

BDA Living ApS

**Marsk Stigs Vej 2D, st.
8800 Viborg**

**CVR no. 40 70 18 93
Annual report for 2023**

Adopted at the annual general meeting on 9 June 2024

Finn Hansen
chairman

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Statement by management on the annual report

The executive board has today discussed and approved the annual report of BDA Living ApS for the financial year 1 January - 31 December 2023.

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

In our opinion, the financial statements give a true and fair view of the 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 our opinion, management's review includes a fair review of the matters dealt with in the management's review.

The financial statements have not been audited. Management considers the criteria for not auditing the financial statements to be met.

Management recommends that the annual report should be approved by the company in general meeting.

Viborg, 29 April 2024

Executive board

Finn Hansen
Director

Allan René Christiansen
director

Auditor's report on compilation of the financial statements

To the shareholders of BDA Living ApS

We have compiled the financial statements of BDA Living ApS for the financial year 1 January - 31 December 2023 based on the company's bookkeeping records and other information made available by enterprise.

The financial statements comprises a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes.

We performed the engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist the enterprise in the preparation and presentation of the financial statements in accordance with the Danish Financial Statements Act. We complied with the relevant provisions of the Danish Act on Approved Auditors and with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), including principles relating to integrity, objectivity, professional competence and due care.

The financial statements and the accuracy and completeness of the information used to compile the financial statements are the enterprise's responsibility.

As a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by enterprise for our compilation of the financial statements. Accordingly, we do not express an audit or a review conclusion on whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Viborg, 29 April 2024

Andersen Revision
Statsautoriseret Revisionsaktieselskab
CVR no. 32 32 67 06

Hans Peter Andersen
State Authorised Public Accountant
mne32181

Company details

The company

BDA Living ApS
Marsk Stigs Vej 2D, st.
8800 Viborg

CVR no.: 40 70 18 93

Reporting period: 1 January - 31 December 2023

Domicile: Viborg

Executive board

Finn Hansen, director
Allan René Christiansen, director

Auditors

Andersen Revision
Statsautoriseret Revisionsaktieselskab
Vestervangsvej 14
8800 Viborg

Bankers

Jyske Bank
Sct. Mathias Gade 21
8800 Viborg

Management's review

Business review

The company's main activity is to buy and sell plumbing supplies and thus related activities.

Recognition and measurement uncertainties

A deferred tax asset has been recognized in the balance sheet as of 31/12 2023 at DKK 342 thousand. It's management's assessment that in the coming years a tax result will be generated that enables the utilization of this asset.

Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 1.690.841, and the balance sheet at 31 December 2023 shows negative equity of DKK 2.475.328.

The year's result is significantly influenced by the general market situation. Restraint in consumption and rising inflation have played a significant role in relation to the year's result.

The management is still positive about the future and expects 2024 to end in results that balance and in 2025 to be able to deliver positive results again.

The company's most important creditor is under the same ownership group as BDA Living ApS and is prepared to provide the necessary financial facilities for the operation of BDA Living ApS.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Income statement 1 January - 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> TDKK
Gross profit		559.698	1.725
Staff costs	1	-1.820.979	-3.414
Resultat før af- og nedskrivninger		-1.261.281	-1.689
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-233.160	-220
Profit/loss before net financials		-1.494.441	-1.909
Financial income		-17.022	16
Financial costs	2	-241.859	-78
Profit/loss before tax		-1.753.322	-1.971
Tax on profit/loss for the year		62.481	410
Profit/loss for the year		-1.690.841	-1.561
 Recommended appropriation of profit/loss			
Retained earnings		-1.690.841	-1.561
		-1.690.841	-1.561

