

MATTEL NORTHERN EUROPE

A/S

Kampmannsgade 2
DK-1604 København V

CVR no. 16 27 88 31

Annual report 2024

The annual report was presented and approved at
the Company's annual general meeting on

25 June 2025

Joel Adam Sidney

Chairman of the annual general meeting

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Contents

Statement by the Board of Directors and the Executive Board

Independent Auditor's Report

Management's review

Company details
Operating review

Financial statements 1 January – 31 December

Income statement
Balance sheet
Statement of changes in equity
Notes

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report for MATTEL NORTHERN EUROPE A/S for the financial year 1 January - 31 December 2024.

The annual report has been 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 2024 and of the results of the Company's operations for the financial year 1 January - 31 December 2024.

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

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 25 June 2025
Executive Board:

Joel Adam Sidney
Director

Board of Directors:

René van den Polder
Chairman

Bhrijesh Jayant Patel

Prashant Bapna

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Independent Auditor's Report

To the shareholders of MATTEL NORTHERN EUROPE A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024, and of the results of the Company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of MATTEL NORTHERN EUROPE A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

Basis for 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.

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, in our view, 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 Management's Review.

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.

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

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.

Hellerup, 25 June 2025
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Leif Ulbæk Jensen
State Authorised Public Accountant
mne23327

James Liang
State Authorised Public Accountant
mne34549

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Management's review

Company details

MATTEL NORTHERN EUROPE A/S
Kampmannsgade 2
DK-1604 København V

Telephone: 40 38 38 73
Website: www.mattel.dk

CVR no.: 16 27 88 31
Established: 1 July 1992
Registered office: Copenhagen
Financial year: 1 January - 31 December

Board of Directors

René van den Polder, Chairman
Bhrijesh Jayant Patel
Prashant Bapna

Executive Board

Joel Adam Sidney, Director

Audit

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup
CVR no. 33 77 12 31

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Management's review

Operating review

Principal activities

Mattel Northern Europe in Denmark supports the sale of Mattel branded toys in the Scandinavian countries under a service agreement with fellow group company Mattel Europa B.V.

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Financial statements 1 January – 31 December

Income statement

DKK	Note	2024	2023
Gross profit		7,796,935	7,975,421
Staff costs	2	-7,329,454	-7,489,840
Depreciation of property, plant and equipment		-13,193	-10,220
Profit before financial income and expenses		454,288	475,361
Other financial income	3	165,498	729,224
Other financial expenses		-1,529	-2,211
Profit before tax		618,257	1,202,374
Tax on profit for the year	4	-139,033	-291,598
Profit for the year		<u>479,224</u>	<u>910,776</u>
Proposed profit appropriation			
Retained earnings		<u>479,224</u>	<u>910,776</u>

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2024	31/12 2023
ASSETS			
Fixed assets			
Property, plant and equipment	5		
Fixtures and fittings, tools and equipment		<u>13,256</u>	<u>26,449</u>
Financial assets			
Deposits		<u>135,960</u>	<u>132,000</u>
Total fixed assets		<u>149,216</u>	<u>158,449</u>
Current assets			
Receivables			
Receivables from group entities		3,516,031	2,367,125
Deferred tax assets		10,784	12,449
Other receivables		47,210	296,892
Prepayments		<u>135,960</u>	<u>132,067</u>
		<u>3,709,985</u>	<u>2,808,533</u>
Cash at bank and in hand		<u>5,714,514</u>	<u>6,549,523</u>
Total current assets		<u>9,424,499</u>	<u>9,358,056</u>
TOTAL ASSETS		<u>9,573,715</u>	<u>9,516,505</u>

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2024	31/12 2023
EQUITY AND LIABILITIES			
Equity			
Contributed capital		501,000	501,000
Retained earnings		6,709,662	6,230,438
Total equity		<u>7,210,662</u>	<u>6,731,438</u>
Liabilities			
Current liabilities			
Trade payables		68,771	87,104
Payables to group entities		55,829	62,482
Corporation tax		85,368	129,245
Other payables, including taxes payable		2,153,085	2,506,236
		<u>2,363,053</u>	<u>2,785,067</u>
Total liabilities		<u>2,363,053</u>	<u>2,785,067</u>
TOTAL EQUITY AND LIABILITIES		<u>9,573,715</u>	<u>9,516,505</u>

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2024	501,000	6,230,438	6,731,438
Transferred over the profit appropriation	0	479,224	479,224
Equity at 31 December 2024	501,000	6,709,662	7,210,662

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of MATTEL NORTHERN EUROPE A/S for 2024 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with application of provisions for a higher reporting class.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Foreign currency translation

Transactions denominated in foreign currencies are translated into Danish kroner at the exchange rates at the date of the transaction.

