
Pixelz Invest A/S

Blegdamsvej 6, DK-2200 København N

Annual Report for 2024

CVR No. 42 30 93 03

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 9/7 2025

Thomas Ladefoged
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Pixelz Invest A/S for the financial year 1 January - 31 December 2024.

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 financial position at 31 December 2024 of the Company and of the results of the Company operations for 2024.

We recommend that the Annual Report be adopted at the Annual General Meeting.

København N, 9 July 2025

Executive Board

Thomas Ladefoged
CEO

Board of Directors

Joel Allen Russ
Chairman

Thomas Ladefoged

Jesper Kjær Bahlke

Fredrik Malm

Independent Auditor's report

To the shareholders of Pixelz Invest 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 Pixelz Invest 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.

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 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.

Independent Auditor's report

- 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.

Herning, 9 July 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Poul Spencer Poulsen

State Authorised Public Accountant

mne23324

Company information

The Company	Pixelz Invest A/S Blegdamsvej 6 DK-2200 København N CVR No: 42 30 93 03 Financial period: 1 January - 31 December Incorporated: 15 April 2021 Financial year: 4th financial year Municipality of reg. office: København N
Board of Directors	Joel Allen Russ, chairman Thomas Ladefoged Jesper Kjær Bahlke Fredrik Malm
Executive Board	Thomas Ladefoged
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Platanvej 4 DK-7400 Herning

Income statement 1 January - 31 December

	Note	2024	2023
		DKK	DKK
Gross profit		1,395,914	1,421,481
Staff expenses	3	<u>-1,370,167</u>	<u>-1,359,608</u>
Profit/loss before financial income and expenses		25,747	61,873
Income from investments in subsidiaries	4	-14,052,430	-103,430,857
Financial income	5	538,487	2,453,854
Financial expenses	6	<u>-29,717,424</u>	<u>-28,965,851</u>
Profit/loss before tax		-43,205,620	-129,880,981
Tax on profit/loss for the year	7	<u>4,948,028</u>	<u>6,798,956</u>
Net profit/loss for the year		<u>-38,257,592</u>	<u>-123,082,025</u>
 Distribution of profit			
		2024	2023
		DKK	DKK
Proposed distribution of profit			
Retained earnings		<u>-38,257,592</u>	<u>-123,082,025</u>
		<u>-38,257,592</u>	<u>-123,082,025</u>

Balance sheet 31 December

Assets

	Note	2024	2023
		DKK	DKK
Investments in subsidiaries	8	227,709,570	256,762,000
Fixed asset investments		227,709,570	256,762,000
Fixed assets		227,709,570	256,762,000
Receivables from group enterprises		16,109,980	36,300,233
Corporation tax		6,406,497	6,798,956
Prepayments		0	1,474
Receivables		22,516,477	43,100,663
Cash at bank and in hand		245,899	15,698
Current assets		22,762,376	43,116,361
Assets		250,471,946	299,878,361

Balance sheet 31 December

Liabilities and equity

	Note	2024	2023
		DKK	DKK
Share capital		400,000	400,000
Retained earnings		-176,555,003	-138,297,411
Equity		-176,155,003	-137,897,411
Credit institutions		45,000,000	65,000,000
Long-term debt	9	45,000,000	65,000,000
Credit institutions	9	20,000,540	11,500,540
Trade payables		130,751	618,644
Payables to group enterprises		361,408,345	360,183,282
Corporation tax		0	10,726
Other payables		87,313	462,580
Short-term debt		381,626,949	372,775,772
Debt		426,626,949	437,775,772
Liabilities and equity		250,471,946	299,878,361
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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	400,000	-54,866,554	-54,466,554
Net effect of correction of material misstatements	0	-83,430,857	-83,430,857
Adjusted equity at 1 January	400,000	-138,297,411	-137,897,411
Net profit/loss for the year	0	-38,257,592	-38,257,592
Equity at 31 December	400,000	-176,555,003	-176,155,003

Notes to the Financial Statements

1. Credit facility

Pixelz is preparing to initiate a refinancing and negotiation process for its current existing senior loan facility. This formal proceedings is scheduled to commence in Autumn 2025 to secure better alignment of current business development and the financial terms. In preparation for this process Pixelz and the credit institution have already had preliminary meetings. Based on this Pixelz do not foresee any issues in finalizing a new senior facility agreement.

