

Grant Thornton
Godkendt
Revisionspartnerselskab

Stockholmsgade 45
2100 København Ø
CVR-nr. 34209936

T (+45) 33 110 220

www.grantthornton.dk

Symbizon ApS

Jernholmen 54, 2650 Hvidovre

Company reg. no. 39 86 21 31

Annual report

1 July 2023 - 30 June 2024

The annual report was submitted and approved by the general meeting on the 17 October 2024.

Karen Julie Tholander
Chairman of the meeting

Contents

	<u>Page</u>
Reports	
Management's statement	1
The independent practitioner's report	2
Management's review	
Company information	4
Management's review	5
Financial statements 1 July 2023 - 30 June 2024	
Income statement	6
Balance sheet	7
Statement of changes in equity	9
Notes	10
Accounting policies	12

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 %.

Management's statement

Today, the Managing Director has approved the annual report of Symbizon ApS for the financial year 1 July 2023 - 30 June 2024.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 30 June 2024 and of the results of the Company's operations for the financial year 1 July 2023 – 30 June 2024.

Further, in my 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.

Hvidovre, 17 October 2024

Managing Director

Karen Julie Tholander

The independent practitioner's report

To the Shareholders of Symbizon ApS

Conclusion

We have performed an extended review of the financial statements of Symbizon ApS for the financial year 1 July 2023 - 30 June 2024, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies. 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 30 June 2024 and of the results of the Company's operations for the financial year 1 July 2023 - 30 June 2024 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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 "Practitioner'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 conclusion.

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.

Practitioner's responsibilities for the extended review of the Financial Statements

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

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 independent practitioner's report

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 conclusion 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 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.

Copenhagen, 17 October 2024

Grant Thornton

Certified Public Accountants
Company reg. no. 34 20 99 36

Peter Birk Stokholm

State Authorised Public Accountant
mne48468

Company information

The company

Symbizon ApS
Jernholmen 54
2650 Hvidovre

Company reg. no. 39 86 21 31
Financial year: 1 July - 30 June

Managing Director

Karen Julie Tholander

Auditors

Grant Thornton, Godkendt Revisionspartnerselskab
Stockholmsgade 45
2100 København Ø

Management's review

Description of key activities of the company

Like previous years, the activities consists of retailing toys via the internet.

Development in activities and financial matters

The gross profit for the year totals DKK 5.275.076 against DKK 5.532.180 last year. Income or loss from ordinary activities after tax totals DKK 1.518.745 against DKK 1.691.733 last year. Management considers the net profit or loss for the year satisfactory.

Special items recognised:

Over recent years, VAT (Value-Added Tax) regulations within the European Union (EU) have undergone significant changes, particularly in relation to the digital economy and cross-border sales. The introduction of the One Stop Shop (OSS) scheme on July 1, 2021, marked a major milestone in simplifying VAT reporting for businesses engaged in cross-border sales within the EU. Prior to this, companies were required to comply with various national VAT thresholds for distance sales, which posed administrative burdens and complexity.

Before the OSS system was introduced, each EU Member State had its own VAT registration threshold for distance sales of goods to consumers (B2C). Typically, these thresholds ranged between €35,000 and €100,000, depending on the country. Once a business exceeded the threshold in a given country, it was required to register for VAT, charge local VAT rates, and file the returns in that country. Furthermore, if the goods were placed in a member state, a local VAT registration number was required. These challenges created a significant burden for small and medium-sized enterprises like Symbizon ApS, which are engaged in cross-border e-commerce, reducing competitiveness and complicating expansion into new markets.

Furthermore, the UK leaving the European Union, also increased the complexity for our goods stored and sold in the UK. Creating a company from scratch under these complex rules, required management to seek professional advice to manage the different VAT requirements. The management has consistently calculated and recorded VAT in accordance with the applicable regulations. During the expansion into new countries, there was a processing time exceeding two years for obtaining VAT registrations and other related formalities. As a result, the company was unable to make regular payments of the accrued VAT liabilities in these countries. Management engaged with an international VAT agency to retroactively report the VAT obligations for the relevant countries, a process that was completed in 2022/2023.

Following several VAT periods with reliable reporting and calculation support, management has determined that excessive VAT had been accrued in previous financial years. This adjustment has now been made to ensure that the financial statements as of June 30 2024, provide a true and fair view.