Gains and losses arising due to differences between the transaction date rate and the rate at the date of payment are recognised in the financial income and expenses in the income statement.

Monetary items denominated in foreign currencies are translated into Danish Kroner at the exchange rates at the balance sheet date. Realised and unrealised exchange gains and losses are recognised in the income statement as financial income/expenses.

Income statement

Gross profit

In accordance with the Danish Financial Statements Act § 32 only Gross Profit is disclosed. Gross profit comprise revenue, other operating income and external costs.

Revenue

Revenue is attributable to commission from sales and marketing.

Other external costs

Other external costs include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

The Company has chosen IAS 17 as interpretation for the classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

Staff costs

Staff costs include wages and salaries, including compensation for absence and pension to the Company's employees as well as other social security contributions, etc. The item is net of refunds from public authorities.

Financial statements 1 January – 31 December

Notes

1 Accounting policies

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts attributable to the financial year. Net financials include interest income and expenses, realised and unrealised exchange gains and allowances and surcharges under the on-account tax scheme, etc.

Tax on profit for the year

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

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

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.

Financial assets

Deposits are measured at cost.

Impairment of fixed assets

The carrying amount of plant and equipment is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Financial statements 1 January – 31 December

Notes

1 Accounting policies

Receivables

The Company has chosen IAS 39 as the basis for interpretation of impairment write-down of financial receivables.

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less write-down for bad debts.

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as the estimated tax charge for the current reporting year, less tax paid in advance. Any liability or prepayment for previous years taxes are also included in the balance sheet.

Provisions for deferred tax are calculated based on all temporary differences between carrying amount and tax values. Deferred tax assets are recognized at the value at which they are expected to be utilized, either through elimination against tax on future earnings, or set off against deferred tax liabilities.

Prepayments

Prepayments comprise prepaid expenses regarding subsequent financial reporting years.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Liabilities

Liabilities are measured at amortised cost, which substantially corresponds to nominal value.

2 Staff costs

DKK	2024	2023
Wages and salaries	6,888,465	6,852,839
Pensions	496,211	503,461
Other social security costs	-55,222	133,540
	<u>7,329,454</u>	<u>7,489,840</u>
Average number of full-time employees	<u>6</u>	<u>6</u>

Financial statements 1 January – 31 December

Notes

3 Financial income

DKK	2024	2023
Interest income from group entities	0	648,156
Other interest income	163,998	83,024
Exchange gains	1,500	-1,956
	<u>165,498</u>	<u>729,224</u>

4 Tax on profit for the year

DKK	2024	2023
Current tax for the year	137,368	278,821
Deferred tax adjustment for the year	1,665	12,777
	<u>139,033</u>	<u>291,598</u>

5 Property, plant and equipment

DKK	Fixtures and fittings, tools and equipment
Cost at 1 January 2024	108,016
Cost at 31 December 2024	108,016
Depreciation and impairment losses at 1 January 2024	-81,567
Depreciation for the year	-13,193
Depreciation and impairment losses at 31 December 2024	-94,760
Carrying amount at 31 December 2024	<u>13,256</u>

6 Contractual obligations, contingencies, etc.

Contingent liabilities

Other rent and lease liabilities:

DKK	31/12 2024	31/12 2023
Rent and lease liabilities	<u>132,000</u>	<u>132,000</u>

7 Related parties disclosure

Control

MATTEL NORTHERN EUROPE A/S is part of the consolidated financial statements of Mattel inc., Gondel 1,1186 MJ Amstelveen, Holland, which is the smallest group in which the Company is included as a subsidiary.

MATTEL NORTHERN EUROPE A/S
Annual report 2024
CVR no. 16 27 88 31

Financial statements 1 January – 31 December

Notes

8 Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2024.