remained fully involved with this initiative. John Quist, CEO of Unica, is involved in the strategy for improving the culture of safety in the design, construction and engineering sector. At the end of 2023, the GCVB joined forces with the Aannemersfederatie Nederland (AFNL - Federation of Dutch Contractors), the ABU and NBBU, with the aim of improving the work safety of temporary personnel. This involved the establishment of the Covenant on safe working in the construction industry with and by temporary personnel, which includes efforts to improve safety training and the supervision of temporary personnel and self-employed workers.

Safety has both a physical and a social component. Over the coming years, social safety will remain one of our policy spearheads. Everyone must feel safe and in situations when that is not the case, everyone must be willing and able to report abuses. Our Spreek je uit! (Speak out!) programme, which has been embedded in our policy since 2022, is available to all employees and includes possibilities for the anonymous and external reporting of incidents. Training is available for managers during which social safety issues are discussed, while the policy is an important subject in our regular internal communication.

A third safety-related domain that enjoys prominent attention within Unica is cybersecurity. In respect of this issue, our aim is to safeguard the continuity of our organisation and to take responsibility for protecting the information in our systems. We operate a dynamic security policy that continuously evolves and adapts to the risks, market conditions and changes to technology and legislation and regulations. This policy is backed up by technical measures to counter digital threats such as ransomware, DDoS attacks and phishing, but also in respect of cybersecurity, awareness among all employees is essential. Via our online learning platform and advanced simulation programmes, we constantly train our employees to recognise cybersecurity risks.

Long-term employability and development

Despite the growth the company has undergone in recent years, Unica cherishes its character as a family-owned business, with attention for the health and wellbeing of its employees. This means that we attach real importance to ensuring that our employees enjoy their work and can remain both physically and mentally employable, now and in the long term. The absenteeism percentage, the best indicator for company health, has shown a downward trend. Within our vitality programme, focused mainly on prevention, we also pay attention to development, health and vitality. We offer tips, activate and encourage employees to invest in their health at work and at home, and offer access to budget coaches, based on the knowledge that financial concerns can also lead to absenteeism from work.

The Preventive Medical Examination (PMO) programme that was reintroduced in 2023 is another element of our prevention policy. All employees are offered a PMO once every three years. We make this programme easily accessible in the form of online questionnaires, which employees can follow up with a physical examination close to the branch they work at, if they wish. By linking this voluntary and naturally confidential ‘health MOT service’ to their daily work, employees can make a sustainable contribution to their own health.

Training and development

Alongside prevention, personal development is another important element of our approach. In 2023, we launched an online learning and development platform under the name Studica. All training courses offered within Unica are provided via this platform. Suitable training courses and education programmes made available on the platform, as e-learning modules, to allow employees to follow them at a place and time of their own choosing. As well as specialist (often compulsory) training courses, the platform offers a wide range of general digital courses, that can be followed by anyone. These courses go beyond simply technical skills and for example focus on soft skills such as personal effectiveness or presentation. Via the platform, it is possible to create personal learning lines that can be tailored to individual employees. Teams can even use the platform to develop their own digital training courses for colleagues.

Studica is Unica’s response to the demand and need for ‘lifelong learning and development’, and therefore is a tool that helps improve our attractiveness as an employer. The wide range of services we offer and the different clusters of companies, each with their own specialisation, also means that our employees have numerous opportunities for advancement and development within the group. The further development of our internal mobility policy in 2024 should also help further enhance our attractiveness as an employer.

We are also working to highlight the varied opportunities offered by working in technical services, outside the sector. Wherever possible we involve other parties, including knowledge institutions. They can help in the development of lateral entry programmes that make it easier for candidates from other sectors to find employment in engineering and technology. From within our own organisation, we also organise in-house programmes for talented newcomers at higher professional education (HBO) and senior secondary vocational education (MBO) level.

Diversity and inclusion

Diversity is all about reducing and preventing inequality by avoiding discrimination on the grounds of gender, age, ethnicity, belief, parental status, education, physical and mental capacities and/or sexual preference.

Unica is convinced that diverse teams deliver better results and therefore attach real value to unprejudiced performance. We employ these same principles in recruitment and selection. Within our sector, we often see subconscious prejudices and preferences. We are now more aware of the use of language in our job advertisements, which following an analysis was shown to have a largely masculine tone. The adjustments we have made have resulted in a higher response rate to our vacancies. In our appointment policy, we look exclusively at the best person for the job and exclude no one.

One major step in reinforcing our diversity policy was the launch of the diversity platform Unique in 2020. In 2023, the platform enjoyed a new boost with the appointment of a network platform board, whose role is to inspire and unite our employees. We aim to further optimise our diversity policy by offering workshops, guidance and a clear focus on KPIs. The many components that make up this policy include a better balance in the distribution between men and women at Unica, ethnic diversity and the deployment of employees with a distance to the labour market. Gender equality and participation by women at every level within our organisation was identified as the first policy spearhead. Worth mentioning in that context was the announcement at the end of 2023 of the appointment of Debby Slofstra as Chief Operating Officer (COO). The Board of Directors of Unica has comprised one woman and two men, since 1 January 2024.

Social business practice

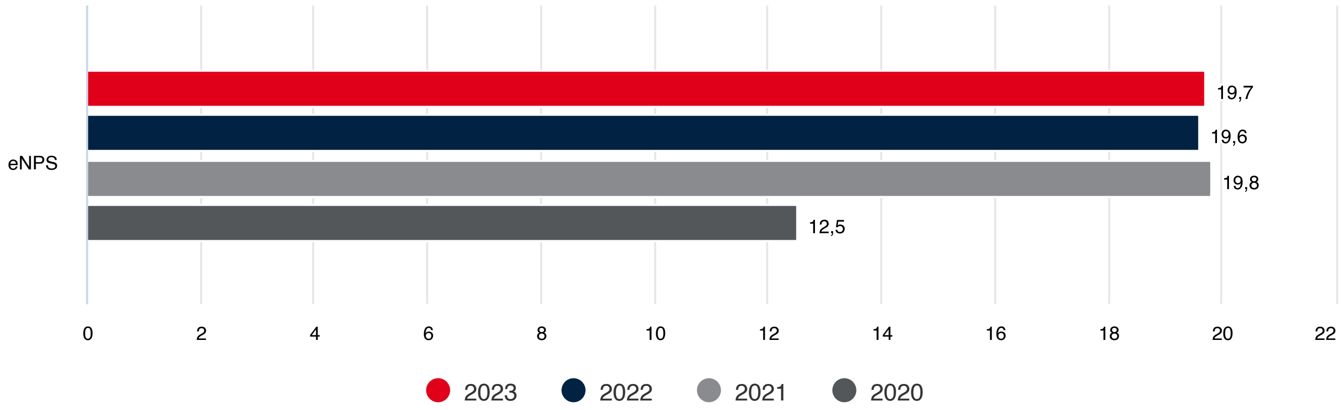
Unica works actively to offer employment to people with a vulnerable position on the labour market. Our largest business cluster, that represents more than 40% of our labour capacity, is certified for step 2 of the Performance Ladder Social Entrepreneurship (PSO). This qualification was reconfirmed last year, with a far higher score than the previous assessment. The PSO is a measuring instrument and quality label that allows organisations to evaluate their contribution to social business practice in their own business operations and in their chain. This recertification is clear evidence that our efforts in the field of social business practice are bearing fruit. By integrating social return KPIs in our HR administration system, we will be able to further safeguard our policy of social business practice.

Employee engagement

Just like last year, the annual employee survey that we conduct in collaboration with the independent external feedback platform Effectory, was completed by 72% of the staff population. The positive attitude to Unica as an employer has remained stable over the past few years, as expressed in a slight upturn in the eNPS score, in 2023. This recommendation score gives an indication of the number of ambassadors among our employees.

eNPS 2020 - 2023

A positive eNPS indicates that there are more responders who have given a score of at least a 9 than have given a fail score.



The employees experience the opportunities for personal development as being the most positive strength of our organisation. An inspiring vision and clear objectives are sometimes felt to be missing; above all the younger employees in the age group 25 to 34 years are critical of their employer and specifically expect direction and strategy. This underlines the importance of focusing on a clear vision and clear objectives as a means of continuing to engage the workforce. In 2023, among others this was implemented by further elaborating and visualising our vision for the future.

Social engagement

The Unica Foundation was established by our organisation 15 years ago, at the initiative of one of our employees. Unica is the most important contributor to this independently operating foundation. Over the years, numerous other parties have become supporters of the foundation.

The Unica Foundation supports aid projects in developing countries by sharing its knowledge of and skills in the field of (sustainable) technology with the local population, in a structural and sustainable manner. The foundation has completed almost 100 projects in Nepal, improving the living conditions of more than 60,000 people.

Various employees of our organisation volunteer as fundraisers for the Unica Foundation. In 2023, the team organised a national sports day that was open to colleagues from all the group's companies. All money raised from sponsoring was donated to the foundation's activities. This summer, dozens of colleagues travelled to the training complex of Vitesse football club at Papendal (in Arnhem) for a running race, mountain bike tour and football tournament. The money raised on this day was donated to the E4Wash project. In collaboration with Renewable World, the Unica Foundation was responsible for creating a water supply and sanitary facilities for 5 remote villages in Nepal with in total 1,500 inhabitants, as well as providing training to the locals in agricultural skills and maintaining hygiene.

Unica also demonstrates social engagement in the local communities where it operates. Every company in the Unica network supports social initiatives, ranging from sports clubs and cultural institutions through to teaching days and research projects. In this way, our companies demonstrate to the communities of which they form part their promise to always operate in close proximity with their customers. Unica also provides support to national good causes on a limited scale. Since 2022, Unica has been a partner of The National Park De Hoge Veluwe which uses the donations it receives from us and other partners for nature projects aimed at preserving and recovering the flora and fauna of the park. At the end of 2023, we entered into partnership with the Dutch Burns Foundation. The aim of this cooperation is to promote fire safety at work and home, with a particular focus on burn prevention and reducing the suffering among burns patients.

Innovation & Digitalisation

We continuously invest in sustainable innovation and use intelligence to make the working, living and process environments of our customers safe, healthy and sustainable.

Material subjects	Primary objective
Sustainable innovation	Leadership in sustainable innovation and digitalisation
Digitalisation	
KPI	**Results 2023**
# sustainable innovation	Launch of trend radar
	Professional innovation framework
	Appointment of a new manager at the Innovation Center
	Expansion of the Building Insight data proposition
Focus for 2024	**Objectives for 2025**
€ 2.3 million revenue for fully digital propositions	As yet unfixed amount of revenue for fully digital propositions
Every investment proposal includes a digitalisation proposal (comply or explain)	Every investment proposal includes a digitalisation proposal (comply or explain)

General

In the Unica strategy, the Unica Innovation Center is a vital driving force for innovation in service provision, in the broadest meaning of the word. The team operates as a separate division that maintains its strategic focus on innovation. It combines the innovative capacity available within the Unica companies and attracts chain partners, customers and other market parties. It also independently develops services that tie in with the traditional activities of Unica.

Innovation is inextricably liked to digitalisation. Unica believes in the necessity of a digital evolution if we are to offer our customers and future generations a safe, healthy and sustainable future. Conventional applications will not be enough to overcome the huge challenges currently facing society. Innovation and digitalisation can make a positive difference. For that reason, every investment proposal includes a digitalisation component, and the revenue from digital sustainable propositions is actively monitored.

Developments in 2023
The digital evolution is also reflected in our own business operations. Various processes, including HR processes have been digitalised, we have created a digital learning environment and the gathering of data in the framework of sustainable business practice and EGS reporting has been digitalised. Digitalisation also plays a prominent role in our service provision. One eye-catching example is Building Insight, a cloud platform that allows the measurement and analysis of numerous building data as a means of mapping out specific sustainability potential. The fully digital platform was developed by the Unica Innovation Center, and is now and integral part of Unica's regular portfolio.

Artificial Intelligence (AI) also offers us opportunities to broaden our services. Using machine learning, we can better predict disruptions and maintenance moments, to enable us to design and equip systems that perform better thanks to data. In 2023, this application was mainly employed in large refrigeration systems.

The solution we have developed for the remote testing of sprinkler systems was certified in 2023. Another solution introduced by us ensures that in the event of a fire, not all sprinklers are automatically activated, but are only triggered on the basis of heat, gas and/or smoke detection at specific locations. This application results in less water consumption and less (water) damage to buildings and systems. This innovation was patented by Unica in 2023, and supplied to one customer.

In 2023, we established a structured framework for the customer-oriented and futureproof development of sustainable innovations. In the form of a trend radar, we observe events taking place around us, and the impact we wish to deliver on such topics as Artificial Intelligence (AI), the energy transition and sustainability. We speak to customers and experts, consult technological databases and conduct testing using new digital applications. This is a continuous dynamic process that provides us with an insight into and knowledge of the areas in which there are clear opportunities for our business.

The innovation process is guided by the needs of the customer, taken as the central point of focus in developing potential new solutions. The propositions that emerge from that process generally involve a combination of areas of expertise at Unica in order to meet the need. In this way, the combination of innovation and digitalisation results in new concepts that tackle societal challenges in a new way.

A final important agenda item for 2024 is the further embedding of the Innovation & Digitalisation pillar in our ESG strategy and (in)direct compliance with the CSRD requirements.

Ethics & integrity

We take responsibility for sustainable change and expect our stakeholders to do the same. Together, we deliver a positive impact on people, the environment and society.