2. Key activities

The Company's main activities are to own shares in other companies and all activities that, in the opinion of the Board of Directors, are related thereto.

3. Staff expenses

	2024	2023
	DKK	DKK
Wages and salaries	1,354,638	1,348,693
Other social security expenses	15,529	10,915
	<u>1,370,167</u>	<u>1,359,608</u>
Average number of employees	<u>3</u>	<u>3</u>

4. Income from investments in subsidiaries

	2024	2023
	DKK	DKK
Write-down of investments in subsidiaries	-29,052,430	-103,430,857
Dividend	15,000,000	0
	<u>-14,052,430</u>	<u>-103,430,857</u>

5. Financial income

	2024	2023
	DKK	DKK
Interest from group enterprises	537,837	2,411,081
Other financial income	650	42,773
	<u>538,487</u>	<u>2,453,854</u>

Notes to the Financial Statements

	<u>2024</u>	<u>2023</u>
	DKK	DKK
6. Financial expenses		
Interest to group enterprises	24,330,953	22,977,027
Other financial expenses	5,386,471	5,988,819
Exchange loss	0	5
	<u>29,717,424</u>	<u>28,965,851</u>
	<u>2024</u>	<u>2023</u>
	DKK	DKK
7. Income tax expense		
Current tax for the year	-6,406,497	-6,798,956
Adjustment of tax concerning previous years	1,458,469	0
	<u>-4,948,028</u>	<u>-6,798,956</u>

Notes to the Financial Statements

	2024	2023
	DKK	DKK
8. Investments in subsidiaries		
Cost at 1 January	360,192,857	360,192,857
Cost at 31 December	360,192,857	360,192,857
Value adjustments at 1 January	-103,430,857	0
Other adjustments	-29,052,430	-103,430,857
Value adjustments at 31 December	-132,483,287	-103,430,857
Carrying amount at 31 December	227,709,570	256,762,000

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership	Equity	Net profit/loss for the year
Pixelz ApS	Denmark	100%	13,871,314	14,139,545
Pixelz Services ApS	Denmark	100%	22,879,878	9,603,406
Pixelz Nordic ApS	Denmark	100%	3,272,059	697,920
Pixelz Inc.	USA	100%	3,444,859	-68,631
Remove The Background B.V	Netherlands	100%	1,180,565	109,684
Pixelz Company Limited	Vietnam	100%	2,966,473	754,452
Pixelz EMEA GmbH	Germany	100%	2,158,325	171,753
Pixelz Spain, SL	Spain	100%	49,346	118,272
			49,822,819	25,526,401

Notes to the Financial Statements

2024	2023
DKK	DKK

9. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Credit institutions

After 5 years	0	0
Between 1 and 5 years	45,000,000	65,000,000
Long-term part	45,000,000	65,000,000
Within 1 year	20,000,000	11,500,000
Other short-term debt to credit institutions	540	540
	65,000,540	76,500,540

10. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Adelis Services II ApS, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

The company's assets have been pledged as collateral against the bank with a debt as of 31st of December 2024 of DKK 65,000,000.

11. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
Pixelz TopCo A/S	København N

Notes to the Financial Statements

12. Accounting policies

The Annual Report of Pixelz Invest A/S for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024 are presented in DKK.

Correction of material misstatements

In connection with the preparation of the annual report for the financial year 2024, a material error has been identified and corrected that has had a significant impact on the income statement and balance sheet, including equity for 2023.

The correction of the identified error has resulted in a reduction of "Income from investments in subsidiaries" and "Investments in subsidiaries" of DKK 83,430,857 in 2023. The reported profit for 2023 has thus been reduced by DKK 83,430,857, as well as a corresponding impact on equity.

As a result of the corrections made, comparative figures for 2023 have been adjusted to reflect the correct figures. This has been done to ensure a fair presentation of the company's financial position and result.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2024 of Pixelz TopCo A/S, the Company has not prepared consolidated financial statements.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset 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 out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Income statement

Revenue

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Notes to the Financial Statements

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue and other external expenses.

Staff expenses

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.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Adelis Services II ApS. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Receivables

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

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Notes to the Financial Statements

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.