

VM Building Solutions Scandinavia A/S

Vejlsøvej 51,

8600 Silkeborg

CVR No. 19678202

Annual Report 2023

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 11 July 2024

Norbert Schneider
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of VM Building Solutions Scandinavia A/S for the financial year 1 January 2023 - 31 December 2023.

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

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

Silkeborg, 11 July 2024

Executive Board

Norbert Schneider
Man. Director

Supervisory Board

Mark Vandecruys
Chairman

Steven Andreas F Geirnaert
Member

Norbert Schneider
Member

Independent auditor's report

To the shareholders of VM Building Solutions Scandinavia A/S

Opinion

We have audited the financial statements of VM Building Solutions Scandinavia A/S for the financial year 1 January 31 December 2023, comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

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

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

Management's responsibility for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- * identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- * obtain an understanding of internal control relevant to the audit in order to design audit procedures that are

Independent auditor's report

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- * evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- * conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- * evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aarhus, 11 July 2024

KPMG

Statsautoriseret Revisionspartnerselskab

CVR-no. 25578198

Katrine Gybel
State Authorised Public Accountant
mne45848

Dennis Valdeck Hansen
State Authorised Public Accountant
mne49092

VM Building Solutions Scandinavia A/S

Company details

Company	VM Building Solutions Scandinavia A/S Vejlsøvej 51, 8600 Silkeborg
Telephone	86848005
CVR No.	19678202
Financial year	1 January 2023 - 31 December 2023
Supervisory Board	Mark Vandecruys Steven Andreas F Geirnaert Norbert Schneider
Executive Board	Norbert Schneider
Auditors	KPMG Statsautoriseret Revisionspartnerselskab Frederiks Plads 42, 7. tv 8000 Aarhus C CVR-no.: 25578198

Management's Review

The Company's principal activities

The Company's principal activities consist in to market all types of laminated zinc products and accessories related thereto, primarily for the construction industry, as well as to further develop the market for the above-mentioned products. Furthermore, the Company has engaged in technical support for the purpose of the application of the above-mentioned products and accessories.

Development in activities and the financial situation of the Company

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK 1,791,192 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 22,342,378 and an equity of DKK 4,086,781.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting Class

The annual report of VM Building Solutions Scandinavia A/S for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with the adoption of individual rules from class C

Reclassifications

Referring to the true and fair view set out in the Danish Financial Statements Act, the Company has reclassified individual items in the income statement. The reclassifications have affected the items other external expenses and staff cost but have not affected results before tax, results for the year or equity. Comparative figures have been restated accordingly.

Besides the above the accounting policies applied remain unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

General information

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

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

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

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

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Accounting Policies

Income statement

Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Cost of sales

Cost of sales comprises costs incurred to generate revenue for the year. This item also comprises direct costs for goods for resale and changes to inventory of goods for resale.

Other operating income

Other operating income comprises items of a secondary nature to the activities of the enterprises, including profits on sale of intangible and tangible assets and refunds from public authorities.

Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc.

Other staff expenses are recognised in other external expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding, accounts payable and transactions in foreign currencies, and surcharges and allowances under the advance-payment of tax scheme.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment 5 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Accounting Policies

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

Impairment of fixed assets

The carrying amount of property, plant is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

Inventories

Inventories are measured at cost on the basis of the FIFO principle. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

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

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Prepaid expenses

Prepaid expenses recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Provisions

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Accounting Policies

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Income Statement

	Note	2023 kr.	2022 kr.
Gross profit		11,934,901	11,573,187
Employee benefits expense	1	-8,638,986	-8,240,046
Profit from ordinary operating activities		3,295,915	3,333,141
Other finance income	2	876,032	465,763
Finance expenses	3	-1,864,340	-836,336
Profit from ordinary activities before tax		2,307,607	2,962,568
Tax expense on ordinary activities		-516,415	-701,314
Profit		1,791,192	2,261,254
 Proposed distribution of results			
Proposed dividend recognised in equity		2,586,781	2,250,694
Retained earnings		-795,589	10,560
Distribution of profit		1,791,192	2,261,254

VM Building Solutions Scandinavia A/S

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Assets			
Fixtures, fittings, tools and equipment		19,520	0
Property, plant and equipment		19,520	0
Receivables from group entities		12,222,555	29,248,653
Other receivables		0	196,000
Deposits, investments		91,408	0
Investments		12,313,963	29,444,653
Fixed assets		12,333,483	29,444,653
Finished goods and goods for resale		4,539,570	5,754,097
Inventories		4,539,570	5,754,097
Trade receivables		60,607	1,422,327
Short-term receivables from group enterprises		4,257,760	0
Current deferred tax		0	5,234
Other receivables		0	41,050
Prepayments		120,648	52,060
Other receivables		4,439,015	1,520,671
Cash and cash equivalents		1,030,310	244,293
Current assets		10,008,895	7,519,061
Assets		22,342,378	36,963,714

VM Building Solutions Scandinavia A/S

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Contributed capital		1,500,000	1,500,000
Retained earnings		0	795,589
Proposed dividend recognised in equity		2,586,781	2,250,694
Equity		4,086,781	4,546,283
Provisions for deferred tax		24,189	0
Provisions		24,189	0
Trade payables		825,303	655,575
Payables to group enterprises		13,891,255	29,253,760
Tax payables		64,992	72,912
Other payables		3,449,858	2,435,184
Short-term liabilities other than provisions		18,231,408	32,417,431
Liabilities other than provisions within the business		18,231,408	32,417,431
Liabilities and equity		22,342,378	36,963,714
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Statement of changes in Equity

	Contributed capital	Retained earnings	Proposed dividend recognised in equity	Total
Equity 1 January 2023	1,500,000	795,589	2,250,694	4,546,283
Proposed dividend	0	-2,586,781	2,586,781	0
Dividend paid	0	0	-2,250,694	-2,250,694
Profit (loss)	0	1,791,192	0	1,791,192
Equity 31 December 2023	1,500,000	0	2,586,781	4,086,781

The share capital has remained unchanged for the last 5 years.

Notes

1. Employee benefits expense

	2023	2022
Wages and salaries	7,858,970	7,412,401
Pensioner	604,282	600,153
Other social security expenses	175,734	227,492
	8,638,986	8,240,046
Average number of employees	10	11

2. Other finance income

Interest income from group entities	616,947	350,603
Other financial income	259,085	115,160
	876,032	465,763

3. Finance expenses

Finance expenses arising from group enterprises	43,280	0
Other financial expenses	1,821,060	836,336
	1,864,340	836,336

4. Contractual obligations, contingencies, etc.

Operating lease obligations

The Company has entered into operating leases with a remaining term of 6-21 months and an average monthly lease payment of DKK 77,897, totaling DKK 794,547.

5. Related parties

VM Building Solutions Scandinavia A/S' related parties comprise the following:

Control

VM Building Solutions Scandinavia A/S is included in the consolidated financial statements of the Parent Company, Fedrus International NV Puurs Belgium, which is the smallest group in which the Company is included as a subsidiary.