Material subjects	Primary objective
Leadership and culture	Responsible business practice through sustainable and transparent change.
Management and control	
Benchmarks/assessments for sustainability	
KPI	**Results 2023**
% participation in e-learning	E-learnings under development for anti-bribery, corruption, competition law, confidentiality
EcoVadis score	EcoVadis Bronze assessment achieved
	Reporting rules adapted to new legislation
	An abstract risk analysis conducted with Integrity Next
	CoSS adapted to international guideline
Action points for 2024	**Objectives for 2025**
Launch of e-learnings	E-learnings followed by all employees (100% involved in a subject EcoVadis Gold assessment
E-learnings followed by 60% of employees involved in a subject	Compliant CSRD and EU Taxonomy
EcoVadis Silver assessment	Procurement policy reinforced according to new OECD guidelines
Risks and mitigating actions	**Mitigating actions**
Low response level to e-learnings	Activation campaign
Employees lack knowledge of reporting rules	Attention at all management meetings
No or insufficient response to supplier assessments	
No or insufficient response to impact assessments	

General

Ethics and integrity are the foundation stones for Unica's sustainable strategy.

Developments in 2023

Integrity policy

Our ethics and integrity policy is based on the code of conduct and a series of protocols. Unica recognises the importance of ethical and honest behaviour on the part of its employees and for that reason works hard to promote general awareness of these issues. In 2023, we developed e-learnings in the field of 'hard' compliance including bribery, corruption and competition law, and 'soft' compliance focused on social safety.

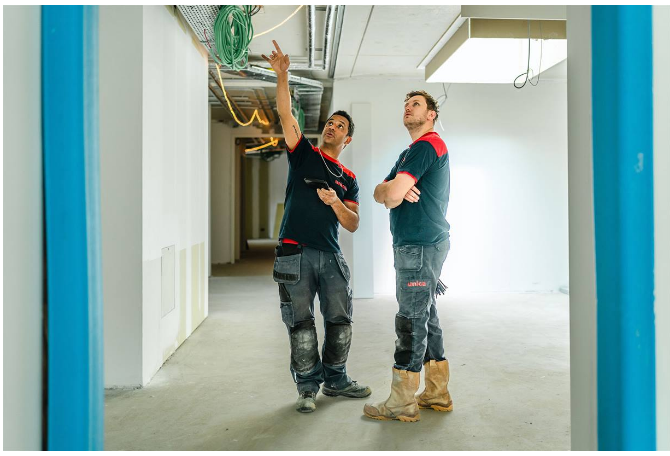
At the introduction days for all new employees we discuss such issues as integrity, accepting gifts, forgery of documents and desirable behaviour. At management level we discuss these issues each quarter, and work to improve awareness on the 'soft' side. For example shouting and the impact of raised voices on employees. Integrity issues are also discussed in the Executive Committee (ExCo) and with the Supervisory Board.

A number of major amendments have been implemented in the new Whistleblowers Protection Act which came into force in February 2023. These changes have been included in the updated abuse rules. One important new aspect is the obligation to make it possible to submit reports anonymously. Starting in 2024, Unica complied with this requirement by implementing the new reporting system 'ComplyLog'. Anyone who submits a report in this system receives a code (token) that enables them to monitor the progress of the report. Reports and correspondence can take place fully anonymously, via the system.

Both the external confidential advisors and the compliance officer provide our management, the Supervisory Board and the Joint Works Council with an annual report. Additional measures can then be formulated based on the outcome of these reports.

Supply chain

Given our position as one of the most sustainable technical service providers in the Netherlands, we see it as our responsibility to exclusively work with partners and suppliers that also commit to a sustainable and socially responsible approach to business. We have recorded our expectations and requirements in this area in the Code of Sustainable Supply (CoSS) which our partners and suppliers must sign when entering into a framework agreement or contract with us. The code contains agreements on the way in which parties approach work, health & safety, the environment, ethics and management. Signing this code is not a watertight system but represents a written confirmation that our partners and suppliers apply the same social standards as us. In 2024, we will resubmit this code for signing.



Using the Integrity Next platform, we made a start on conducting a more extensive risk analysis among our partners and suppliers, in 2023. For 250 preferred suppliers, we conducted an abstract ESG Supply Chain Risk Management assessment. This assessment revealed about 70 suppliers with a potential risk. We will now call upon this group to carry out a more in-depth review of the impact of the risk. We will assess the outcome on the basis of a combination of the likelihood of occurrence and the potential scale of the financial consequences. In 2024, we will conclude a complete assessment and will be in a position to determine and implement mitigating actions.

EcoVadis

In the spring of 2023, for the fourth consecutive time, Unica was awarded an EcoVadis certificate for sustainable business practice. In recognition of our sustainability performance, we received a bronze assessment. Unfortunately, this is a lower score than last year. This does not mean that we made no advances in terms of sustainability, but that in line with the social trend, EcoVadis continues to place the bar higher, each year. Recognising this fact, we too will be further optimising our reporting standards, also in respect of the reporting requirements of the CSRD. In future rounds of EcoVadis certification, we expect to once again be able to submit all the supporting documents for a higher assessment.

Annual accounts

Statement of profit or loss

Consolidated statement of profit or loss and other comprehensive income

Amounts in 1,000 euros	Notes		2023		2022
Revenue from contracts with customers	5		**843,327**		**756,207**
Other revenues			-		-
Total revenues			**843,327**		**756,207**
Cost of materials	7	197,772		190,688	
Costs of outsourced work and other external costs		149,351		132,662	
Employee benefits expense	6	220,849		194,485	
Social security contributions and pensions	6	58,212		52,843	
Other personnel costs	6	21,282		14,887	
Hiring from third parties		47,847		39,025	
Amortization of intangible fixed assets	15	8,002		8,180	
Depreciation of tangible fixed assets and right-of-use assets	14	25,924		23,262	
Other operating costs	10	44,592		39,898	
Impairment (loss) / reversal	14, 15	-		-	
Operating costs			**773,832**		**695,930**
Operating profit			**69,495**		**60,277**
Finance income			-		-
Finance expense			-2,269		-1,515
Interest right of use assets			-728		-751
Other non-operating gain / (loss)			-		-
Share of profit of associates and joint ventures	16		-16		-531
Net foreign exchange gain / (loss)			-		-
Profit / loss before tax			**66,482**		**57,480**
Income tax expense	11		-16,859		-15,266
Profit / loss after tax			**49,623**		**42,214**
Other comprehensive income			**-**		**-**
Other comprehensive income that may be reclassified to profit or loss in subsequent periods			-		-
Net gain/(loss) on cash flow hedges			-		-
Income tax effect relating to the components of OCI			-		-
Other comprehensive income/(loss) for the year, net of tax			**-**		**-**
Total realized and unrealized profit / loss of the year net of taks			**49,623**		**42,214**
Profit attributable to:					
The owners of the parent			49,623		42,214
Non-controlling interests group companies			-96		-185
			49,527		**42,029**

The accompanying notes are an integral part of these consolidated financial statements.

Statement of financial position

Consolidated statement of financial position

Amounts in 1,000 euros	Notes		Dec 31, 2023		Dec 31, 2022		Jan 1, 2022
ASSETS							
Non-current assets							
Property and Plant	14	3,166		2,470		1,311	
Equipment		10,568		9,602		9,077	
Right-of-use assets	14, 18	74,341		67,589		67,349	
Software and development costs	15	11,187		12,459		8,948	
Other intangible assets and goodwill	15	159,665		138,457		121,157	
Investments in associates and joint ventures	16	240		72		114	
Deferred tax assets	11	-		-		-	
Other non-current assets		92		162		196	
Total non-current assets			**259,258**		**230,811**		**208,152**
Current assets							
Inventories	8	9,835		7,453		5,608	
Trade receivables and related parties	9	119,204		99,557		80,511	
Contract assets and receivables	5	107,734		112,005		78,078	
Receivables from shareholders		-		-		1,312	
Current income tax and other tax assets	11	6,721		8,145		8,283	
Other current assets		6,341		20,490		9,796	
Cash and cash equivalents	12	60,252		73,042		53,815	
Total current assets			**310,087**		**320,692**		**237,402**
Total assets			**569,345**		**551,503**		**445,554**

Amounts in 1,000 euros	Notes		Dec 31, 2023		Dec 31, 2022		Jan 1, 2022
EQUITY AND LIABILITIES							
Issued capital	19	10,000		10,000		10,000	
Share premium	19	-		-		-	
Statutory reserves	19	3,205		3,198		2,150	
Retained earnings	19	157,800		107,567		66,111	
Equity attributable to equity owners of the parent			**171,005**		**120,765**		**78,261**
Non-controlling interests		-		-		-	
Total equity			**171,005**		**120,765**		**78,261**
Non-current liabilities							
Long term borrowings	17	38,203		64,213		50,000	
Other non-current financial liabilities		-		-		-	
Provisions	9	1,936		3,890		4,441	
Deferred tax liabilities		5,751		4,790		5,875	
Lease liabilities	18	49,927		46,725		48,874	
Total non-current liabilities			**95,817**		**119,618**		**109,189**
Current liabilities							
Contract and lease liabilities	5, 18	152,416		161,813		139,239	
Trade and other payables		58,912		68,748		51,800	
Short-term borrowings		-		-		-	
Taxes and social security contributions		33,214		25,775		23,164	
Personnel costs to be paid		28,685		23,641		21,426	
Provisions	9	6,486		6,486		3,459	
Liabilities to shareholders and associates		267		1,856		1,823	
Other liabilities		22,543		22,801		17,193	
Total current liabilities			**302,523**		**311,120**		**258,104**
Total equity and liabilities			**569,345**		**551,503**		**445,554**

The accompanying notes are an integral part of these consolidated financial statements. January 1, 2022 is the date of transition to IFRS.

Changes in equity

Consolidated statement of changes in equity

Amounts in 1,000 euros (except share data)	Number of shares outstanding	Issued capital	Share premium	Statutory reserves	Retained earnings	Total	Non-control-ling interests	Total equity
		Attributable to the equity holders of the parent						
Balance at January 1, 2022	**10,000,000**	**10,000**	**-**	**2,150**	**66,111**	**78,261**	**-**	**78,261**
Profit / (loss) for the period		-	-	-	42,029	42,029	-	4,029
Other comprehensive income / (loss)		-	-	-	-	-	-	-
Total comprehensive income / (loss)		**0**	**-**	**0**	**42,029**	**42,029**	**-**	**42,029**
Dividends declared		-	-	-	-	-	-	-
Acquisition of non-controlling interest		-	-	-	-	-	-	-
Acquisition of subsidiary		-	-	-	-	-	-	-
Reclassifications and adjustments		-	-	1,048	-573	475	-	475
Balance at December 31, 2022	**10,000,000**	**10,000**	**-**	**3,198**	**107,567**	**120,765**	**-**	**120,765**
Profit / (loss) for the period		-	-	-	49,620	49,620	-	49,620
Other comprehensive income / (loss)		-	-	-	-	-	-	-
Total comprehensive income / (loss)		**-**	**-**	**-**	**49,620**	**49,620**	**-**	**49,620**
Dividends declared		-	-	-	-	-	-	-
Acquisition of non-controlling interest		-	-	-	441	441	-	441
Acquisition of subsidiary		-	-	-	-	-	-	-
Reclassifications and adjustments		-	-	7	172	179	-	179
Balance at December 31, 2023	**10,000,000**	**10,000**	**-**	**3,205**	**157,800**	**171,005**	**-**	**171,005**

January 1, 2022 is the date of transition to IFRS.

Statement of cash flows

Amounts in 1,000 euros	Notes		2023		2022
Operating activities					
Operating profit		69,495		60,278	
Adjustments to reconcile operating profit to net cash flows					
Depreciation and amortization	14, 15	33,926		31,442	
Operating cash flows before changes in working capital			**103,421**		**91,720**
Net working capital changes:					
Change in trade and other receivables and contract assets	5, 8	-11,079		-54,271	
Change in inventories	7	-390		-1,845	
Change in other current and non-current assets		17,430		-9,302	
Changes in trade and other payables and contract liabilities		-16,902		35,618	
Result of non-consolidated participating interests		-16		-832	
Taxes		-759		-3,848	
Change in provision and other liabilities	9	-2,340		1,856	
Net cash generated from operating activities			**89,366**		**59,096**
Investing activities					
Purchases of intangible assets, property, plant and equipment	14, 15	-38,159		-29,989	
Payments for acquisition of subsidiary, net of cash acquired	13	-22,083		-22,250	
Cash flow from investing activities			**-60,241**		**-52,239**
Financing activities					
Proceeds from borrowings	17	-		25,900	
Repayment of borrowings	17	-42,738		-11,687	
Cashflows in relation to derivative financial liability		3,821		-337	
Interest paid		-2,997		-1,506	
Cash flow from financing activities			**-41,914**		**12,370**
Cash-based changes in cash and cash equivalents	12	-		-	
Net (decrease) increase in cash and cash equivalents	12	-12,790		19,227	
Cash and cash equivalents at the beginning of the period		73,042		53,815	
Cash and cash equivalents at the end of the period			**60,252**		**73,042**

The accompanying notes are an integral part of these consolidated financial statements. Unless otherwise stated, all financial amounts are shown in € 1,000.

General information

1 - Group information

Unica Groep B.V., a wholly owned subsidiary of Penta Technologies, is the ultimate parent of the Group. The Company has its registered office and head office in Hoevelaken (the Netherlands) and is registered with the Trade Register of the Chamber of Commerce under number 05068404.

