

## **Kevin Murphy Europe A/S**

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CVR No. 38691473

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## **Annual Report 1 July 2023 - 30 June 2024**

The Annual Report was presented and  
adopted at the Annual General Meeting of  
the Company on 15 October 2024



Grant Matthew Galvin  
Chairman

**Kevin Murphy Europe A/S**

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## Kevin Murphy Europe A/S

### Company details

<b>Company</b>	Kevin Murphy Europe A/S Refshalevej 163A, 2. tv. 1432 København K
	CVR No. 38691473
	Date of formation 6 June 2017
	Registered office København
	Financial year 1 July 2023 - 30 June 2024
<b>Supervisory Board</b>	Grant Matthew Galvin Vincent Jean Baptiste Tercé, Man. Director Loui Piva Elizabeth Anne Milner
<b>Executive Board</b>	Vincent Jean Baptiste Tercé, Man. Director
<b>Auditors</b>	KRESTON CM Statsautoriseret Revisionsinteressentskab Adelgade 15 1304 København K CVR-no.: 39463113
<b>Bank</b>	Sydbank

**Kevin Murphy Europe A/S**

**Management's Statement**

Today, Management has considered and adopted the Annual Report of Kevin Murphy Europe A/S for the financial year 1 July 2023 - 30 June 2024.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 30 June 2024 and of the results of the Company's operations and cash flow for the financial year 1 July 2023 - 30 June 2024.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

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

Copenhagen, 3 October 2024

**Executive Board**




Vincent Jean Baptiste Tercé  
Man. Director

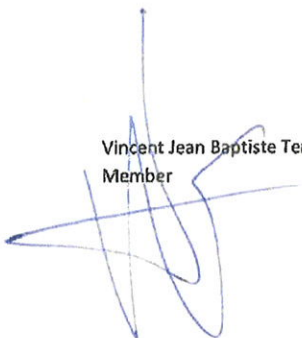
**Supervisory Board**



Grant Matthew Galvin  
Chairman



Elizabeth Anne Milner  
Member



Vincent Jean Baptiste Tercé  
Member



Loui Piva  
Member

**Kevin Murphy Europe A/S**

## **Independent Auditors' Report**

**To the shareholders of Kevin Murphy Europe A/S**

### **Opinion**

We have audited the financial statements of Kevin Murphy Europe A/S for the financial year 1 July 2023 - 30 June 2024, which comprise an income statement, balance sheet, statement of changes in equity, cash flows and notes. The financial statements are 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 30 June 2024 and of the results of its operations and cash flows for the financial year 1 July 2023 - 30 June 2024 in accordance with the Danish Financial Statements Act.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility 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 (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement 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 responsibility 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 considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

## Independent Auditors' Report

### The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain an attitude of professional skepticism throughout the audit. We also:

- \* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- \* Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- \* Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Kevin Murphy Europe A/S

## Independent Auditors' Report

### Statement on Management's Review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of opinion providing assurance regarding the Management's review.

Our responsibility in connection with our audit of the financial statements 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 with the knowledge we have gained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

Copenhagen, 3 October 2024

**KRESTON CM**

**Statsautoriseret Revisionsinteressentskab**

CVR-no. 39463113



Bent Kofoed  
State Authorised Public Accountant  
mne11664

**Kevin Murphy Europe A/S**

## **Management's Review**

### **The Company's principal activities**

The Company's principal activities consist of promotion and sale of products for the professional hair care/hairstyling market in Europe.

### **Insecurity regarding recognition or measurement**

There is no material insecurity regarding recognition or measurement.

### **Exceptional circumstances**

No exceptional circumstances have affected recognition or measurement.

### **Development in the activities and the financial situation of the Company**

The Company's Income Statement of the financial year 1 July 2023 - 30 June 2024 shows a result of EUR 5.132.301 and the Balance Sheet at 30 June 2024 a balance sheet total of EUR 29.590.282 and equity of EUR 19.797.411.

### **Post financial year events**

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

### **Expectations for the future**

The company's management expects a growth in net turnover of 4 % and a profit margin of 8 %.