The adjustments in the P/L for 2023/24 is DKK 1,079,341.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impacts on the financial position of the company.

Income statement 1 July - 30 June

All amounts in DKK.

<u>Note</u>	<u>2023/24</u>	<u>2022/23</u>
Gross profit	5.275.076	5.532.180
2 Staff costs	-2.862.883	-2.916.394
Operating profit	2.412.193	2.615.786
Other financial income	225.030	73.305
3 Other financial expenses	-618.564	-503.920
Pre-tax net profit or loss	2.018.659	2.185.171
4 Tax on net profit or loss for the year	-499.914	-493.438
Net profit or loss for the year	1.518.745	1.691.733
Proposed distribution of net profit:		
Extraordinary dividend distributed during the financial year	0	600.000
Dividend for the financial year	244.000	600.000
Transferred to retained earnings	1.274.745	491.733
Total allocations and transfers	1.518.745	1.691.733

Balance sheet at 30 June

All amounts in DKK.

Assets		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Current assets		
Manufactured goods and trade goods	7.738.069	7.965.913
Prepayments for goods	941.444	706.230
Total inventories	<u>8.679.513</u>	<u>8.672.143</u>
Trade receivables	2.138.971	999.800
Deferred tax assets	154.000	0
Other debtors	0	61.234
Accrued income and deferred expenses	100.353	100.353
Total receivables	<u>2.393.324</u>	<u>1.161.387</u>
Available funds	<u>1.378.815</u>	<u>3.108.152</u>
Total current assets	<u>12.451.652</u>	<u>12.941.682</u>
Total assets	<u>12.451.652</u>	<u>12.941.682</u>

Balance sheet at 30 June

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2024</u>	<u>2023</u>
Equity		
Contributed capital	52.000	52.000
Retained earnings	4.616.775	3.342.031
Proposed dividend for the financial year	244.000	600.000
Total equity	<u>4.912.775</u>	<u>3.994.031</u>
Provisions		
Other provisions	700.000	0
Total provisions	<u>700.000</u>	<u>0</u>
Liabilities other than provisions		
Income tax payable	515.308	437.438
Total long term liabilities other than provisions	<u>515.308</u>	<u>437.438</u>
Bank debts	3.941.465	4.347.125
Trade creditors	1.122.494	670.307
Debt to associated enterprises	9.848	19.311
Income tax payable	381.438	373.401
Other debts	868.324	3.100.069
Total short term liabilities other than provisions	<u>6.323.569</u>	<u>8.510.213</u>
Total liabilities other than provisions	<u>6.838.877</u>	<u>8.947.651</u>
Total equity and liabilities	<u>12.451.652</u>	<u>12.941.682</u>

1 Special items**5 Charges and security**

Statement of changes in equity

All amounts in DKK.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equity 1 July 2023	52.000	3.342.030	600.000	3.994.030
Distributed dividend	0	0	-600.000	-600.000
Profit or loss for the year brought forward	<u>0</u>	<u>1.274.745</u>	<u>244.000</u>	<u>1.518.745</u>
	<u>52.000</u>	<u>4.616.775</u>	<u>244.000</u>	<u>4.912.775</u>

Notes

All amounts in DKK.

1. Special items

Special items include significant income and expenses of a special nature relative to the enterprise's ordinary operating activities, such as the cost of extensive structuring of processes and fundamental structural adjustments and any related gains on disposal and losses which, over time, have a significant impact. Special items also include other significant amounts of a nonrecurring nature.

As mentioned in the management review, management has consistently calculated and recorded VAT in accordance with the applicable regulations. During the expansion into new countries, there was a processing time exceeding two years for obtaining VAT registrations and other related formalities. As a result, the company was unable to make regular payments of the accrued VAT liabilities in these countries. Management engaged with an international VAT agency to retroactively report the VAT obligations for the relevant countries, a process that was completed in 2022/2023.

Following several VAT periods with reliable reporting and calculation support, management has determined that excessive VAT had been accrued in previous financial years. This adjustment has now been made to ensure that the financial statements as of June 30 2024, provide a true and fair value.

Special items for the year are specified below, indicating where they are recognised in the income statement.