Information about the consolidated entities within the Group at the end of the reporting period is as follows:

Subsidiary	Place	Nature of subsidiary	Percentage of voting rights held		
			Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Unica Access & Security BV*	Hoevelaken	Operating	100%	100%	100%
Unica Building Automation BV*	Hoevelaken	Operating	100%	100%	100%
Unica Datacenters BV*	Hoevelaken	Operating	100%	100%	100%
Unica Energy Solutions BV*	Hoevelaken	Operating	100%	100%	100%
Unica Fire Safety BV*	Hoevelaken	Operating	100%	100%	100%
Unica ICT Solutions BV*	Hoevelaken	Operating	100%	100%	100%
Unica Industry Solutions BV*	Hoevelaken	Operating	100%	100%	100%
Unica Installatietechniek BV*	Hoevelaken	Operating	100%	100%	100%
Unica Special Security* Projects BV*	Hoevelaken	Operating	100%	100%	100%
Boele Fire Protection BV*	Zoetermeer	Operating	100%	100%	100%
Brainpact BV*	Venray	Operating	100%	100%	100%
Helhout Holding BV*	Amersfoort	Holding	100%	100%	100%
Hellemans Consultancy* BV	Amersfoort	Operating	100%	100%	100%
Pro-Fa Automation BV*	s-Hertogenbosch	Operating	100%	100%	100%
Regel Partners BV*	Hoevelaken	Operating	100%	100%	100%
Synto BV*	Goes	Operating	100%	100%	80%
PCT International BV*	Hoevelaken	Operating	100%	100%	100%
Numan & Kant BV*	Hoevelaken	Operating	100%	75%	75%
Van Kempen Koudetechniek BV*	Tiel	Operating	100%	100%	100%
Van Kempen Service BV*	Tiel	Operating	100%	100%	100%
Fire Safety Holding BV*	Schoonhoven	Holding	100%	100%	100%
Applicom Nederland BV*	Nijmegen	Operating	100%	100%	100%
Fire Safety Projects BV*	Schoonhoven	Operating	100%	100%	100%
Gerco Brandpreventie BV*	Schoonhoven	Operating	100%	100%	100%
Red Profs BV*	Schoonhoven	Operating	100%	100%	100%
Pranger Rosier Holding BV*	Dokkum	Holding	100%	100%	100%
Pranger Rosier Installaties BV*	Leeuwarden	Operating	100%	100%	100%
Installatiebedrijf Otte BV*	Sneek	Operating	100%	100%	100%
Unica Deutschland GmbH	Frankfurt	Operating	100%	100%	100%
Working Spirit ICT BV	Deventer	Operating	100%	100%	100%
E.A.L. Electronic Application Laboratory (Apeldoorn) BV	Apeldoorn	Operating	100%	100%	100%
Tenergy Portfolio Services BV	Drogeham	Operating	81.2%	-	-
Engine Competence Services BV	Drogeham	Operating	100%	-	-
Tenergy Engineering BV	Drogeham	Operating	100%	-	-

Tenergy Consultancy BV	Drogeham	Operating	100%	-	-
ETB Breedveld Schröder BV	Amsterdam	Operating	100%	-	-
Hermans Elektra BV	Diemen	Operating	100%	-	-
Unica Luxembourg SArL	Luxembourg	Operating	100%	-	-

* A declaration of liability has been issued for these group companies in accordance with Section 2:403 of the Netherlands Civil Code.

The Group exercises joint control over and partially consolidates the following joint operations:

Joint operations	**Place**	**Combinations type**	**Percentage of voting rights held**		
			Dec 31, 2023	**Dec 31, 2022**	**Jan 1, 2022**
I4Care v.o.f.	Zwolle	Installation	50%	50%	50%
I4Care Gebouw S v.o.f.	Zwolle	Installation	50%	50%	50%
N2UE v.o.f.	Zuidbroek	Installation	50%	50%	50%
Unica – ULC v.o.f.	Bodegraven	Installation	50%	-	-
DUS v.o.f.	Vught	Build and Installation	50%	50%	50%
Nico de Bont - Unica v.o.f.	Vught	Build and Installation	50%	50%	50%
Berghege – Unica v.o.f.	Oss	Build and Installation	50%	-	-
ProCUS v.o.f.	Maarssen	Service and Maintenance	50%	50%	50%

The Group exercises significant influence over the following joint ventures and associates, which are not included in the consolidation.

Joint ventures and associates	**Place**	**Combinations type**	**Percentage of voting rights held**		
			Dec 31, 2023	**Dec 31, 2022**	**Jan 1, 2022**
v.o.f. Conradhuis	Amsterdam	Passing-through	33%	33%	33%
v.o.f. FourCare	Enschede	Passing-through	25%	25%	25%
v.o.f. FourCare Gebouw S	Enschede	Passing-through	25%	25%	25%
Berghege-Heerkens-Unica v.o.f	Oss	Passing-through	50%	50%	50%
Berghege-Heerkens-Unica-ULC v.o.f.	Oss	Passing-through	25%	-	-
Thales Unica v.o.f.	Huizen	Passing-through	50%	50%	50%
D2B v.o.f.	Bunnik	Passing-through (Dormant)	20%	20%	20%
Installatiecombinatie Isala v.o.f..	Bunnik	Installation (Dormant)	20%	20%	20%
UDV Datacenters v.o.f.	Hoevelaken	Installation (Dormant)	50%	50%	50%
Zorgbeheer Isala v.o.f.	Bunnik	Service and Maintenance	20%	20%	20%
Servicepartners Midden Holland BV	Bodegraven	Service and Maintenance	33%	33%	33%
UR Cool BV	Den Ham	Exploitation	50%	50%	50%
Voorst Energie BV	Zwolle	Exploitation	50%	50%	50%
UDV Schuttersveld v.o.f.	Hoevelaken	Exploitation	50%	50%	50%
UDV Zuideramstel v.o.f.	Hoevelaken	Exploitation	50%	50%	50%
PI2M BV	's Hertogenbosch	Service and Maintenance	-	-	50%

Note: A v.o.f. is an unincorporated entity regulated by a joint agreement. The Group's principle is to make decisions in unanimity with its partners. Passing-though means that the entity is specifically set up and used for invoicing customers on behalf of the partners and forwarding receipts from customers to the partners.

2 - Principles for preparation of the financial statements

General principles

For the preparation of its consolidated financial statements, the Group elected to adopt International Financial Reporting Standards ("IFRS") as adopted by the European Union (EU) starting from the 2023 financial year for the first time. Until this point, all financial statements were prepared in accordance with Part 9, Book 2 of the Dutch Civil Code ('Dutch GAAP'). Refer to note 3.

The consolidated financial statements provide comparative information in respect of the previous period. In addition, the Group presents an additional statement of financial position at the beginning of the preceding period when there is a retrospective application of an accounting policy, a retrospective restatement, or a reclassification of items in financial statements.

Functional and presentation currency

The consolidated financial statements of Unica Groep B.V. are presented in euro, which is also the functional currency of the parent company. The Group operates and carries out the majority of its transactions mainly in euros and operates mainly in the Netherlands. All values are rounded to the nearest thousand (€'000) unless otherwise indicated.

Accounting policies

The consolidated financial statements of Unica Groep B.V. are prepared on the historical cost basis unless otherwise indicated.

Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (refer to Note 1) as at December 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Subsidiaries classified as dormant or deemed immaterial in the 2023 financial year, both on an individual and aggregate basis, are not consolidated under the purview of a comprehensive presentation of the net assets, financial position, and performance, along with the cash flows of the Group, are not consolidated. These subsidiaries are reported at cost in the consolidated financial statements, taking into account any necessary deductions for impairment losses and reversal of such losses. The overall effect of these subsidiaries on the statement of financial position, equity, and profitability is deemed immaterial to the Group's financial position and results for both 2023 and 2022.

The consolidation scope includes 47 subsidiaries in the 2023 financial year, an increase from 40 subsidiaries included in the 2022 financial year, and up from 38 subsidiaries in the 2021 financial year.

Profit or loss and each component of other comprehensive income (“OCI”) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group’s accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

The consolidation policies were applied consistently for the years ended December 31, 2023 and December 31, 2022 and the date of transition January 1, 2022.

Estimates and judgements made by management

The accounting information in the financial statements is partly based on estimates and assumptions. The Group makes these estimates and assumptions concerning the future. These are based, among other things, on experiences and expectations of future events as they may reasonably occur given the current state of affairs. These estimates and assumptions are continuously evaluated. In particular, this takes place in impairment analyses on property, plant and equipment, goodwill and intangible assets and in the final forecasts of projects and maintenance contracts in progress.

Revisions of, or deviations from, estimates and assumptions from actual outcomes may result in material adjustments to the carrying amounts of assets and liabilities.

The key estimates and judgements applied are set out in the notes to each item.

Standards and interpretations issued by the IASB

In preparing its financial statements, Unica Group B.V. has assessed the applicability and relevance of recently issued guidance for the first-time adoption of IFRS (see Note 3 Initial adoption of IFRS):

- IFRS 1 First-time Adoption of International Financial Reporting Standard (note 3)
- IFRS 3 Business combinations (notes 13 and 15)
- IFRS 9 Financial instruments (notes 8 and 12)
- IFRS 10 Consolidated financial statements (note 1)
- IFRS 11 Joint agreements (notes 1 and 16)
- IFRS 15 Revenue from contracts with customers (note 5)
- IAS 37 Onerous contracts (note 9)
- IFRS 16 Leases (notes 14 and 18)

The following guidelines have recently been issued

- IFRS 17 Insurance contracts
- Amendments to IAS 1 Presentation of financial information
- Amendments to IAS 8 Accounting policies, Changes in Estimates and errors
- Amendments to IAS 12 Income taxes

The initial application of this recently issued guidance has been reviewed by the Group and the guidance did not have a material impact on the Consolidated and Separate Financial Statements of Unica Groep B.V.

Going concern

The Group has prepared the financial statements in the going concern assumption.

As at December 31, 2023, current assets exceed total current liabilities by approximately €7.6 million (December 31, 2022: €9.6 million). Long-term financial resources (equity and long-term loans) exceed fixed assets as at December 31, 2023 by €7.5 million (December 31, 2022: €9.7 million)

The Company believes that the cash and cash equivalents available at December 31, 2023, combined with funds generated from future operations, based on forecasted cash flows, will enable Unica Groep B.V. to meet its cash requirements for the foreseeable future (at least 12 months).

3 - Initial application of IFRS

The reconciliation of the statement of financial position according to Dutch GAAP and IFRS at the date of adoption (January 1, 2022) is as follows *(rounding differences may exist in the presentation)*:

Amounts in 1,000 euros	IFRS standard	Jan 1, 2022 NL-GAAP	Presentation	Measurement	Jan 1, 2022 IFRS
Non-current assets					
Property and plant		1,311	-	-	1,311
Equipment		9,077			9,077
Fixed assets with right of use	16	-	-	67,349	67,349
Goodwill	3	97,456	-	-	97,456
Other intangible fixed assets		32,649	-	-	32,649
Investments in associates and joint ventures	11	153	-39	-	114
Other fnon-current assets		196	-	-	196
Total non-current assets		**140,841**	**-39**	**67,349**	**208,152**
Current assets					
Inventories		5,608	-	-	5,608
Trade receivables and related parties	10	81,128	-617		80,511
Contract assets and receivables	15	891	103,233	-26,045	78,079
Receivables from shareholders		1,312	-	-	1,312
Current tax receivables	15	-	-	6,721	6,721
Other current assets		11,355	-	-	11,355
Cash and cash equivalents	10	53,905	-88	-	53,817
Total current assets		**154,199**	**102,528**	**-19,324**	**237,402**
Total assets		**295,041**	**102,489**	**48,025**	**445,554**
Equity	10, 15	**99,348**	**-**	**-21,086**	**78,261**
Non-current liabilities					
Long term borrowings		50,000	-	-	50,000
Other non-current financial liabilities		-	-	-	-
Provisions		7,900	-3,459	-	4,441
Deferred tax liabilities		5,875	-	-	5,875
Lease liabilities		-	-	48,873	48,873
Total non-current liabilities		**63,775**	**-3,459**	**48,873**	**109,189**
Current liabilities					
Contract and lease liabilities	15, 16	17,802	102,961	18,476	139,239
Trade and other payables	10	52,285	-485	-	51,800
Taxes and social security contributions	10	23,114	49	-	23,163
Personnel costs to be paid		21,426	-	-	21,426
Provisions		-	3,459	-	3,459
Liabilities to shareholders and associates		1,823	-	-	1,823
Other liabilities	10	15,468	-36	1,761	17,193
Total current liabilities		**131,918**	**105,948**	**20,237**	**258,103**
Total equity and liabilities		**295,041**	**102,489**	**48,025**	**445,554**

The reconciliation of the statement of financial position according to Dutch GAAP and IFRS at December 31, 2022 is as follows *(rounding differences may exist in the presentation)*:

Amounts in 1,000 euros	IFRS standard	Jan 1, 2022 NL-GAAP	Presentation	Measurement	Jan 1, 2022 IFRS
Non-current assets					
Property and plant		2,470	-	-	2,470
Equipment		9,427	175		9,602
Fixed assets with right of use	16	175	-175	67,589	67,589
Goodwill	3	107,749	-	12,141	119,890
Other intangible fixed assets		31,026	-	-	31,026
Investments in associates and joint ventures	11	80	-8	-	72
Other fnon-current assets		163	-	-	162
Total non-current assets		**151,090**	**-8**	**79,730**	**230,811**
Current assets					
Inventories		7,452	-	-	7,452
Trade receivables and related parties	10	101,220	-1,663		99,557
Contract assets and receivables	15	1,339	136,711	-26,045	112,005
Receivables from shareholders		-	-	-	-
Current tax receivables	15	1,423	-	6,721	8,144
Other current assets		20,489	-	-	20,489
Cash and cash equivalents	10	73,198	-156	-	73,042
Total current assets		**205,121**	**134,892**	**-19,324**	**320,689**
Total assets		**356,211**	**134,884**	**60,406**	**551,500**
Equity	10, 15	**129,469**	**-**	**-8,685**	**120,784**
Non-current liabilities					
Long term borrowings		64,213	-	-	64,213
Other non-current financial liabilities		-	-	-	-
Provisions		10,345	-6,456	-	3,889
Deferred tax liabilities		4,790	-	-	4,790
Lease liabilities		-	-	46,725	46,725
Total non-current liabilities		**79,348**	**-6,456**	**46,725**	**119,617**
Current liabilities					
Contract and lease liabilities	15, 16	4,878	135,685	21,250	161,813
Trade and other payables	10	69,395	-648	-	68,747
Taxes and social security contributions	10	25,664	111	-	25,775
Personnel costs to be paid		23,641	-	-	23,641
Provisions		-	6,486	-	6,486
Liabilities to shareholders and associates		1,856	-	-	1,856
Other liabilities	10	21,959	-293	1,115	22,781
Total current liabilities		**147,393**	**141,341**	**22,365**	**311,099**
Total equity and liabilities		**356,211**	**134,884**	**60,406**	**551,500**