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> TDKK
Assets			
Completed development projects		334.850	460
Acquired patents		35.840	63
Intangible assets	3	370.690	523
Other fixtures and fittings, tools and equipment	4	31.899	62
Leasehold improvements	4	144.449	196
Tangible assets		176.348	258
Deposits		86.427	86
Fixed asset investments		86.427	86
Total non-current assets		633.465	867
Finished goods and goods for resale		190.739	245
Stocks		190.739	245
Trade receivables		158.116	378
Deferred tax asset	6	341.926	279
Corporation tax		18.000	0
VAT and duties receivables		0	35
Prepayments		15.301	0
Receivables		533.343	692
Cash at bank and in hand		223.395	1.361
Total current assets		947.477	2.298
Total assets		1.580.942	3.165

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> TDKK
Equity and liabilities			
Share capital		40.000	40
Retained earnings		-2.515.328	-825
Equity		-2.475.328	-785
Trade payables		3.505.924	3.392
Other payables		550.346	558
Total current liabilities		4.056.270	3.950
Total liabilities		4.056.270	3.950
Total equity and liabilities		1.580.942	3.165
Uncertainty about the continued operation (going concern)	5		
Uncertainty in the recognition and measurement	6		
Mortgages and collateral	7		

Statement of changes in equity

	Share capital	Retained earnings	Total
Equity at 1 January 2023	40.000	-824.487	-784.487
Net profit/loss for the year	0	-1.690.841	-1.690.841
Equity at 31 December 2023	40.000	-2.515.328	-2.475.328

Notes

	<u>2023</u>	<u>2022</u>
	DKK	TDKK
1 Staff costs		
Wages and salaries	1.547.914	3.026
Pensions	241.999	340
Other social security costs	31.066	48
	<u>1.820.979</u>	<u>3.414</u>
Number of fulltime employees on average	<u>3</u>	<u>5</u>
2 Financial costs		
Other financial costs	6.303	15
Exchange loss	235.556	63
	<u>241.859</u>	<u>78</u>
3 Intangible assets		
	Completed development projects	Acquired pa- tents
Cost at 1 January 2023	<u>629.033</u>	<u>122.245</u>
Cost at 31 December 2023	<u>629.033</u>	<u>122.245</u>
Impairment losses and amortisation at 1 January 2023	168.375	59.585
Amortisation for the year	125.808	26.820
Impairment losses and amortisation at 31 December 2023	<u>294.183</u>	<u>86.405</u>
Carrying amount at 31 December 2023	<u>334.850</u>	<u>35.840</u>
4 Tangible assets		
	Other fixtures and fittings, tools and equipment	Leasehold im- provements
Cost at 1 January 2023	<u>103.485</u>	<u>246.675</u>
Cost at 31 December 2023	<u>103.485</u>	<u>246.675</u>
Impairment losses and depreciation at 1 January 2023	41.886	51.394
Depreciation for the year	29.700	50.832
Impairment losses and depreciation at 31 December 2023	<u>71.586</u>	<u>102.226</u>
Carrying amount at 31 December 2023	<u>31.899</u>	<u>144.449</u>

Notes

5 Uncertainty about the continued operation (going concern)

The year's result is significantly influenced by the general market situation. Restraint in consumption and rising inflation have played a significant role in relation to the year's result.

The management is still positive about the future and expects 2024 to end in results that balance and in 2025 to be able to deliver positive results again.

The company's most important creditor is under the same ownership group as BDA Living ApS and is prepared to provide the necessary financial facilities for the operation of BDA Living ApS.

6 Uncertainty in the recognition and measurement

A deferred tax asset has been recognized in the balance sheet as of 31/12 2023 at DKK 342 thousand. It's management's assessment that in the coming years a tax result will be generated that enables the utilization of this asset.

7 Mortgages and collateral

None.

Accounting policies

The annual report of BDA Living ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to reporting class B entities, as well as provisions applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2023 is presented in DKK

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Intangible assets

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight-line basis over the remaining patent period, and licences are amortised over the licence term, however maximally 8 years.

Accounting policies

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	10 years

Assets costing less than DKK 32.000 are expensed in the year of acquisition.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Accounting policies

Liabilities

Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.