The company's management expects a profit from ordinary activities before tax of EUR 20,000,000 for FY25.

### **Knowledge and know-how resources**

The company sells products developed in cooperation with its parent company and the rest of the group. Since the company's activities consist of promotion and sale of products, no special knowledge resource is connected to this activity.

The company's most dominant resource is its employees. The ongoing development of employees' competencies through professional challenges and a good social environment is given high priority.

### **Environmental issues**

The company is continuously working to minimize and mitigate its pollution of land, water and air or emissions that in any case affect the environment. The company has no production activity in Denmark, and thus poses very little environmental risk.

### **Research and development activities**

There is no research and development activities in or for the Company.

### **Branches abroad**

There are no branches abroad.

### **Net profit for the year compared with expected developments in the most recently published annual report**

The management's expectation for the year was that the company would maintain a high level of activity, with a higher focus to make each activity more profitable.

The company has succeeded in maintaining a high level of activity and has achieved satisfactory earnings.

## **Risks**

### *General risk*

The group's most significant operational risk is related to its ability to be strongly positioned in the key markets. Furthermore, it is crucial for the group to continuously stay ahead of developments of hair products.

## **Kevin Murphy Europe A/S**

### **Management's Review**

#### *Currency risks*

The company is minimal risk to currency risks in respect of current operations. The company bills in EUR and USD, whereas all purchases are primarily in EUR and USD and operating costs are in DKK. Other than that, the company has no significant risks relating to its operations.

#### *Interest Rate Risks*

Moderate changes in the interest rate level will not have any significant direct impact on earnings. Interest rate positions are entered into to hedge interest rate risks.

#### *Credit risks*

The group does not have significant risks related to a single customer or partner. The company's policy for assuming credit risks involves ongoing credit assessments of all major customers and other partners.

### **Corporate social responsibility**

#### *Business model*

Kevin Murphy Europe A/S' principal activities consist of promotion and sale of products for the professional hair care/ hairstyling market in Europe.

The products are sold through a network of external regional distributors ("Distributor Network"), who then sell to major retail customers ("Salons").

Kevin Murphy Europe A/S wants to use the existing Distributors to reinforce the existing channel with our distributors to consolidate existing salons and new ones, also to find potential new Distributors partners in EMEA.

Kevin Murphy Europe A/S offers a full education program and support making a huge focus on the products, education and consolidate Hair Care and Color.me support with innovative products.

#### *Significant risks related to corporate social responsibility*

Kevin Murphy Europe A/S regularly evaluate the most significant risks to the company's existence, operations, and growth opportunities. FY2023/24 marked a significant milestone in Kevin Murphy Group's (KMG) sustainability journey, having completed a Double Materiality Assessment (DMA) aligned with Corporate Sustainability Reporting Directive (CSRD) requirements. The DMA process identified that KMG has relevant impacts, risks and opportunities (IRO's) across European Sustainability Reporting Standard (ESRS) topics. This triggers a reporting requirement under CSRD for Kevin Murphy Europe A/S for FY2024/25.

As part of Kevin Murphy Europe A/S' environmental and social responsibility, the group focuses on the climate impact of the group's products and transportation. Kevin Murphy Europe A/S chooses to maximize the production by regions and warehouse storage to minimize global transport between regions. One of the key initiatives for the coming financial year is to gain an improved understanding of the group's climate baseline. This will enable the group to have a stronger understanding of our footprint and provide more comprehensive data along with our various initiatives already in place.

No significant risks related to human rights and anti-corruption have been identified. The primary reason for this is that Kevin Murphy Europe A/S conducts business in countries where the group has great confidence that the respective countries' administration of social taxes and corporate tax flows generated by Kevin Murphy Europe A/S activities are managed with the aim of minimizing obstacles that may hinder free market conditions and strengthening the integrity of society. Additionally, these countries have authorities that oversee business compliance with the law, and labor market stakeholders negotiate working conditions, including human rights aspects. Furthermore, KMG has undertaken a human rights due diligence to assess risks in the groups subsidiaries.