The main differences in the presentation of the statement of financial position as at January 1 and December 31, 2022 were caused by:

- IFRS 10: deconsolidation of a partnership contract through a general partnership ("joint operation")
- IFRS 15: presentation of contract assets and receivables and contract obligations

The main holding gains and losses in the statement of financial position as at January 1 and December 31, 2022 were caused by:

- IFRS 10: valuation at present value of the earn-out and the obligation to buy the non-controlling interest in two group companies
- IFRS 15: profit recognition on contracts with customers
- IFRS 16: valuation of assets in use (leases, means of transport and ICT data centres) and lease liabilities

The reconciliation of the income statement according to Dutch GAAP and IFRS for 2022 is as follows *(rounding differences may exist at the presentation)*:

Amounts in 1,000 euros	IFRS standard	2022 NL-GAAP	Presentation	Profit or loss	2022 IFRS
Total revenues	10	**758,147**	**-1,940**		**756,207**
Cost of materials	10	-190,290	-398	-	-190,688
Costs of outsourced work and other external costs	10	-134,698	2,037	-	-132,661
Employee benefits expense	10	-194,423	-63	-	-194,486
Social security contributions and pensions		-52,843	-	-	-52,843
Other personnel costs		-11,823	-	-	-11,823
Hiring from third parties		-39,025	-	-	-39,025
Amortization of intangible fixed assets	3	-20,614	-	12,434	-8,180
Depreciation of tangible fixed assets and rights-of-use assets	16	-4,223		-19,039	-23,262
Other operating costs	16	-62,136	-	19,174	-42,962
Impairment (loss) / reversal		-	-	-	-
Operating costs		**-710,075**	**1,576**	**12,569**	**-695,930**
				-	
Operating profit		**48,072**	**-364**	**12,569**	**60,277**
Financial income		-	-	-	-
Financial charges	16	-1,516	-	-750	-2,266
Other non-operating gain / (loss)		-			-
Share in result of associates and joint ventures	10	-832	301	-	-531
Profit / loss before tax		**45,724**	**-63**	**11,819**	**57,480**
Income taxes		-15,266	-	-	-15,266
Profit / loss after Tax		**30,458**	**-63**	**11,819**	**42,214**
Result attributable to non-controlling interests group companies		-185	-	-	-185
Result attributable to shareholders of Unica Groep B.V.		**30,273**	**-63**	**11,819**	**42,029**

The main effects of the differences in profit and loss for 2022 were mainly caused by:

- IFRS 3: annual impairment analysis of goodwill instead of amortization
- IFRS 10: deconsolidation of a partnership contract through a general partnership ("joint operation")
- IFRS 16: Depreciation of assets in use instead of rental and lease costs

The adoption of IFRS as of January 1, 2022 did not have a significant impact on the cash flow statement for the year ended December 31, 2022.

	IFRS standard	2022 NL GAAP	Effect IFRS	2022 IFRS
Operating profit	3, 10, 16	**48,072**	**12,206**	**60,278**
Adjustments for depreciations	16	24,837	6,605	31,442
Operational cashflow before changes working capital		**72,909**	**18,811**	**91,720**
Net-change in working capital		-33,026	402	-32,624
Cashflow from operational activities		**39,883**	**19,213**	**59,096**
Cashflow from investment activities	16	**-32,960**	**-23,117**	**-56,077**
Cashflow from financing activities		**12,370**	**-**	**12,370**
Net cashflow		**15,455**	**-66**	**15,389**
Cash in acquired companies		3,838	-	3,838
Cash per 1 January 2022		**53,905**	**-90**	**53,815**
Cash per 31 December 2022		**73,198**	**-156**	**73,042**

Mandatory applications and Optional Exemptions

The main mandatory and optional exemptions applied to the adoption of IFRS are:

- IFRS applied to the consolidated financial statements of Unica Groep B.V. The financial statements of Unica Groep B.V. have been prepared in accordance with the provisions of Part 9 of the Dutch Civil Code and in accordance with the principles of IFRS. The latter implies that control is the basis for forms of cooperation and that the consolidated equity and result correspond to the equity and result of the company accounts.
- IFRS 1 requires full retrospective application of IFRSs for first-time adopters. However, it provides a number of mandatory exceptions and optional exemptions from full retrospective application. Gains and losses identified as a result of the initial application of IFRS are recognized in equity. Where differences are not identified in the tables as measurement or recognition differences, it is assumed that the differences are not material or non-existent. (IFRS 1)
- In the revaluation of goodwill and the resulting reversal of goodwill amortization has not been modified further back than January 1, 2022. From adoption date on January 1, 2022, Unica Group tests capitalized goodwill annually for impairment. Under Dutch GAAP the costs related to business combinations are capitalized as part of the consideration transferred and under IFRS recognized through profit or loss. Acquisition costs capitalized as of adoption date before the adoption date of January 1, 2022 have not been adjusted. However, adjustments were made for acquisitions after January 1, 2022 (IFRS 3).
- The same applies to the valuation of property, plant and equipment and other tangible fixed assets
- At the date of the adoption, Unica Groep B.V. determined that the financial assets were adequately valued. Unica Groep B.V. has chosen not to apply hedge accounting and, in view of the predominantly expected short period of collection, no discounting has been applied (IFRS 9)
- Non-controlling interests and earn-outs are recalculated annually to fair value. Joint ventures through private limited partnerships are accounted for using the equity method. Cooperation contracts through a general partnership with full shared control are recognized by Unica Groep B.V. for its share of assets and liabilities (IFRS 10)
- Customer contracts concluded per adoption date have not been restated as the performance obligations are assumed to have been fully fulfilled and any risks to have been fully transferred to the customer. (IFRS 15)
- For the application of rights of use of assets (office and warehouse locations, vehicles and data centers), the start date is assumed to be January 1, 2022. Some of the leased assets (vehicles) have been valued using a portfolio approach. In view of the relatively short period of lease, a single discount rate is applied. Short-term and intangible rental and lease contracts are not presented and measured under rights of use of assets. Renewal options are only taken into consideration when they are committed (IFRS 16).

4 - Adoption and approval of the financial statements

The consolidated and company financial statements of Unica Groep B,.V. were adopted by the Supervisory Board and Executive Board on April 26, 2024 and subsequently approved by the Meeting of Shareholders on May 1, 2024.

Operational activities

5 - Revenue

Revenue from contracts with customers
Unica Groep B.V., along with its subsidiaries, operates across nine distinct Clusters. The group's activities are further segmented into three primary business areas:

- Building Projects
- Building Services
- Specialty clusters

These business areas represent the cash-generating units for goodwill impairment testing.

Amounts in 1,000 euros	2023	2022
Business area / Cash Generating Units		
Building projects	142,144	139,296
Building services	328,842	292,563
Specialty clusters	372,341	324,348
Total revenue from contracts with clients	**843,327**	**756,207**

In the table below, a detailed breakdown of revenue from contracts with customers, categorized by operating areas, is provided.

Amounts in 1,000 euros	2023	2022
Type of revenue		
Engineering services, installation and implementation (Design & Construct)	409,028	360,528
Services, Maintenance and Technical Management	417,253	365,879
Other revenue streams	17,046	29,800
Total revenue from contracts with clients	**843,327**	**756,207**
Of which completed contracts	722,033	639,286

Assets and liabilities arising from contracts with customers
The table below presents a detailed breakdown of the Group's contract balances:

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Contract balances			
Trade receivables (incl. expected credit losses)	119,650	100,590	80,532
Contract assets	89,793	106,757	51,529
Contract receivables	17,941	5,248	25,658
Contract liability	-127,615	-142,928	-122,265
Total balances from contracts with customers	**99,769**	**69,667**	**35,454**

Revenues are generated almost exclusively in the Netherlands and none of the customers has a share of 10% or greater. The backlog of contracts with customers totaled €859 million and €683 million as of December 31, 2023 and December 31, 2022, respectively. The majority of the contracts will be realized within the first year.

Contract assets and liabilities and contract receivables and payables can be shown as follows:

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Contract assets and liabilities			
Cost plus profit at percentage of completion minus expected losses at completion	733,107	593,916	500,678
Minus: Invoiced	-743,787	-599,316	-540,301
Total contract assets and liabilities	**-10,680**	**-5,400**	**-39,623**

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Contract receivables and liabilities			
Cost plus profit at percentage of completion minus expected losses at completion	155,307	159,934	137,691
Minus: Invoiced	-164,509	-185,456	-143,145
Total contract receivables and liabilities	**-9,202**	**-25,523**	**-5,455**

Performance obligations

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognizes revenue when it transfers control over a good or service to the customer.

Information about the Group's performance obligations is summarized below:

Revenue type	Satisfaction of performance obligation	Invoice protocols	Payment terms
Engineering services, implementation and installation	Over-time	Milestone-based	30-60 days from invoicing, extended for guaranteed payments
Service, maintenance and technical management	Over-time or point-in-time	Milestone-based or Periodically	30-60 days from invoicing
Exploitation of assets and other revenue streams	Over-time	Periodically	30-60 days from invoicing

Accounting policies

Revenue recognition

Revenues from contracts with customers are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable. To recognize revenues, the Group applies the five step IFRS 15 approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied.

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with a customer and is recognized when control is transferred excluding amounts collected on behalf of third parties. It is also presented net of rebates and taxes.

The Group applies the revenue recognition criteria to each nature of the revenue transaction as set out below:

Revenue from projects (engineering services, installation and implementation)

Revenue from building projects, arise from the installation and renovation of technical systems within premises and usually involves a single performance obligation that is recognized over-time. The majority of these contracts, including change orders, are fixed price contracts. A large proportion of contracts follow the input method, based on time or material costs expended, with an allocable share of overhead costs. Thereby, revenues are recognized based on current progress in relation to the forecast of costs and revenues at the end of the work. These forecasts also take into account estimates of potential additional revenues and costs.. The typical life cycle of building projects is between 0.5 to 3 years.

Revenue from contracts (service, maintenance and technical management)

Revenue from building services arises from the management and maintenance of technical installations in buildings and the provision of ancillary services. Depending on the nature of the services provided, revenue is recognized either on a time and material basis, using the input method, or on a straight-line basis. Contracts for these services are usually for an initial term of one year with provisions for annual renewal, and are predominantly on a fixed price basis. A small proportion of our contracts have a performance commitment related to the use of the installations themselves.

Revenue from other services

Other services primarily relate to to asset operations (data centers and ATES installations) and, to a minor extent, trading. These services are often connected to building projects or building services.

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates to its best knowledge and information the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Variable consideration includes bonuses and penalties, for which penalties are considered to be negative variable considerations.

Contract modifications

A change to an existing contract for a project is a modification. A contract modification may result in a change of the scope of the contract, the price of the contract, or both. A contract modification exists when the Group and the customer approve the modification either in writing, orally, or implied by customary business practices, making the modification enforceable. Within the Group's operations, modifications largely pertain to variation orders or claims that do not yield additional distinct goods or services. Consequently, such modifications are accounted for as cumulative catch-up adjustments once the 'highly probable' threshold under IFRS 15 is met.

Variation orders are changes that result from by client instructions, which establish enforceable payment rights while the price alteration remains undetermined. Contract claims towards customers, on the other hand, relate to events where the Group determines enforceable rights to client compensation, although these rights are not yet approved by the customer. Claims typically encompass a higher level of uncertainty due to the absence of explicit customer instructions for a change. Therefore, the risk of significant revenue reversal associated with claims is considered higher. As a result, satisfying the 'highly probable' threshold of IFRS 15 presents a greater challenge for claim amounts.

Contract balances

Contract assets, often referred to as ‘Unbilled receivables,’ are transferred to receivables when the rights become unconditional, which usually occurs when the Group issues an invoice to a customer.

Contract liabilities, often referred to as ‘Deferred revenue’, relate primarily to the Group receiving payments in advance for services or goods to be provided in future periods. All current contract liabilities outstanding at the beginning of the year were recognized as revenue during the year.

Warranty

The Group extends warranties covering general repairs for defects present at the point of sale. Provisions associated with these assurance-type warranties are recognized upon the sale of the product, completion of the project, or delivery of the service to the customer. The initial recognition of these provisions is based on historical experience. The Group annually reviews and if necessary revises the estimate of warranty-related costs. This provision also encompasses exceptional disputes and claims involving the Group.

Significant financing

The Group's contracts with customers do not typically include a significant financing component.

Source of estimation uncertainty

Percentage of completion

Design, construction, and implementation contracts primarily pertain to new builds and building renovations. Revenues from these activities are ordinarily recognized using the input method (percentage of completion) on a cost-to-cost basis or based on time expended if it better represents progress, as this closely aligns with the stage of completion (milestones). Any change orders that occur during these operations are reviewed at initiation to determine whether they expand the initial scope of work or extend the timeline or add contractual value to the original scope.

The provision of operating and maintenance services, performed over time, involves revenue recognition through the input method based on the percentage of completion derived from the incurred costs. Additionally, the Group maintains a limited number of performance-based contracts, extending across single or multiple years. In such cases, the input method is applied to compute the percentage of completion and revenue, taking into account an aggregate of all contractually linked activities.

6 - Employee benefits expense

Accounting policies

The Group recognizes wages, salaries, bonuses, and social security contributions as expenses in the financial year when its employees render the associated services.

The table below presents a breakdown of personnel costs:

Amounts in 1,000 euros	2023	2022
Wages and salaries	220,849	194,485
Social security and pensions	58,212	52,843
Other personnel costs	21,282	14,887
Total personnel costs	**300,343**	**262,215**

The table below presents a breakdown across the different business units:

Numbers in FTE's	2023	2022
Unica Building Projects	488	486
Unica Building Services	1,602	1,424
Specialties	1,526	1,482
Support staff	161	163
Number of employees at year end	**3,778**	**3,555**

The Group's workforce is based in the Netherlands.

