

## **Brdr. Christensens ApS**

Broksøvej 79, 4690 Haslev


**CVR no. 42 88 81 17**

**Annual report for the period  
1 January to 31 December 2023**

Adopted at the annual general meeting on 9 July 2024

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Guarav Anand  
Chairman

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## **Statement by management on the annual report**

The supervisory board and executive board have today discussed and approved the annual report of Brdr. Christensens 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.

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

Faxe, 9 July 2024

### **Executive board**

Yuvraj Anand

### **Supervisory board**

Kurt Hansen  
chairman

Gaurav Anand

Yuvraj Anand

## Independent auditor's report

*To the shareholder of Brdr. Christensens ApS*

### Qualified Opinion

We have audited the financial statements of Brdr. Christensens ApS 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.

In our opinion, except for the effects of the matter(s) described in the "Basis for Qualified Opinion" paragraph, 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 Qualified Opinion

We have not been able to check the physical presence of the company's raw material stock corresponding to DKK 1 million, just as we have not been able to obtain documentation for the valuation. During our audit, we have not been able to confirm the presence or valuation of this inventory as of 31 December 2023, which in the annual report is recognized at 1 million dkk. We therefore reserve the right to stock availability and valuation. It has not been possible to calculate the possible impact of this on profit, equity and inventories.

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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified 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 the 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.

## **Independent auditor's report**

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about 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 applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 that we identify during our audit.

## Independent auditor's report

### Statement on management's review

Management is responsible for management's review.

Our opinion on the financial statements does not cover 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 management's review and, in doing so, consider whether 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 management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 of management's review.

Copenhagen, 9 July 2024

**Baker Tilly Denmark**  
Godkendt Revisionspartnerselskab  
CVR no. 35 25 76 91

Henrik Ulvsgaard  
State Authorised Public Accountant  
mne21318

## Company details

The company	Brdr. Christensens ApS Broksøvej 79 4690 Haslev CVR no.: 42 88 81 17 Reporting period: 1 January - 31 December 2023 Incorporated: 8 December 2021 Domicile: Faxe
Supervisory board	Kurt Hansen, chairman Gaurav Anand Yuvraj Anand
Executive board	Yuvraj Anand
Auditors	Baker Tilly Denmark Godkendt Revisionspartnerselskab Poul Bundgaards Vej 1, 1. 2500 Valby

## Management's review

### Business review

The purpose of the company is to operate business within the metal industry, including manufacturing of valves and other related business.

### Financial review

The company's income statement for the year ended 31 December 2023 shows a loss of DKK 6.508.114, and the balance sheet at 31 December 2023 shows negative equity of DKK 8.889.421.

### 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

	Note	2023	2022
		DKK	DKK (13 months)
<b>Gross profit</b>		<b>-337.460</b>	<b>-1.287.588</b>
Staff costs	2	<u>-5.952.357</u>	<u>-5.819.322</u>
<b>Profit/loss before amortisation/depreciation and impairment losses</b>		<b>-6.289.817</b>	<b>-7.106.910</b>
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-221.000	-227.167
Financial costs		<u>-73.057</u>	<u>-47.230</u>
<b>Profit/loss before tax</b>		<b>-6.583.874</b>	<b>-7.381.307</b>
Tax on profit/loss for the year		<u>75.760</u>	<u>0</u>
<b>Profit/loss for the year</b>		<b><u>-6.508.114</u></b>	<b><u>-7.381.307</u></b>
 <b>Distribution of profit</b>			
Retained earnings		<u>-6.508.114</u>	<u>-7.381.307</u>
		<b><u>-6.508.114</u></b>	<b><u>-7.381.307</u></b>

## Balance sheet 31 December

	Note	2023 DKK	2022/21 DKK
<b>Assets</b>			
Plant and machinery	3	1.761.833	1.982.833
Leasehold improvements	3	648.450	0
<b>Tangible assets</b>		<b>2.410.283</b>	<b>1.982.833</b>
Deposits		608.540	626.550
<b>Fixed asset investments</b>		<b>608.540</b>	<b>626.550</b>
<b>Total non-current assets</b>		<b>3.018.823</b>	<b>2.609.383</b>
Finished goods and goods for resale		2.484.783	1.000.000
<b>Stocks</b>		<b>2.484.783</b>	<b>1.000.000</b>
Trade receivables		1.704.655	360.357
Receivables from associates		59.580	94.151
Other receivables		413.969	0
Joint taxation contributions receivable		75.760	0
<b>Receivables</b>		<b>2.253.964</b>	<b>454.508</b>
<b>Cash at bank and in hand</b>		<b>27.481</b>	<b>53.167</b>
<b>Total current assets</b>		<b>4.766.228</b>	<b>1.507.675</b>
<b>Total assets</b>		<b>7.785.051</b>	<b>4.117.058</b>

