martinsen
Rådgivning & Revision

Bredenoord A/S

Norgesvej 6C, 7100 Vejle

Annual report

2023

Company reg. no. 32 45 12 92

The annual report was submitted and approved by the general meeting on the 15 April 2024.

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Jaap Fluit
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Contents

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Bredenoord A/S for the financial year 2023.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Vejle, 15 April 2024

Managing Director

Jaap Fluit

Board of directors

Cornelis Rudolf Maria Verhoeven	Brian Vangsgaard Nielsen	Jaap Fluit

The independent practitioner’s report

To the Shareholder of Bredenoord A/S

Opinion

We have performed an extended review of the financial statements of Bredenoord A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's 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 for Opinion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor’s responsibilities for the extended review 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management’s Responsibilities for the Financial Statements

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

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

Auditor’s responsibilities for the extended review of the Financial Statements

Our responsibility is to express a opinion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our opinion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our opinion.

The independent practitioner's report

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

Statement on the 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 opinion thereon.

In connection with our extended review 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 extended review, 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 Statements Act. We did not identify any material misstatement in the Management's Review.

Vejle, 15 April 2024

Martinsen
State Authorised Public Accountants
Company reg. no. 32 28 52 01

Jakob Bjerrum Olsen
State Authorised Public Accountant
mne46636

Company information

The company	Bredenoord A/S Norgesvej 6C 7100 Vejle	
	Company reg. no.	32 45 12 92
	Established:	17 September 2009
	Financial year:	1 January 2023 - 31 December 2023
Board of directors	Cornelis Rudolf Maria Verhoeven Brian Vangsgaard Nielsen Jaap Fluit	
Managing Director	Jaap Fluit	
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Dandyvej 3 B 7100 Vejle	
Parent company	Bredenoord International B. V.	

Management´s review

Description of key activities of the company

Like previous years, the activities are trade and service, leasing and related activities.

Development in activities and financial matters

The gross profit for the year totals DKK 9.214.845 against DKK 7.482.187 last year. Income from ordinary activities after tax totals DKK 1.073.641 against DKK 790.174 last year.

Management considers the net profit for the year satisfactory.

Accounting policies

The annual report for Bredenoord A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Income statement

Gross profit

Gross profit comprises the revenue, cost of sales, work in progress, other operating income and other external costs.

Accounting policies

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Contract work in progress concerning lease contracts is recognised in the revenue concurrently with the rental process. Thus, the revenue corresponds to the selling price of the total yearly lease. The revenue is recognised when the total income and costs of the contract can be reliably validated and it is deemed probable that the financial benefits will flow to the company.

When the results of a contract cannot be reliably validated, the revenue is recognised solely on a cost basis to the extent that it seems probable that the costs will be recovered.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets and salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and write-down for impairment

Depreciation and write-downs contain the year's depreciation and write-downs of tangible fixed assets.

Other operating expenses

Other operating expenses comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses.

Accounting policies

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Statement of financial position

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Other fixtures and fittings, tools and equipment	5-15 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

All leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Accounting policies

Impairment loss relating to non-current assets
The carrying amount of tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist.

Deposits
Deposits are measured at amortised cost and represent lease deposits, etc.

Inventories
Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale and raw materials comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables
Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Accounting policies

Contract work in progress

Contract work in progress is measured at the selling price of outstanding lease income according to contract.

When the selling price of the individual work in progress cannot be determined reliably, the selling price is measured at the costs incurred or at net realisable value, if this is lower.

The individual work in progress is recognised in the statement of financial position under accounts receivables or liabilities. Net assets consist of the sum of the work in progress, where the selling price of the work performed exceeds invoicing on account. Net liabilities consist of the sum of the work in progress, where invoicing on account exceeds the selling price.

Costs in connection with sales work and the procurement of contracts are recognised in the income statement when incurred.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, prepayments received from customers and other payables are measured at amortised cost which usually corresponds to the nominal value.

Income statement 1 January - 31 December

All amounts in DKK.

Note		2023	2022
	Gross profit	**9.214.845**	**7.482.187**
1	Staff costs	-7.408.375	-6.185.222
	Depreciation and impairment of property, land, and equipment	-363.444	-229.885
	Other operating expenses	0	-45.976
	Profit before net financials	**1.443.026**	**1.021.104**
	Other financial income	68	248
	Other financial expenses	-58.099	-42.132
	Pre-tax net profit or loss	**1.384.995**	**979.220**
	Tax on net profit or loss for the year	-311.354	-189.046
	Net profit or loss for the year	**1.073.641**	**790.174**
	Proposed distribution of net profit:		
	Transferred to retained earnings	1.073.641	790.174
	Total allocations and transfers	**1.073.641**	**790.174**

Balance sheet at 31 December

All amounts in DKK.

Note	Assets	2023	2022
	Non-current assets		
	Plant and machinery	3.958.880	1.089.277
	Total property, plant, and equipment	3.958.880	1.089.277
	Deposits	238.125	238.125
	Total investments	238.125	238.125
	Total non-current assets	**4.197.005**	**1.327.402**
	Current assets		
	Raw materials and consumables	1.403.164	947.773
	Total inventories	1.403.164	947.773
	Trade debtors	5.688.034	3.149.285
	Work in progress for the account of others	1.833.443	1.026.230
	Receivables from group enterprises	0	2.130.542
	Income tax receivables	143.722	16.954
	Other receivables	52.195	0
	Prepayments	179.440	179.028
	Total receivables	7.896.834	6.502.039
	Cash and cash equivalents	2.271.415	1.414.412
	Total current assets	**11.571.413**	**8.864.224**
	Total assets	**15.768.418**	**10.191.626**

Balance sheet at 31 December

All amounts in DKK.

Note	Equity and liabilities	2023	2022
	Equity		
	Contributed capital	500.000	500.000
	Retained earnings	7.721.144	6.647.503
	Total equity	**8.221.144**	**7.147.503**
	Provisions		
	Provisions for deferred tax	165.000	0
	Total provisions	**165.000**	**0**
	Liabilities other than provisions		
	Prepayments received from customers	471.013	517.228
	Trade creditors	1.361.533	500.376
	Payables to group enterprises	2.658.851	0
	Other payables	2.890.877	2.026.519
	Total short term liabilities other than provisions	7.382.274	3.044.123
	Total liabilities other than provisions	**7.382.274**	**3.044.123**
	Total equity and liabilities	**15.768.418**	**10.191.626**
2	**Contingencies**		

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Total
Equity 1 January 2022	500.000	5.857.329	6.357.329
Profit or loss for the year brought forward	0	790.174	790.174
Equity 1 January 2023	500.000	6.647.503	7.147.503
Profit or loss for the year brought forward	0	1.073.641	1.073.641
	500.000	**7.721.144**	**8.221.144**

Notes

All amounts in DKK.

		2023	2022
1.	**Staff costs**		
	Salaries and wages	6.607.776	5.530.890
	Pension costs	675.963	573.027
	Other costs for social security	44.306	37.395
	Other staff costs	80.330	43.910
		7.408.375	**6.185.222**
	Average number of employees	13	11

2. Contingencies

Contingent liabilities

Rental obligation

The company has entered into rental agreements with a notice of termination for 6 months. On 31. december 2023, the rental obligation amounts to DKK 365.625.

Leasing obligation

The company has entered into leasing agreements which will run for the next 36 month. On 31. december 2023, the lease obligation amounts to DKK 361.977.