Pensions
Depending on the relevant collective labor agreement or employment contract, the pensions of the employees of Unica Group and its group companies are subject to either the industry pension scheme via Pensioenfonds Metaal & Techniek (approximately 84%), or a company pension scheme via an insurance company (approximately 16%).

The industry-wide scheme is an average salary scheme and, in accordance with IAS 19.34, is accounted for as a defined contribution scheme. Premium and indexation policy for this scheme are determined by the industry pension fund. The company pension schemes also qualify as a defined benefit pension scheme.

Based on the above characteristics, the starting point is that the pension burden to be processed in the reporting period is equal to the pension premiums owed to the pension funds or insurance companies over that period. Unica Group B.V. In the event of a deficit at this industry-wide pension fund, it has no legal or constructive obligation to pay additional contributions other than paying future premiums. Nor can Unica Groep B.V. assert rights to any surpluses in this industry-wide pension fund.

The foregoing also applies to insured schemes placed with an insurance company. For the industry scheme, there is no objective key for allocating a proportional share in the provision for pension obligations, the plan assets and the costs of the pension scheme for Unica Groep B.V. This is the case because the scheme exposes all affiliated companies to actuarial risks related to with current and former employees of other affiliated companies. The data to be provided in that case does not contain a consistent and reliable basis, which means that in our opinion there is no relationship with any economic reality.

The coverage ratio of Pensioenfonds Metaal & Techniek decreased in 2023 compared to 2022, but increased compared to 2021 and is still above 100% at the end of 2023. PMT's coverage ratio at the end of 2023 was 105.5% (2022: 108.1% and 2021: 100.9%).

For 2024, the expected total premium payments are approximately €36.5 million, of which approximately €31.8 million via the industry-wide pension fund and approximately €4.7 million via insurance companies (including top-up schemes).

Directors remuneration
The 2023 employee benefit expense of Unica Groep B.V. and its consolidated subsidiaries do not include (2022: none) remuneration of current and former directors. The remuneration of current and former directors is charged entirely to the parent company Penta Technologies B.V. and amounts to €1,4 million in 2023 (2022: €1,2 million). This includes a pension charge of € 76,000 (2022: € 95,000). There were no other remunerations for directors in 2023 and 2022 other than those presented here.

Remuneration Supervisory Board
The Supervisory Board fees for 2023 totaled € 177,000 (2022 € 170,000) and were also charged entirely to the parent company Penta Technologies B.V.

7 - Inventories

Accounting policies

The Group's inventories are valued at the lower of cost or net realizable value (“NRV”). The cost of purchased inventory is determined after rebates and discounts are deducted. The NRV is estimated as the sale price in the ordinary course of business minus the estimated cost of completion and cost necessary to make the sale. In determining NRV, the Group considers factors such as the condition of inventory across all business units, market trends, demand forecasts, and risks such as obsolescence or potential technological redundancy.

Inventory valuation can be represented as follows:

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Inventories (gross)	11,782	8,101	6,047
Less: Provision for obsolescence	-1,948	-648	-439
Inventories (net)	**9,835**	**7,453**	**5,608**

In 2023, an expense of €198 million (2022: € 191 million) was recognized for raw materials and consumables.

8 - Trade receivables

Accounting policies

Trade and other receivables

Trade and other receivables include amounts due from customers for services performed in the ordinary course of business.

Trade and other receivables are initially recognized at the amount as determined in accordance with IFRS 15 and subsequently measured at amortized cost, using the effective interest rate method, less expected credit losses (“ECL”). The fair value of the trade and other receivables approximates the carrying amount due to their short-term nature.

Expected credit losses

The Group recognizes an allowance for ECL on contract assets and trade receivables. ECLs are based on the difference between the contractual cash flows due and all the cash flows the Group expects to receive. The Group established a provision matrix that considers its historical credit loss experience, predicted future defaults, and debtor-specific forward-looking factors. The Group determines this loss allowance at each reporting date. The amounts actually written off in recent years are immaterial.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Trade receivables and receivables from related parties consist of the following:

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Trade receivables (gross)	121,782	102,239	82,952
Allowance for expected credit losses	-2,132	-1,649	-2,420
Trade receivables (net)	**119,650**	**101**	**80,532**
Receivables related parties (net)	-446	-1,033	-21
Trade receivables and receivables related parties	**119,204**	**99,557**	**80,511**

The composition of the gross trade receivables by age is as follows:

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Before due date	91,094	74,626	60,521
Less than 30 days past due	17,301	21,296	16,135
Between 30 and 90 days past due	10,320	4,305	4,709
Between 90 and 180 days past due	2,002	1,313	1,036
More than 180 days past due date	1,065	698	551
Total gross trade receivables	**121,782**	**102,239**	**82,952**

9 - Provisions and contingent liabilities

Accounting policies

General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the obligation can be made. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset. However, this is only done when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is applied, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions for warranty and claims

The provision for warranty and claims covers the best effort cost-estimation for costs on completed contracts as well as material disputes and claims on projects and contracts in progress. The estimate of warranty-related costs is revised annually.

Provisions for long-service payments

Provision for long-service payments cover future economic outflows for long-term service contracts with customers considering expiration date and type of performance. Estimation is based on last years' financial performances.

Provisions for onerous contracts

If the Group has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before establishing a separate provision for an onerous contract, the Group first recognizes any impairment loss that has occurred on assets related to that contract.

An onerous contract is one where the unavoidable costs of meeting the obligations under contract exceed the expected economic benefits. These costs reflect the lower of the net cost of exiting or fulfilling the contract, including any compensation or penalties for failure to fulfill it. The cost of fulfilling a contract includes all costs directly related to the contract, both incremental costs and an allocation of costs directly related to contract activities.

The Group has early adopted the IAS 37 amendment, which permits the inclusion of directly related overhead costs in the provision.

Contingent liabilities

Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of future events not wholly within the control of the Group, are not recognized in the financial statements but are disclosed as contingent liabilities unless the possibility of an outflow of economic resources is considered remote.

Source of Estimation Uncertainty

The group is periodically involved in various legal proceedings, disputes, and claims, including regulatory matters related to the Group's business, licenses, tax positions, and investments. The outcomes of these instances are subject to significant uncertainty. Management evaluates factors such as the probability of an unfavorable outcome and the ability to make a reasonable loss estimate. Unexpected events or changes in these factors may lead the Group to increase or decrease the amount recorded for a matter not previously recorded because it was not considered probable.

The movement in provision is summarized in the table below (in € 1,000):

Amounts in 1,000 euros	Warranty and claims	Provision for long-service contracts	Provision for deferred taxes	Other provisions	Total
As of January 1, 2022	**5,068**	**1,014**	**5,875**	**1,818**	**13,775**
Arising during the period	4,606	-	291	419	5,316
Utilized	-1,079	-	-1,376	-34	-2,489
Unused amount reversed	-1,758	-276	-	-23	-2,057
Transfer / reclassification	-	-	-	500	500
Acquired via acquisitions	90	-	-	-	90
As of December 31, 2022	**6,928**	**737**	**4,790**	**2,680**	**15,135**
Current	1,897	369	740	319	2,997
Non-current	4,293	368	4,050	2,361	12,138
As of January 1, 2023	**6,928**	**737**	**4,790**	**2,680**	**15,135**
Arising during the period	4,593	113	1,701	511	6,918
Utilized	-1,370	-	-740	-50	-2,160
Unused amount reversed	-5,527	-	-	-191	-5,718
Transfer / reclassification	-207	-	-	207	-
Other adjustments	-	-	-	-	-
As of December 31, 2023	**4,417**	**850**	**5,751**	**3,155**	**14,173**
Current	4,020	425	740	2,041	7,226
Non-current	397	425	5,011	1,114	6,947

In 2022, an amount was recorded under "other provisions" for an onerous contract. There was no change to this in 2023. In 2023 the group evaluated the allocation method for the warranty provision using a benchmark with other companies. This led to a reduction in the annual percentage of addition to the provisions as well as limitation of revenue categories with material warranty risk. This has led to a relatively high release in 2023.

Guarantees

As at December 31, 2023, bank guarantees issued to third parties for a total of € 7.7 million (2022: € 9.6 million).

The Group has provided corporate guarantees to customers of companies within the Group. As at December 31, 2023, totaling € 5.2 million (compared to corporate guarantees totaling €3.0 million in 2022).

The Group is a partner in several general partnerships (V.O.F.) and, as such, carries joint and several liability for the debts of these partnerships. For a detailed list of these partnerships, refer to Note 1: Group Structure.

Other provisions

Other provisions include the jubilee provision and provision for contracts considered onerous (the latter at both balance sheet dates €500,000), totaling € 2,5 million as at December 31, 2023 (2022: € 2.4 million).

10 - Other operating expenses

Other operating expenses are composed as follows:

Amounts in 1,000 euros	2023	2022
Transportation costs	14,622	12,332
Information and Communication Technology	10,632	10,545
Housing costs	4,945	4,191
Sales costs	2,921	2,293
Audit and Advisory expenses	2,290	3,110
Insurances	2,461	2,224
Others	6,721	5,203
Total other operating expenses	**44,592**	**39,898**

Other operating expenses include auditor fees over 2023 totaling approximately € 725,000 (2022: € 373,000). This amount also includes fees for Audit Advisory related to IFRS adoption of € 147.000. Other costs within the Deloitte network include an amount totaling € 173,000 (2022: € 61,000). The amount of € 725,000 includes approximately €115,000 auditor fees of Group companies.

11 - Income taxes

Accounting policies

Income tax expense

The expense or credit for income tax for the period is the tax expected to be payable or receivable on the current period's taxable income, based on the applicable income tax rate. This is then adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Both current and deferred taxes are recognized in profit or loss, except when they relate to items recognized in other comprehensive income or directly in equity. In these cases, the tax is also recognized in the respective areas.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income. As the group companies of Unica Groep B.V. and Unica Groep B.V. itself are part of the fiscal unity Penta Technologies B.V., the nominal rate of 25.8% was applied to these companies.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and tax liabilities are offset when the entity has a legally enforceable right to offset and intends either to settle on a net basis or realize the asset and settle the liability simultaneously.

Deferred taxation

Deferred tax is calculated using the liability method, based on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits, and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same tax authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Uncertain tax positions

The Group’s policy is to comply with the applicable tax regulations in the Netherlands. The Group’s estimates of current income tax expense and liabilities are calculated assuming that all tax computations filed by the Group's subsidiaries will be subject to a review or audit by the relevant tax authority. Uncertain tax positions are generally assessed individually, using the most likely outcome method. The Group and the tax authority may have different interpretations of how regulations should be applied to actual transactions.

Source of estimation uncertainty

Recoverability of deferred tax assets

Deferred tax assets are recognized only to the extent where it becomes probable that these assets will be realized. Determining the amount that can be recognized requires significant judgment and depends mainly on the expected timing, level of taxable profits, tax planning strategies, and the existence of taxable temporary differences. The estimates primarily relate to losses carried forward in some of the Group’s subsidiaries. When the Group has a history of recent losses, the deferred tax asset arising from unused tax losses is recognized only to the extent that there is convincing evidence that enough future taxable profit will be generated. Estimated future taxable profit is not considered this evidence unless the entity has demonstrated the ability to generate significant taxable profit for the current year or there are certain other events providing sufficient evidence of future taxable profit. The introduction of new transactions and tax rules can also affect these judgments due to uncertainties in interpreting the rules and potential transitional rules.

Current income tax is the expected tax expense, payable or receivable on taxable income or loss for the period. This is calculated using tax rates enacted or substantively enacted at the reporting date and includes any adjustment to the tax payable in respect of previous years.

Income tax payable and assets

Current income tax payable and assets consist of the following items:

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Current tax receivable	6,721	8,145	6,721
Current tax payable	-	-779	-294
Deferred tax liability	-5,751	-4,790	-5,875
Income tax position	**970**	**2,576**	**552**

The effective tax rate is the average rate at which pre-tax profits are taxed. The actual income tax amount on the Group's profit before tax differs from the statutory income tax amount that would arise using the applicable statutory income tax rate. The difference between these two amounts is reconciled below (in € 1,000):

Amounts in 1,000 euros	2023	2022
Profit before tax	66,482	57,480
Tax at the corporate tax rate of the Netherlands	17,599	16,313
Adjustments taxes prior years	-	38
Change in temporary differences book and tax valuation	-740	-1,376
Differences in tax rates	-	291
Income tax expense	**16,859**	**15,266**

Deferred tax assets / (liabilities) in € 1,000:

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Deferred tax assets	-	-	-
Deferred tax liabilities	-5,751	-4,790	-5,875
Net deferred tax position	**-5,751**	**-4,790**	**-5,875**

The table below details the changes in the deferred tax positions for assets and liabilities in the Statement of Financial Position (in € 1,000) :

Amounts in 1,000 euros	Opening balance	Net income statement movement	Other movements	Closing balance
Property plant and equipment	-	-	-	-
Intangible assets	5,875	-1,085	-	4,790
Trade receivables	-	-	-	-
Provision	-	-	-	-
Accounts payable	-	-	-	-
Others	-	-	-	-
Net deferred tax position as at December 31, 2022	**5,875**	**-1,085**	**-**	**4,790**
Property plant and equipment	-	-	-	-
Intangible assets	4,790	-740	1,701	5,751
Trade receivables	-	-	-	-
Provision	-	-	-	-
Accounts payable	-	-	-	-
Others	-	-	-	-
Net deferred tax position as at December 31, 2023	**4,790**	**-740**	**1,701**	**5,751**

12 - Cash and cash equivalents

Cash and cash equivalents are held to meet short-term cash obligations and not for investment or other purposes. Cash and cash equivalents consist of cash at bank and on hand and highly liquid investments that are readily convertible to known amounts of cash, are subject only to insignificant risk of changes in value and have original maturities of less than three months.

At December 31, 2023, a total amount of €5.0 million (2022: €5.1 million) is committed to joint operations, joint ventures and G-accounts and is therefore not freely available to the Group.