## Balance sheet 31 December

	Note	2023 DKK	2022/21 DKK
<b>Equity and liabilities</b>			
Share capital		40.000	40.000
Retained earnings		-8.929.421	-2.421.307
<b>Equity</b>		<b>-8.889.421</b>	<b>-2.381.307</b>
Other payables		11.958.494	4.137.657
<b>Total non-current liabilities</b>	4	<b>11.958.494</b>	<b>4.137.657</b>
Prepayments received from customers		1.128.789	0
Trade payables		1.741.685	854.076
Payables to associates		376.734	0
Payables to shareholders and management		1.133.126	1.180.567
Other payables		335.644	326.065
<b>Total current liabilities</b>		<b>4.715.978</b>	<b>2.360.708</b>
<b>Total liabilities</b>		<b>16.674.472</b>	<b>6.498.365</b>
<b>Total equity and liabilities</b>		<b>7.785.051</b>	<b>4.117.058</b>
Uncertainty about the continued operation (going concern)	1		
Contingent liabilities	5		

## Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	40.000	-2.421.307	-2.381.307
Net profit/loss for the year	0	-6.508.114	-6.508.114
<b>Equity at 31 December</b>	<b>40.000</b>	<b>-8.929.421</b>	<b>-8.889.421</b>

## Notes

### 1 Uncertainty about the continued operation (going concern)

Due to negative result, the company has a strained cash-flow in the first financial year. The parent company and the ultimate owner have stated that they would support and finance the company. In addition, it is expected that the planned activities for the coming year will generate positive results.

Based on the above Management has prepared the financial statements on the basis of going concern.

	2023 DKK	2022 DKK (13 months)
<b>2 Staff costs</b>		
Wages and salaries	4.943.861	5.018.132
Pensions	477.269	386.620
Other social security costs	486.558	377.087
Other staff costs	44.669	37.483
	<b>5.952.357</b>	<b>5.819.322</b>
Number of fulltime employees on average	7	7

### 3 Tangible assets

	Plant and machinery DKK	Leasehold improvements DKK	Total DKK
Cost at 1 January	2.210.000	0	2.210.000
Additions for the year	0	648.450	648.450
Cost at 31 December	2.210.000	648.450	2.858.450
Impairment losses and depreciation at 1 January	227.167	0	227.167
Depreciation for the year	221.000	0	221.000
Impairment losses and depreciation at 31 December	448.167	0	448.167
<b>Carrying amount at 31 December</b>	<b>1.761.833</b>	<b>648.450</b>	<b>2.410.283</b>

## Notes

### 4 Long term debt

	Debt at 1 January	Debt at 31 December	Instalment next year	Debt outstanding after 5 years
	DKK	DKK	DKK	DKK
Other payables	4.137.657	11.958.494	0	0
	<b>4.137.657</b>	<b>11.958.494</b>	<b>0</b>	<b>0</b>

### 5 Contingent liabilities

The company is jointly taxed with its parent company, VGK 2021 Holding ApS, and jointly and severally liable with other jointly taxed entities for payment of income taxes for as well as for payment of withholding taxes on dividends, interest and royalties.

## **Accounting policies**

The annual report of Brdr. Christensens ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, 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.

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow 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 will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

### **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.

## Accounting policies

### 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.

### Raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

### Other external expenses

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

### 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

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.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to realised and unrealised capital/exchange gains and losses on liabilities and foreign currency transactions and allowances under the Danish Tax Prepayment Scheme, etc.

### Tax on profit/loss for the year

The company is subject to the Danish rules on compulsory joint taxation.

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.



## Accounting policies

### Balance sheet

#### 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.

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

	Useful life	Residual value
Plant and machinery	10 years	0 %
Leasehold improvements	10 years	0 %

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Gains and losses on the sale of items of property, plant and equipment are calculated as the difference between the selling price, less costs to sell, and the carrying amount at the time of sale. Gains or losses on the sale of items of property, plant and equipment are recognised in the income statement under other operating income or other operating expenses, respectively.

#### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

#### 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.

## Accounting policies

The company and all its Danish group entities are taxed on a joint basis. The current income tax charge is allocated between the jointly taxed entities relative to their taxable income. Tax losses are allocated based on the full absorption method. The jointly taxed entities are eligible for the Danish Tax Prepayment Scheme.

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.

### 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.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.