Kevin Murphy Europe A/S is B2B-oriented, often dealing with well-known industry clients, which is why attempts at corruption are rare, and the company has not experienced any such incidents. Therefore, there is no assessment of risks to an extent that necessitates the establishment of policies in the areas of human rights and anti-corruption.

## Kevin Murphy Europe A/S

### Management's Review

#### *Policies*

Kevin Murphy Europe A/S's policies related to corporate social responsibility include our environmental and climate policy and our occupational health and safety policy. Our environmental and climate policy is based on environmentally and energy responsible operations and is an integral part of the group's objectives for product quality conditions. Our occupational health and safety policy aims to achieve continuous improvements in employee safety, health, and overall satisfaction.

Kevin Murphy Europe A/S is aware of the group's corporate social responsibility in the regions and countries where the group operates its activities.

The group conducts its operations in accordance with national and local laws and regulations concerning employee social conditions, environmental and climate issues, as well as all corporate and tax matters.

#### *Activities*

In relation to occupational health and safety, we systematically work on continuous improvements in all group companies. Ongoing occupational health and safety surveys are conducted in accordance with the respective countries' legislation. Management's assessment is that the working environment is at a satisfactory level.

Concerning corporate social responsibility in other countries, the senior management closely monitors developments.

#### *Results*

Management assesses that the work on environmental and occupational health and safety positively contributes to the company's reputation and efficiency. Kevin Murphy Europe A/S has improved its performance on key environmental and occupational health and safety indicators in recent years.

#### **Human rights**

The group's corporate social responsibility policies include human rights policies. It is the group's intention to ensure that suppliers' employees have the right to establish trade unions, that men and women are employed on equal terms, and that suppliers do not engage in child labor.

#### **Target figures and policies for the underrepresented gender**

Quote from the European Convention on Human Rights

##### *"Prohibition of Discrimination*

The enjoyment of the rights and freedoms set forth in this Convention shall be secured without discrimination on any ground such as sex, race, color, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth, or other status."

Source: (The European Convention on Human Rights, Article 14)

Kevin Murphy Europe A/S' goal is to achieve a balanced gender composition in the top management of the group, while also taking into consideration that the most suitable person, is appointed to lead the group.

##### *Target figure for the executive board*

The executive board Kevin Murphy Europe A/S, currently consists of 4 members, with 3 being male and 1 being female. The composition of the executive board remains unchanged compared to last year. The company has set a goal to achieve an executive board composition of approximately 33/66% (female/men) by the end of 2025 and 33/66% (female/men) by the end of 2026.

##### *Statement on the Underrepresented Gender in the Group*

Group has chosen to set and report targets solely for the underrepresented gender in the management in the companies within the group that, by virtue of their accounting class, are subject to SEL § 139 and ÅRL § 99 b.

**Kevin Murphy Europe A/S**

## **Management's Review**

The policy, efforts, and results mentioned above for increasing women's representation at management level include all companies within the group that are required to report in accordance with ÅRL § 99 b.

### **Data ethics**

The group focuses on data ethics issues in the company's economic activities, where data is collected, processed, and used solely for ethical and financially responsible purposes. If the group increasingly implements and utilizes algorithms for data analysis in the future, a specific data ethics policy will be developed and implemented. In the immediate future, the group will only focus on enhancing compliance with data protection laws and the protection of critical business data of customers, suppliers, and other business partners.

## Kevin Murphy Europe A/S

### Key Figures and Financial Ratios

The development in the Company's key figures and financial ratios can be described as follows:

	2023/24	2022/23	2021/22	2020/21	2019/20
<b>Income Statement</b>					
Net turnover	55.592.147	55.043.629	45.408.282	38.714.891	30.838.509
EBITDA	6.765.733	9.510.011	7.212.990	9.467.930	2.384.207
Operating profit/loss	6.433.425	7.729.650	7.205.243	9.464.030	2.380.492
Net financial income and expenses	236.101	-94.139	-1.223.766	283.979	-386.640
Profit/loss before tax	6.669.526	7.635.511	5.981.477	9.748.009	1.993.852
Tax	-1.537.225	-1.972.469	-1.343.307	-2.145.708	-442.081
Profit/loss for the year	5.132.301	5.663.042	4.638.170	7.602.301	1.551.771
<b>Balance</b>					
Investment in non-current assets	100.229	89.306	23.863	0	2.952
Total fixed assets	3.782.309	2.678.263	61.408	43.195	50.604
Current assets	25.807.973	24.830.698	24.095.371	22.048.189	17.405.199
Total assets	29.590.282	27.508.961	24.156.779	22.091.384	17.455.645
Total equity	19.797.411	14.665.110	14.752.069	14.554.950	10.820.300
Provision for deferred tax	0	0	0	0	158
Total liabilities	9.792.871	12.843.851	9.404.710	7.536.435	6.635.345
Total equity and liabilities	29.590.282	27.508.961	24.156.779	22.091.384	17.455.645
<b>Key figures</b>					
Profit margin (%)	11,57	14,04	15,87	24,45	7,72
Return on equity (ROE) (%)	29,78	38,50	69,32	61,83	15,45
Return on capital employed (%)	22,53	29,92	56,48	49,45	13,69
Acid test ratio	290,19	214,31	256,21	293,00	262,00
Equity interest (equity ratio) (%)	66,91	53,31	61,07	65,89	61,99

For definitions of key ratios, see Accounting and Valuation Principles

## Kevin Murphy Europe A/S

### Accounting Policies

#### Reporting Class

The annual report of Kevin Murphy Europe A/S for 2023/24 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

#### Changed accounting policies, estimates and errors

##### Correction of fundamental errors regarding previous year

The company has identified that an existing contract with a supplier included a commitment to purchase stock which had not been appropriately accounted for during the year ended 30 June 2022 and 30 June 2023. Under the terms of the supply agreement, the company is committed to purchase stock that has been manufactured by the supplier in accordance with approved forecasts provided by the company to the supplier.

##### 2021/22 changes:

The equity has been decreased with EUR 1.370.653.

##### 2022/23 changes:

The inventory has been increased with EUR 515.437.

The trade payables has been increased with EUR 2.491.451.

The tax payables has been decreased with EUR 434.723.

The cost of goods sold has been increased with EUR 218.766.

The tax expense on ordinary activities has been decreased with EUR 48.129.

The equity has been decreased with EUR 170.638.

#### Reporting currency

The annual report is submitted in EUR.

The exchange rate as per 30 June 2024 is 745,75 DKK for 100 EUR.

#### Translation policies

Transactions in foreign currencies are translated into EUR at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into EUR based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

## Accounting Policies

### General information

#### Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, 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 accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

### Income statement

#### Revenue

Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

#### Other operating income

Other operating income comprises items of a secondary nature to the activities of the enterprises, including profits on sale of intangible and tangible assets and refunds from public authorities.

#### Raw materials and consumables used

Costs for raw materials and consumables comprise the cost of goods purchased less discounts, costs subcontractors and change in inventories for the year.

#### Other external expenses

Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

#### Staff costs

Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc.

Other staff expenses are recognised in other external expenses.

## Accounting Policies

### Amortisation and impairment of tangible and intangible assets

Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-10 years	0%

Profit or loss resulting from the sale of intangible assets or property, plant and equipment is determined as the difference between the selling price less selling costs and the carrying amount at the date of sale, and is recognised in the income statement under other operating income or expenses.

### Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

### Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

## Balance sheet

### Property, plant and equipment

Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives of the individual component differ.

### Long term investments and receivables

## **Accounting Policies**

### **Other investments**

Investments in unlisted companies are recognised in the balance sheet at cost. The cost includes the purchase consideration calculated at fair value plus direct acquisition costs. Where the net realizable value is lower than cost, the investments are written down to this lower value. Realised and unrealised capital gains and losses are recognised in the income statement.

### **Inventories**

Inventories are measured at cost on the basis of the FIFO principle. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

The net realizable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

The cost of goods for resale, raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

### **Receivables**

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

### **Accrued income, assets**

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

### **Equity**

Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

### **Dividend**

Proposed dividend for the year are recognised as a separate item under equity. Proposed dividends are recognised as a liability when approved by the Annual General Meeting.