The detailed breakdown of cash and cash equivalents is as follows (in € 1,000):

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Freely withdrawable cash at banks	55,177	67,992	51,959
Non-disposable cash at banks	5,038	4,958	1,831
Cash at hand	37	92	27
Total cash and cash equivalents	**60,252**	**73,042**	**53,817**

Investing activities

13 - Business combinations

Accounting policies

The Group conducts acquisitions on an ongoing basis. Acquisitions qualifying as business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other expenses in profit or loss. The acquisition date is the date the group obtains control over the acquiree.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. An acquired process is considered substantive if it is critical to the ability to continue producing outputs, or the inputs acquired include an organized workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs or is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. At the date of acquisition, assets and liabilities of the acquiree are measured at fair value.

Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognized in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognized in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. The Group recognizes three cash generating units: Building Projects, Building Services and Specialty clusters.

2023

Acquisition Breedveld Schröder B.V and Hermans Elektra B.V

On October 27, 2023, the Group completed the 100% share acquisition of Breedveld Schröder B.V and Hermans Elektra B.V. These entities operate in the service and maintenance sector. The total consideration for this acquisition, including an earn-out arrangement, amounted to approximately € 15.6 million. The transaction brought an estimated € 12 million in goodwill, which is not tax-deductible. Currently, the Group is conducting a Purchase Price Allocation to distinguish identifiable intangible assets from goodwill.

Approximately € 2.5 million and € 1.1 million of net revenue and net income have been consolidated in Unica Group's consolidated financial statements for this acquisition for the months of November and December 2023, respectively.

Acquisition of Tenergy Portfolio Services B.V., Engine Competence Services B.V., Tenergy Engineering B.V. and Tenergy Consulting B.V.
On June 16, 2023, the Group obtained control over the Tenergy Group, consisting of Tenergy Portfolio Services B.V., Engine Competence Services B.V., Tenergy Consulting B.V. and Tenergy Engineering B.V. The total consideration for this acquisition, including an earn-out arrangement, amounted to approximately € 15.4 million. The transaction involved € 6.2 million of non-deductible goodwill and € 5.0 million of intangible fixed assets (net of deferred tax liability), which are not tax-deductible. A third party retains a non-controlling interest in one of the 4 acquired entities (see table in Note 1).

Approximately € 3.3 million and € 0.1 million of net revenue and net income have been consolidated for this acquisition for the months July 2023 to December 2023 in Unica Group's consolidated financial statements.

The combined acquisition costs of the two acquisitions amount to approximately € 0.5 million and have been fully recognized in the consolidated statement of profit or loss of Unica Groep B.V.

2022

Acquisition Working Spirit B.V. and EAL B.V.
In 2022, the Group acquired Working Spirit, an IT staffing firm, and EAL, a provider of security management solutions. The acquisitions cost € 15.3 million and € 14.6 million, respectively.

The cumulative fair value of the net identifiable assets obtained and liabilities assumed from these acquisitions stood at € 6.7 million on a provisional basis, resulting in an amount of goodwill totaling € 23.2 million. This goodwill is not tax-deductible.

The combined acquisition costs amounted to approximately € 0.2 million and have been recognized in full in Unica Groep B.V.'s consolidated statement of profit or loss for the year ended December 31, 2022.

14 - Property, plant and equipment

Accounting policies

Property, plant and equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical costs include expenditure that is directly attributable to the acquisition of the items and is calculated after deducting trade discounts.

Subsequent costs are included in the asset's carrying amount, or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the costs of the item can be measured reliably.

The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Depreciation is calculated using the straight-line method to allocate their costs, net of their residual values, over their estimated useful lives as follows:

	Life (in years)
Building & land	3% - 10%
Furniture & fixtures	10% - 50%
Office equipment	10% - 50%
Right-of-use assets – building & land	1 - 10 years
Right-of-use assets – vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. No impairments occurred for the current and previous financial year.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in Other income in the consolidated statement of profit or loss.

Fixed assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset’s carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset’s fair value less costs of disposal and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows, which are largely independent of the cash inflows from other assets or groups of assets (CGUs).

Non-financial assets other than goodwill that have suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Sources of estimation uncertainty

Depreciation and amortization

Depreciation of property, plant and equipment, and amortization of intangible assets are based on management's estimates of the useful lives, residual values, and method of depreciation or amortization.

The estimated useful lives can vary for similar assets across different entities within the Group. Factors that can cause this variation include local growth rates, market maturity, history of asset replacements or transfers, and the quality of the components used.

The movement in property, plant and equipment over the years is as follows (In € 1,000):

Amounts in 1,000 euros	Building & Land	Other non-current assets	Right-of-use assets	Total
Cost				
As of January 1, 2022	**5,055**	**47,256**	**67,349**	**119,660**
Additions through acquisitions	345	1,240	1,059	2,644
Other Additions	1,432	4,654	18,219	24,305
Disposals	-925	-17,596	-7,921	-26,442
Total	**852**	**-11,702**	**11,357**	**507**
As of December 31, 2022	**5,907**	**35,554**	**78,707**	**120,168**
Additions through acquisitions	503	2,234	1,996	4,733
Other additions	853	4,529	26,489	31,871
Disposal	-7	-2,754	-12,384	-15,145
Other adjustments	-131	333	-	202
Total	**1,218**	**4,342**	**16,101**	**21,661**
As of December 31, 2023	**7,125**	**39,896**	**94,808**	**141,829**
Depreciation and impairment				
As of January 1, 2022	**3,744**	**38,179**	**-**	**41,923**
Addition through acquisitions	149	748	-	897
Disposal	-923	-16,731	-7,921	-25,575
Depreciation for the period	467	3,756	19,039	22,759
Impairment	-	-	-	-
Total	**-307**	**-12,227**	**11,118**	**-1,416**
As of December 31, 2022	**3,437**	**25,952**	**11,118**	**40,507**
Addition through acquisitions	202	1,339	-	1541
Disposal	-22	-2,490	-12,384	-14,896
Depreciation for the period	617	3,744	21,733	26,094
Impairment	-	-	-	-
Other adjustments	-275	783	-	508
Total	**522**	**3,376**	**9,349**	**13,247**
As of December 31, 2023	**3,959**	**29,328**	**20,467**	**53,754**
Net book value				
As of January 1, 2022	1,311	9,077	67,349	77,738
As of December 31, 2022	2,470	9,602	67,589	79,661
As of December 31, 2023	3,166	10,568	74,341	88,075

Capital commitments

Other than the contract and lease liabilities included in de financial Statement the Group does not have material capital commitments.

15 - Intangible assets and goodwill

Accounting policies

Goodwill

Goodwill, arising from business combinations, is categorized as an intangible asset. Goodwill is not amortized but is tested annually for impairment—and more frequently, if events or changes in circumstances indicate potential impairment. It is carried at cost, minus any accumulated impairment losses. Any gains and losses on the disposal of an entity include the carrying amount of goodwill that pertains to the entity sold.

Goodwill is allocated to CGUs for impairment testing. This allocation covers CGUs—or groups of CGUs—that are likely to benefit from the business combination that gave rise to the goodwill. The Group identifies these units, or groups of units, at the lowest level where goodwill is internally monitored for management purposes

The Group tests goodwill and other applicable assets for impairment annually in December, or whenever management identifies conditions that may indicate a risk of impairment. This is done by comparing the asset's recoverable amount with its carrying amount. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount and is recognized immediately in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. In estimating the recoverable amount, management is required to make an estimate of the expected future cash flows from the CGU in the forecast period and also to determine a suitable discount rate in order to calculate the present value of those cash flows. Such estimates are subject to a certain degree of judgement and uncertainty.

Impairments to goodwill are not subsequently reversed.

Other intangibles

Other intangible assets other than internally generated assets, including software and licenses, are measured at cost on initial recognition. Following initial recognition, other intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is recognized in the statement of profit or loss when incurred.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognized as intangible assets when the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Other intangible assets are amortized over their useful economic lives and assessed for impairment annually or whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each reporting period.

The Group's intangible assets have the following estimated useful lives (depending on level of acquisition in Group structure):

	Life (in years)
Brands	5
Customers	10
Backlog	1.5
Software	5
Development costs	5

Impairment of intangibles

The Group assesses whether there is an indication that an asset may be impaired at each reporting date. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount.

An asset's recoverable amount is the higher of an assets or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on the most recent budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

The table below summarizes the movement in Intangible assets (In € 1,000):

Amounts in 1,000 euros	Brands	Customers	Backlog	Goodwill	Software development costs	Total
Cost						
As of January 1, 2022	**5,990**	**16,722**	**3,635**	**125,433**	**18,487**	**170,267**
Investments	-	-	-	23,996	5,538	29,534
Corrections				-1,157	-	-1,157
Disposal	-	-	-	-3,762	-4,058	-7,820
Total	**-**	**-**	**-**	**19,077**	**1,480**	**20,557**
As of December 31, 2022	**5,990**	**16,722**	**3,635**	**144,510**	**19,967**	**190,824**
Additions through acquisitions	-	-	-	-	2,032	2,032
Other Additions	838	4,042	-	20,175	4,385	29,440
Disposal	-	-	-	-917	-753	-1,670
Total	**838**	**4,042**	**-**	**19,258**	**5,664**	**29,802**
As of December 31, 2023	**6,828**	**20,764**	**3,635**	**163,768**	**25,631**	**220,626**
Amortization and impairment						
As of January 1, 2022	**599**	**836**	**1,212**	**27,976**	**9,539**	**40,162**
Disposal	-	-	-	-3,762	-4,033	-7,795
Amortization for the period	1,198	1,672	2,423	-	2,002	7,295
Release earn-out	-	-	-	225	-	225
Impairment	-	-	-	-	-	-
Total	**1,198**	**1,672**	**2,424**	**-3,537**	**-2,031**	**-274**
As of December 31, 2022	**1,797**	**2,508**	**3,635**	**24,439**	**7,508**	**39,888**
Disposal	40	-	-	-	-848	-808
Amortization for the period	1,238	1,672	-	-	3,491	6,401
Impairment	-	-	-	-	4,293	4,293
Total	**1,278**	**1,672**	**-**	**-**	**6,936**	**9,886**
As of December 31, 2023	**3,075**	**4,180**	**3,635**	**24,439**	**14,444**	**49,773**
Net book value						
As of January 1, 2022	5,391	15,886	2,423	97,456	8,948	130,105
As of December 31, 2022	4,193	14,193	0	120,071	12,459	150,916
As of December 31, 2023	3,753	16,584	0	139,329	11,187	170,853

The impairment recognized 2023 is related to the capitalized costs of the implementation of an ERP application and the decision to partially re-implement it. This impairment takes into account a possible reuse.

Impairment

The monitors its goodwill at the business unit ("BU") level (i.e. cash flow generating units). These units include Building Projects, Building Services, and Specialties. A detailed overview of the carrying value of goodwill per BU is provided below.

The carrying amount of goodwill allocated to the business unit is as follows:

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Building projects	-	-	-
Building services	37,091	24,881	25,665
Specialties	102,238	95,190	71,791
Total goodwill	**139,329**	**120,071**	**97,456**

Key assumptions

For impairment calculations, the Group prepares individual forecast calculations for each business unit. These forecasts usually cover a period of five years, after which a long-term growth rate is applied to project future cash flows.

Discount rates

The Group calculates its discount rate based on the 30-year risk-free rate for Dutch government bonds, and then adjusting it with a risk premium. This premium reflects the additional risk associated with equity investments and the systematic risk of the Group relative to the market as a whole.

The equity market risk premium is obtained from independent market analysis. Moreover, the systematic risk, represented by beta, mirrors the relative risk of the Group's active sectors compared to the overall market. This is based on median values sourced independently from firms such as Duff & Phelps and Damodaran. The Group also considers a smallness premium and industry-specific risks.

The debt risk premium is based on a mark-up on the Group's external financing. The weighted average cost of capital is determined using a debt-to-equity ratio typical for the industry. As of December 31, 2023, the calculated discount rate stands at 9.4%.

Revenue growth rates

The forecasted revenue growth rates for the Group depend on multiple factors, such as market size. The Group estimates a long-term growth rate into perpetuity, which is either lower or equal to the projected long-term inflation for the Netherlands.

	Average annual revenue growth rate during forecast period	Terminal growth rate
Business Unit		
Building projects	6.0%	2.8%
Building services	5.8%	2.8%
Specialties	7.8%	2.8%

The Group conducts a sensitivity analysis and concludes that a reasonable possible change, whether individual or in combination, does not lead to impairment. In doing so, the WACC and terminal growth rate are assumed to be +1% and -1%.

16 - Investments in joint ventures / operations and associates

Accounting policies

Joint control refers to the contractually agreed sharing of control over an arrangement that only exists when decisions about the business' relevant activities require unanimous consent from the parties sharing control.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture represents a type of joint arrangement, typically a legal entity (in the case of Unica Group a limited liability company) where the parties having joint control possess rights to the net assets of the arrangement.

For in interest in joint operations, except for those that can be categorized as passing-through (acting as a conduit to pass-through invoices to or receipts from end-customers on behalf of other Group companies), the Group recognizes its assets, including its share of any assets held jointly, Its liabilities, including its share of any liabilities incurred jointly, its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and Its expenses, including its share of any expenses incurred jointly.

Unincorporated joint operations ("vof") do not contain any equity balances. Any difference between assets and liabilities is incorporated into receivables or liabilities with partners, which are classified as related parties.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not confer full control or joint control over those policies.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group’s investment in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognized at cost. The carrying amount of the investment is adjusted to recognize changes in the Group’s share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment separately.

The statement of profit or loss reflects the Group’s share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group’s OCI. In addition, when there has been a change recognized directly in the equity of the associate or joint venture, the Group recognizes its share of any changes, when applicable, in the statement of changes in equity. Unrealized gains and losses from transactions between the Group and the associate or joint venture are eliminated to an extent proportional to the Group's interest in the associate or joint venture.

The aggregate of the Group’s share of profit or loss of an associate and a joint venture is shown on the face of the statement of profit or loss outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate or joint venture.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss as ‘Share of profit of an associate and a joint venture’ in the statement of profit or loss.