	<u>2023/24</u>
Income:	
Reversal of excessive accrued VAT	<u>1.079.341</u>
	<u>1.079.341</u>
Special items are recognised in the following items in the financial statements:	
Gross profit	<u>1.079.341</u>
Profit of special items, net	<u>1.079.341</u>

	<u>2023/24</u>	<u>2022/23</u>
2. Staff costs		
Salaries and wages	2.617.079	2.741.345
Pension costs	209.489	133.200
Other costs for social security	14.598	19.313
Other staff costs	<u>21.717</u>	<u>22.536</u>
	<u>2.862.883</u>	<u>2.916.394</u>
Average number of employees	<u>4</u>	<u>6</u>

Notes

All amounts in DKK.

	<u>2023/24</u>	<u>2022/23</u>
3. Other financial expenses		
Other financial costs	618.564	503.920
	<u>618.564</u>	<u>503.920</u>
4. Tax on net profit or loss for the year		
Tax of the results for the year, parent company	605.308	493.438
Adjustment for the year of deferred tax	-154.000	0
Adjustment of tax for previous years	48.606	0
	<u>499.914</u>	<u>493.438</u>
5. Charges and security		
For bank loans, the company has provided security in trade receivables and inventories totalling DKK 3.000.000.		

Accounting policies

The annual report for Symbizon ApS 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 profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

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.

Costs of sales includes costs for the purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration and premises.

Accounting policies

Staff costs

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

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, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The balance sheet

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, raw materials, and consumables 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. Writedowns are made to the net realizable value in order to meet expected losses.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Available funds

Cash on hand and demand deposits comprise cash at bank.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Accounting policies

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.

Provisions

Provisions comprise expected costs of warranty commitments, loss on work in progress, restructuring, etc. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

Guarantee liabilities comprise liabilities for repairs within the guarantee period of 1-5 years. Provisions for warranty commitments are measured on basis of the obtained experience with guarantee work. Provisions with an expected due date later than 1 year from the reporting date are discounted at a rate reflecting risk and maturity of the liability.

On the acquisition of entities, provisions for restructuring within the acquired entity are included in the acquisition cost, and thereby in the goodwill or the consolidated goodwill, to the extent that they have been recognised in the financial statements of the acquired entity in advance of the acquisition. Provisions for restructuring are included to the extent that they have been decided at the date of acquisition at the latest and that the process have been commenced.

When it is likely that the total costs will exceed the total income of contract work in progress, the total expected loss on the contract work in progress will be recognised as provisions for liabilities. The provision is recognised under production costs.

Accounting policies

Liabilities other than provisions

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

PENNEO

Underskrifterne i dette dokument er juridisk bindende. Dokumentet er underskrevet via Penneo™ sikker digital underskrift. Underskrivernes identiteter er blevet registreret, og informationerne er listet herunder.

“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Karen Julie Tholander

Direktør og dirigent

Serienummer: 0c0caa26-3250-458c-bf51-ed104c2059b2

IP: 89.150.xxx.xxx

2024-11-05 12:00:06 UTC



Peter Birk Stokholm

Grant Thornton, Godkendt Revisionspartnerselskab CVR: 34209936

Statsautoriseret revisor

Serienummer: 20392760-8a29-43e8-8b18-7adf18052935

IP: 62.243.xxx.xxx

2024-11-05 12:13:25 UTC



Dette dokument er underskrevet digitalt via **Penneo.com**. Signeringsbeviserne i dokumentet er sikret og valideret ved anvendelse af den matematiske hashværdi af det originale dokument. Dokumentet er låst for ændringer og tidsstempelt med et certifikat fra en betroet tredjepart. Alle kryptografiske signeringsbeviser er indlejret i denne PDF, i tilfælde af de skal anvendes til validering i fremtiden.

Sådan kan du sikre, at dokumentet er originalt

Dette dokument er beskyttet med et Adobe CDS certifikat. Når du åbner dokumentet

i Adobe Reader, kan du se, at dokumentet er certificeret af **Penneo e-signature service <penneo@penneo.com>**. Dette er din garanti for, at indholdet af dokumentet er uændret.

Du har mulighed for at efterprøve de kryptografiske signeringsbeviser indlejret i dokumentet ved at anvende Penneos validator på følgende websted: **https://penneo.com/validator**