Upon loss of significant influence over an associate or loss of joint control over a joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

The table below summarizes the investments in joint ventures (In € 1,000):

Amounts in 1,000 euros	**Dec 31, 2023**	**Dec 31, 2022**	**Jan 1, 2022**
Servicepartners Midden-Holland BV	6	6	6
UR Cool BV	-	-	-
Voorst Energie BV	80	66	66
PI2M BV	-	-	42
Total	**86**	**72**	**114**

The table below details the percentage holding in each entity (In € 1,000):

	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Servicepartners Midden-Holland BV	33%	33%	33%
UR Cool BV	50%	50%	50%
Voorst Energie BV	50%	50%	50%
PI2M BV	-	-	50%

PI2M was liquidated in 2022.

Aggregate summarized financial information (in € 1,000)

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
Total assets	1,319	2,274	2,350
Total liabilities	1,137	-2,095	-2,199
Equity	182	179	151
Aggregate carrying amount of investments in joint ventures and associates	86	72	114
Revenue	1,728	1,809	-
Total Profit for the year (after Corporate Income Tax)	-	-156	-
Aggregate share in profit for the year	**14**	**-78**	**-**

Financing activities

17 - Long term borrowings

Accounting policies

Initial recognition and measurement

Loans and borrowings are recognized initially at fair value, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognized in the profit or loss upon the derecognition of liabilities and during the EIR amortization process.

The calculation of amortized cost takes into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Long-term borrowings (including long and short term lease liabilities) consist of the following items (In € 1,000):

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
At amortized cost			
Bank loans	-	-	-
Subordinated vendor loan	-	-	-
Shareholder	38,204	64,213	50,000
Lease liabilities (short and long term)	74,728	67,975	67,349
Total borrowings	**112,932**	**132,188**	**117,349**
Non-current	88,132	110,938	98,873
Current	24,800	21,250	18,476

Borrowing terms

The loan obtained from the shareholder does not adhere to a set repayment schedule. Instead, repayment periods are agreed upon periodically, depending on the cash flows generated by the Group.

Reconciliation of cash flows financing activity

Amounts in 1,000 euros	Borrowings	Lease liabilities	Total
Balance as on January 1, 2022	50,000	67,349	117,349
Cash flows	14,213	-19,391	-5,178
Proceeds from borrowing	25,900	-	25,900
Repayment of debt / lease redemptions	-11,687	-19,391	-31,078
Interest paid	-	-	-
Non-cash movements	-	20	20,017
Interest accrued	-	725	725
Lease additions and modification	-	19,292	19,292
Foreign currency translation adjustments	-	-	-
Balance as on December 31, 2022	**64,213**	**67,975**	**132,188**
Balance as on January 1, 2023	64,213	67,975	132,188
Proceeds from borrowing	13,350	-	13,350
Repayment of debt / lease redemptions	-39,360	-22,347	-61,707
Interest paid	-	-	-
Non-cash movements			
Interest accrued	-	728	728
Lease additions and modification	-	28,372	28,372
Foreign currency translation adjustments	-	-	-
Balance as on December 31, 2023	**38,203**	**74,728**	**112,931**

18 - Leases

Accounting policies

The Group as lessee

The Group classifies leased assets into the following categories: real estate, vehicles, and ICT data center space. For real estate and ICT data center space, the individual approach is applied (individual contract) while for passenger and commercial vehicles, a portfolio approach is applied (number of vehicles per type, average remaining contract duration in months and average monthly instalment.

At the commencement of a lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all leases. The Group applies the exceptions for short-term leases with lease terms of six months or less and .leases for which the underlying asset is of low value (assets with a value of USD 5,000 and below). The Group has chosen the practical expedient to recognize the lease payments associated with those leases as an expense on a straight-line basis over the lease term. The Group recognized € 21.7 million of lease expense from the application of these expedients (2022: € 19 million)..

Critical judgements in determining the lease term

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) on existing contracts are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). New lease contracts are only recognized if the start date is on or before the reporting date.. Lease contracts typically span 1-5 years, occasionally extending to 10 years, and often include renewal and termination options.

Upon the commencement of the lease, the measurement of the lease liability primarily includes fixed lease payments, which are net of any lease incentives received, along with variable lease payments that depend on an index or a rate. These variable payments are initially measured using the index or rate as of the commencement date. The present value of these lease payments is computed using a term and risk-equivalent incremental borrowing rate when the lease's implicit interest rate is not readily determinable. The lease term considers the non-cancellable lease period, also including periods encompassed by extension or termination options if it is reasonably certain that these will be exercised (taking into account the contractual arrangements in this regard). For personal and business vehicles, a portfolio approach is applied.

Right-of-use assets are initially recognized at the corresponding lease liability's value, inclusive of any initial direct costs and less any lease incentives received. Ancillary costs related to dismantling and removal are included if they relate to the lease asset. Right-of-use assets are subsequently depreciated over the lease term, which typically spans from 1 to 5 years, using the straight-line method.

Depreciation of right-of-use assets is presented within the functional area to which it relates. Lease liability interest is presented as interest expenses and included as part of cash flows from operating activities. Whilst, cash payments of lease liabilities are shown separately in the cash flow from financial activities.

The Group does not act as a lessor for any lease contracts.

Leases in business combinations

The Group measures the acquired lease liability as if the lease contract were a new lease at the acquisition date. The Group applies IFRS 16’s initial measurement provisions, using the present value of the remaining lease payments at the acquisition date. The discount rate is determined from the perspective of the acquiree, as the acquiree is the customer in the lease contract. However, as the rate cannot be reasonably derived from the acquiree, the implicit rating is based on the financing conditions of the Company as they provide financing as a holding to their subsidiaries.

The right-of-use asset is measured at an amount equal to the recognized liability, adjusted to reflect the favorable or unfavorable terms of the lease, relative to market terms.

The Group does not recognize right-of-use assets and lease liabilities for leases with lease terms which end within 12 months of the acquisition date and leases for low-value assets.

Lease consisted of the following items (in € 1,000):

Amounts in 1,000 euros	Dec 31, 2023	Dec 31, 2022	Jan 1, 2022
At amortized cost			
Current (less than 1 year)	24,800	21,250	18,476
Non-current (between 1 and 5 years)	46,335	41,308	40,761
Non-current (more than 5 years)	3,593	5,417	8,112
Total lease liabilities	**74,728**	**67,975**	**67,349**

In calculating the lease liabilities an incremental borrowing rate is applied consisting of 3 components: risk-free interest rate of a 10-year government bond supplemented by group and asset-specific spread. This means for the 10-year period for 2023 and 2022 a spread of the internal interest rate of 1.13%-2.15% and 1.29%-2.15% respectively.

19 - Issued capital and reserves

Issued capital

At December 31, 2023, 2022 and January 1, 2022, the issued and fully paid capital amounts to € 10 million, consisting of ordinary shares, each € 1.00.

Legal reserves

The Company maintains legal reserves for undistributed profits of certain participating interest and for capitalized development costs.

Off-balance sheet obligations

The company forms part of a group tax entity for corporation tax and turnover tax and as such is jointly and severally liable for the corporation and turnover tax debt of the group tax entity as a whole.

The legal entity is a partner in several general partnerships (v.o.f.) and as such is jointly and severally liable for the debts of these general partnerships.

Additional information

20 - Related party disclosures

The Group has related party transactions regarding participations in joint agreement contracts, provides energy services on ATES installations. The Group also rents office space for its operations via contracts with related parties.

The table below shows the income and expenses to/from related parties:

Amounts in 1,000 euros	2023	2022
Sales to related parties		
Projects and Contracts	21,873	28,042
Energy Services	2,396	3,293
Total	**24,269**	**31,335**
Purchases from related parties		
Office Rent	6,270	6,010
Total	**6,270**	**6,010**

For the remuneration of current and former directors and the remuneration of members of the Supervisory Board, see Note 6 Employee benefits expense.

In 2023, management has been requested to participate in a management participation plan within the scope of IFRS 2. Based on the terms and intention, this plan is classified as "equity settled". No expense has been recognized in the financial statements. There are no other active share-based payment arrangements.

21 - Events after the reporting period

On January 24, 2024, the Group, through one of its Group companies, signed a contract for an asset and liability transaction for the acquisition of Dräger's fire detection business. The closing of this transaction has not yet taken place and is expected around May 1, 2024.

On March 29, 2024, the Group, through one of its Group companies, signed a contract for the 100% share acquisition of a specialist in fiber optic networks Eljes. The closing of this transaction has not yet taken place.

The total consideration of both transactions amounts to approximately € 43 million. Goodwill, intangible assets and earn-out is currently estimated at around € 37 million.

Company statement of the financial position

Amounts in 1,000 euros	Note		Dec 31, 2023		Dec 31, 2022		Jan 1, 2022
Assets							
Non-current assets							
Intangible fixed assets							
Goodwill	1	34,512		34,512		34,512	
Software		-		468		-	
Total intangible fixed assets			**34,512**		**34,980**		**34,512**
Financial fixed assets							
Participations in group companies	2	151,115		103,903		59,055	
Non-consolidated subsidiaries	3	78		78		108	
Loans to group companies	4	21,108		26,123		-	
Other non-current receivables	5	60		60		90	
Total financial fixed assets			**172,361**		**130,164**		**59,253**
Total non-current assets			**206,873**		**165,143**		**93,764**
Current assets							
Receivables from other related parties		705		5		258	
Receivables from group companies		1,655		102		22,878	
Receivables from shareholder		-		-		1,312	
Current taxes and other tax assets		6,720		6,915		6,720	
Other receivables and other assets		784		503		1,100	
Cash and cash equivalents		43,421		36,371		15,293	
Total current assets			**53,284**		**43,896**		**47,561**
Total assets			**260,156**		**209,039**		**141,325**

Amounts in 1,000 euro’s	Note		Dec 31, 2023		Dec 31, 2022		Jan 1, 2022
Equity and liabilities							
Subscribed capital	6	10,000		10,000		10,000	
Legal reserve for participating interests	7	57		57		125	
Legal reserve for development costs	8	3,148		3,141		2,025	
Retained earnings	9	157,707		108,187		67,204	
Equity attributable to the shareholders of the parent company			**170,912**		**121,385**		**79,355**
Provisions	10		**500**		**500**		**0**
Non-current liabilities							
Non-current loans	11	37,026		64,213		50,000	
Total non-current liabilities			**37,026**		**64,213**		**50,000**
Short-term liabilities							
Debts to suppliers		328		265		94	
Personnel costs to be paid		681		262		18	
Amounts owed to group companies		50,554		19,401		6,720	
Amounts owed to shareholders and associated companies		93		1,856		1,702	
Other liabilities, accruals and deferred income		61		1,157		3,437	
Total current liabilities			**51,718**		**22,941**		**11,971**
Total equity and liabilities			**260,156**		**209,039**		**141,325**

Company statement of profit or loss

Amounts in 1,000 euros	2023	2022
Management Fees	-3,241	-2,056
Operating result	**-3,241**	**-2,056**
Financial income	-	401
Financia expense	-66	-1,457
Financial income and expenses	**-66**	**-1,456**
Result before tax	**-3,307**	**-3,112**
Income taxes	861	622
Result from subsidiaries	50,907	45,348
Result from other related parties	1,067	-829
Result from subsidiaries and associates after tax	**51,974**	**44,519**
Result after tax	**49,528**	**42,029**

General notes to the company financial statements

General
The company financial statements are part of the 2023 financial statements of Unica Groep B.V.

To the extent that items in the statement of financial position and profit and loss account are not further explained, reference is made to the notes to the consolidated profit and loss account and balance sheet.

General accounting policies
When preparing the financial statements of Unica Groep B.V., Unica applies accounting policies in accordance with the Dutch Civil Code, Book 2, Article 9. Unica Groep B.V. makes use of the option offered in Section 2:362(8) of the Dutch Civil Code for the determination of the accounting policies for the valuation of assets and liabilities and the determination of the results of its company financial statements.

This means that the accounting policies for the valuation of assets and liabilities (accounting policies) and determination of results of the company financial statements of Unica Groep B.V. are the same as the valuation and profit determination principles applied for the consolidated EU-IFRS financial statements.

In this case, participating interests, on which significant influence is exercised, are valued on the basis of the net asset value. Any write-downs on receivables from group companies due to expected credit losses are eliminated at the item itself. As a result, these write-downs have no impact on the income statement and the statement of financial position.

The share in the result of participating companies includes the share of Unica Groep B.V. in the results of these participations. Results on transactions in which transfer of assets and liabilities between Unica Groep B.V. and its associates and between associates took place are not recognized insofar as they can be regarded as unrealized.

Unica Groep B.V. is registered with the Chamber of Commerce under number 05068404

Initial application of IFRS

The reconciliation of the statement of financial position according to Dutch GAAP and IFRS at the date of adoption (January 1, 2022) is as follows:

Amounts in 1,000 euros	IFRS standard	Jan 1, 2022 NL-GAAP	Presentation	Measurement	Jan 1, 2022 IFRS
Non-currents					
Land and buildings		-	-	-	-
Other property, plant and equipment		-	-	-	-
Fixed assets with right of use	16	-	-	-	-
Goodwill	3	33,418	-	1,094	34,512
Other intangible fixed assets		-	-	-	-
Participations in group companies	15	77,712	-	-18,657	59,055
Participating interests in associates and joint ventures	11	90	-	-	90
Other financial fixed assets		108	-	-	108
Total non-current assets		**111,328**	**-**	**-17,563**	**93,765**
Current assets					
Receivables from group companies		22,878	-	-	22,878
Trade receivables and related parties	10	258	-	-	258
Receivables from shareholders		1,312	-	-	1,312
Current tax receivables	15	-	-	6,720	6,720
Other current assets		1,099	-	-	1,099
Cash and cash equivalents	10	15,293	-	-	15,293
Total current assets		**40,840**	**-**	**6,720**	**47,560**
Total assets		**152,168**	**-**	**-10,843**	**141,325**
Equity	10, 15	**98,679**	-	**-19,325**	**79,354**
Non-current liabilities					
Non-current loans		50,000	-	-	50,000
Other non-current financial liabilities		-	-	-	-
Provisions		-	-	-	-
Deferred tax liabilities		-	-	-	-
Lease obligations		-	-	-	-
Total non-current liabilities		**50,000**	**-**	**-**	**50,000**
Current liabilities					
Trade and other payables		94	-	-	94
Taxes and social security contributions		-	-	-	-
Personnel costs to be paid		18	-	-	18
Provisions		-	-	-	-
Liabilities to group companies	10, 15	-	-	6,720	6,720
Liabilities to shareholders and associates		1,702	-	-	1,702
Other liabilities	10	1,674	-	1,762	3,436
Total current liabilities		**3,488**	**-**	**8,482**	**11,970**
Total equity and liabilities		**152,168**	**-**	**-10,843**	**141,325**

The reconciliation of the statement of financial position according to Dutch GAAP and IFRS at the date of adoption (January 1, 2022) is as follows:

Amounts in 1,000 euros	IFRS standard	Jan 1, 2022 NL-GAAP	Presentation	Measurement	Jan 1, 2022 IFRS
Non-current Assets					
Land and buildings		-	-	-	-
Other property, plant and equipment		-	-	-	-
Fixed assets with right of use	16	-	-	-	-
Goodwill	3	28,708	-	5,804	34,512
Other intangible fixed assets		468	-	-	468
Participations in group companies	15	116,183	-	-12,280	103,903
Participating interests in associates and joint ventures	11	78	-	-	78
Other financial fixed assets		26,183	-	-	26,183
Total non-current assets		**171,620**	**-**	**-6,477**	**165,143**
Current assets					
Receivables from group companies		102	-	-	102
Trade receivables and related parties	10	5	-	-	5
Receivables from shareholders		-	-	-	-
Current tax receivables	15	195	-	6720	6,915
Other current assets		503	-	-	503
Cash and cash equivalents	10	36,371	-	-	36,371
Total current assets		**37,176**	**-**	**6,720**	**43,896**
Total assets		**208,796**	**-**	**243**	**209,039**
Equity	10, 15	**128,955**	**-**	**-7,570**	**121,385**
Non-current liabilities					
Non-current loans		64,213	-	-	64,213
Other non-current financial liabilities		-	-	-	-
Provisions		500	-	-	500
Deferred tax liabilities		-	-	-	-
Lease obligations		-	-	-	-
Total non-current liabilities		**64,713**	**-**	**-**	**64,713**
Current liabilities					
Trade and other payables		265	-	-	265
Taxes and social security contributions		-	-	-	-
Personnel costs to be paid		262	-	-	262
Provisions		-	-	-	-
Liabilities to group companies	10, 15	12,681	-	6,720	19,401
Liabilities to shareholders and associates		1,856	-	-	1,856
Other liabilities	10	64	-	1,094	1,158
Total current liabilities		**15,128**	**-**	**7,814**	**22,942**
Total equity and liabilities		**208,796**	**-**	**243**	**209,039**

The main holding gains and losses in the balance sheet as at January 1 and December 31, 2022 were caused by:

- IFRS 10: valuation at fair value of the earn-out and the obligation to buy the non-controlling interest in two group companies
- IFRS 15: profit recognition on contracts with customers

The reconciliation of the statement of profit or loss according to NL GAAP and IFRS for 2022 is as follows:

Amounts in 1,000 euros	IFRS standard	Jan 1, 2022 NL-GAAP	Presentation	Profit or loss	Jan 1, 2022 IFRS
Employee benefits expense	3	-590	-	-62	-652
Social security contributions and pensions		-	-	-	-
Other personnel costs		-	-	-	-
Hiring from third parties		-	-	-	-
Amortization of intangible fixed assets	3	-5,295		5,295	-
Depreciation of tangible fixed assets and rights-of-use assets	16	-	-	-	-
Other operating costs	3	-1,174		-230	-1,404
Impairment (loss) / reversal		-	-	-	-
Operating costs		**-7,058**	**-**	**5,002**	**-2,056**
Operating profit		**-7,058**	**-**	**5,002**	**-2,056**
Financial income		-	-	-	-
Financial charges		-1,056	-	-	-1,056
Other non-operating results		-	-	-	-
Share in result of group companies after tax	3, 15	38,595	-	6,753	45,348
Share in result of associates and joint ventures	10	-829	-	-	-829
Profit before tax		**29,653**	**-**	**11,755**	**41,408**
Income taxes		622	-	-	622
Profit / Loss After Tax		**30,274**		**11,755**	**42,029**
Result attributable to non-controlling interests group companies		-		-	-
Result attributable to shareholders of Unica Groep B.V.		**30,274**		**11,755**	**42,029**

For further information on the adoption, please refer to note 2 of the consolidated financial statements.

The main effects of the differences in profit and loss for 2022 were mainly caused by:

- IFRS 3: annual impairment analysis of goodwill instead of amortisation
- IFRS 10: deconsolidation of a partnership contract through a general partnership ("joint operation")
- IFRS 16: Depreciation of assets in use instead of rental and lease costs

The adoption of IFRS as of 1 January did not have a significant impact on the cash flow statement.

	IFRS standard	2022 NL GAAP	Effect IFRS	2022 IFRS
Operating profit	3, 10, 16	**48,072**	**12,206**	**60,278**
Adjustments for depreciations	16	24,837	6,605	31,442
Operational cashflow before changes working capital		**72,909**	**18,811**	**91,720**
Net-change in working capital		-33,026	402	-32,624
Cashflow from operational activities		**39,883**	**19,213**	**59,096**
Cashflow from investment activities	16	**-32,960**	**-23,117**	**-56,077**
Cashflow from financing activities		**12,370**	**-**	**12,370**
Net cashflow		**15,455**	**-66**	**15,389**
Cash in acquired companies		3,838	-	3,838
Cash per 1 January 2022		**53,905**	**-90**	**53,815**
Cash per 31 December 2022		**73,198**	**-156**	**73,042**

Notes to various items company financial statements

General remarks

Unless otherwise stated, the accounting policies of the company balance sheet and profit and loss account are identical to the accounting policies of the consolidated balance sheet and profit and loss account.

1 - Goodwill

The movements in goodwill are as follows:

Amounts in 1,000 euros	2023	2022
Balance as of January 1	34,512	33,418
Adoption IFRS	0	1,094
Acquisitions	0	0
Divestments	0	0
Balance as at December 31	**34,512**	**34,512**

2 - Participation in group companies

Shareholdings in group companies relate to direct or indirect interests in Group companies as disclosed in note 1 of the consolidated financial statements. Valuation was carried out using the equity method.

The development of the participations in group companies is as follows:

Amounts in 1,000 euros	2023	2022
Balance as of January 1	103,903	59,055
Acquisitions	0	172
Share in net result	50,907	45,348
Dividends received	-5,740	-757
Corrections	22	85
Balance as at December 31	**151,115**	**109,903**

3 - Non-consolidated subsidiaries

Shareholdings in group companies relate to direct or indirect interests in group companies as disclosed in note 1 of the consolidated financial statements. Valuation was carried out using the equity method.

The movement in non-consolidated participations is as follows:

Amounts in 1,000 euros	2023	2022
Balance as of January 1	78	108
Share in net result	0	-829
Dividends received	0	-30
Reclassification	0	500
Corrections	0	329
Balance as at December 31	**78**	**78**

4 - Loans to group companies

The movement in loans to group companies is as follows:

Amounts in 1,000 euros	2023	2022
Balance as of January 1	26,123	0
New loans	0	26,123
Repayments	-5,015	0
Balance as at December 31	**21,108**	**26,123**

Most of the loans granted are of a long-term nature.

5 - Other non-current receivables

The other non-current receivable relates to a loan to a non-consolidated general partnership.

The development of other non-current receivables is as follows:

Amounts in 1,000 euros	2023	2022
Balance as of January 1	60	90
New loans	0	135
Provision	0	-165
Balance as at December 31	**60**	**60**

6 - Subscribed capital

The company's share capital amounts to €50 million, divided into 50 million ordinary shares with a nominal value of €1. The ordinary shares are divided into shares A, -B, -C, -D and -E. The breakdown of the subscribed and paid-up capital is as follows:

Amounts in 1,000 euros	2023	2022
5,000,000 ordinary shares-A	5,000	5,000
5,000,000 ordinary Shares-B	5,000	5,000
	10,000	**10,000**

The subscribed capital is subscribed at par.

7 - Legal reserve for participating interests

The development of the legal reserve for participating interests is as follows:

Amounts in 1,000 euros	2023	2022
Balance as of January 1	57	125
Mutation	0	-68
Balance as at December 31	**57**	**57**

8 - Legal reserve for development costs

The development of the legal reserve for development costs is as follows:

Amounts in 1,000 euros	2023	2022
Stand as of January 1	3,141	2,025
Mutation	7	1,116
Balance as at December 31	**3,148**	**3,141**

9 - Reserve for retained earnings

The development of the retained earnings reserve is as follows:

Amounts in 1,000 euros	2023	2022
Stand as of January 1	108,187	67,204
Mutation legal reserve for participating interests	0	68
Mutation legal reserve for development costs	-7	-1,116
Appropriation of net result	49,620	42,029
Adjustment	-93	2
Balance as at December 31	**157,707**	**108,187**

The remaining reserves are 50% linked to A shares and 50% to B shares.

Appropriation of profit 2022

In accordance with the resolution of the General Meeting of April26, 2023, the profit for 2022 has been added to the other reserves.

Proposal for 2023 appropriation of net result

The Board of Directors proposes to the General Meeting to add the profit for 2023 in full to the other reserves.

10 - Provisions

The provision made in 2002 relates to a provision for a loss-making contract.

11 - Non-current liabilities

Movements in non-current liabilities are as follows:

Amounts in 1,000 euros	2023	2022
Balance as of January 1	64,213	0
Proceeds from borrowings	0	64,213
Redemption of loans	-27,187	0
Balance as at December 31	**37,026**	**64,213**

12 - Off-balance-sheet commitments

The company is part of a fiscal unity for corporate income tax and turnover tax with the parent company Penta Technologies B.V. and is therefore jointly and severally liable for the corporate income tax debt and the turnover tax debt of the fiscal unity as a whole.

The legal person is directly and indirectly involved in several general partnerships and is jointly and severally liable for the debts of those general partnerships.

A consortium of banks provided loans, credit facilities and guarantees to the parent company Penta Technologies B.V. or directly to a group company. In connection with this, the Group and its group companies have pledged receivables, inventories and inventory.

13 - Related party transactions

Unica Groep B.V. charges interest or pays interest to operating companies for investments in fixed assets and working capital. In 2023, this amounted to € 1.1 million (2022: € 1.2 million).

Unica Groep B.V. has provided loans to Group companies, mainly in connection with acquisitions. No repayment schedules are agreed on the loans.

For 2023 and 2022, no remuneration of current and former directors or remuneration for Supervisory Board members was charged other than as presented in note 66 of the consolidated financial statements.

14 - Number of employees

The company has no employees in 2023 (2022: 0).

15 - Adoption of the annual accounts

The consolidated and company financial statements IFRS were adopted by the Executive Board and Supervisory Board on April 26, 2024 in Hoevelaken followed by approval by the General Meeting of shareholders on May 1, 2024.

John Quist, CEO
Ron van Laar, CFO
Debby Slofstra, COO

Michiel Jaski, chairman Supervisory Board
Henk ten Hove, member of the Supervisory Board
Luc Hendriks, member of the Supervisory Board

Other information

Independent auditor's report
For this purpose, reference is made to the statement included in the filed financial statements.

Provisions of the articles of association relating to the appropriation of profit or loss
The General Meeting is authorised to allocate the profit determined by the adoption of the annual accounts. If the General Meeting does not adopt a resolution to approgate the profit prior to or at the latest immediately after the resolution to adopt the annual accounts, the profit will be reserved.

Dutch Heat Act

Information reported under the Dutch Heat Act (Warmtewet):

		Hoog Catharijne
Connection year end 2023		
up to 100 kW	number	197
Heat sales		
up to 100 kW	GJ	4,841
Total connection capacity		
up to 100 kW	kW	2,468
Revenue split by rate components		
Energy sales	€	327,333
Fixed charges	€	75,624
Measurement costs	€	5,006
Fixed costs of delivery set	€	22,336
Storage exchanger	€	5,847
Storage > 25 kW	€	1,475
Registration and cancellation charges	€	-
Maintenance costs	€	139,141
Result	€	133,380

Glossary of terms

Tax burden	Taxes as a percentage of the earnings from normal business operations
Cash flow	Net profit plus depreciations
CoSS	Code of Sustainable Supply
CSRD	Corporate Sustainability Reporting Directive
Current ratio	Current assets/current liabilities
EBIT	Earnings before interest and taxes
EBITA	Earnings before interest, taxes and amortisation of goodwill
EBITA margin	EBITA/total operating income
EBITDA	Earnings before interest, taxes, depreciation of tangible fixed assets and amortisation of goodwill
EBT	Earnings before tax
EED	European Energy Efficiency Directive
EML	Recognised measures list
ESG	Environmental, Social & Governance
ESRS	European Sustainability Reporting Standard
GRI	Global Reporting Initiative
FTE	Fulltime Equivalent
GoO	Guarantee of Origin
KPI	Key Performance Indicator
LCA	Lifecycle Analysis
OECD Directive	Guideline from the Organisation for Economic Cooperation and Development
QHSE	Quality, Health, Safety, Environment
Quick ratio	Current assets less stocks/current liabilities
Return on shareholders' equity	Net profit as a percentage of equity
SBT	Science Based Targets
SCL	Safety Culture Ladder
SDGs	Sustainable Development Goals (Sustainable development)
Solvency	Equity/total capital
SROI	Social Return on Investment
Working capital	Equity plus third-party share plus provisions

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