### **Provisions**

#### **Deferred tax**

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

#### **Current tax liabilities**

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

## **Accounting Policies**

### **Liabilities**

Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

### **Other payables**

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

### **Contingent assets and liabilities**

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

## Accounting Policies

### Accounting policies cash flow statement

The cash flow statement shows the Company's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Company's cash and cash equivalents at the beginning and end of the year.

Cash flow from the operating activity is determined as the profit/loss for the year adjusted for changes in working capital and non-cash income statement items such as amortization and impairment losses and provisions. The working capital comprises current assets less short-term liabilities, exclusive of the items that are included in cash and cash equivalents.

Cash flow from the investing activity comprises cash flows from purchase and sale of intangible assets and property, plant and equipment as well as investments.

Cash flow from the financing activity comprises cash flows from raising and repaying long-term liabilities and payments to and from the owners.

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

### Explanation of financial ratios

Profit margin	=	$\frac{\text{Operating profit (EBIT)}}{\text{Revenue}} \times 100$
Return on equity (%)	=	$\frac{\text{Profit/loss for the year}}{\text{Avg. equity}}$
Return on capital employed (%)	=	$\frac{(\text{Operating profit} + \text{Financial income})}{\text{Avg. assets}} \times 100$
Acid test ratio	=	$\frac{\text{Total current assets}}{\text{Short-term liabilities}}$
Equity interest (equity ratio) (%)	=	$\frac{\text{Total equity}}{\text{Total equity and liabilities}} \times 100$

Kevin Murphy Europe A/S

**Income Statement**

	Note	2023/24 EUR	2022/23 EUR
Revenue	1	55.592.147	55.043.629
Other operating income		5.485.276	2.486.437
Cost of goods sold		-32.267.093	-32.125.533
Other external expenses		-17.334.249	-12.725.639
<b>Gross profit</b>		<b>11.476.081</b>	<b>12.678.894</b>
Other employee expense	2	-4.710.348	-3.611.209
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-58.197	-31.750
Writedowns of current assets, that exceed normal writedowns	3	-274.111	-1.306.286
<b>Profit from ordinary operating activities</b>		<b>6.433.425</b>	<b>7.729.649</b>
Finance income	4	371.904	37.699
Finance expenses		-135.803	-131.838
<b>Profit from ordinary activities before tax</b>		<b>6.669.526</b>	<b>7.635.510</b>
Tax expense on ordinary activities	5	-1.537.225	-1.972.469
<b>Profit</b>	6	<b>5.132.301</b>	<b>5.663.041</b>

Kevin Murphy Europe A/S

Balance Sheet as of 30 June

	Note	2024 EUR	2023 EUR
<b>Assets</b>			
Fixtures, fittings, tools and equipment	7	18.450	9.298
Leasehold improvements	8	102.508	69.628
<b>Property, plant and equipment</b>		<b>120.958</b>	<b>78.926</b>
Long-term receivables from group enterprises	9	3.603.639	2.541.769
Deposits	10	57.712	57.568
<b>Investments</b>		<b>3.661.351</b>	<b>2.599.337</b>
<b>Fixed assets</b>		<b>3.782.309</b>	<b>2.678.263</b>
Manufactured goods and goods for resale		10.424.038	13.566.983
Prepayments for goods		1.593.721	531.588
<b>Inventories</b>		<b>12.017.759</b>	<b>14.098.571</b>
Short-term trade receivables		7.312.571	6.380.851
Short-term receivables from group enterprises		5.313.070	887.057
Deferred tax asset	11	15.987	12.573
Other receivables		573.460	579.715
Deferred income assets	12	451.165	487.338
<b>Receivables</b>		<b>13.666.253</b>	<b>8.347.534</b>
<b>Cash and cash equivalents</b>		<b>123.961</b>	<b>2.384.593</b>
<b>Current assets</b>		<b>25.807.973</b>	<b>24.830.698</b>
<b>Assets</b>		<b>29.590.282</b>	<b>27.508.961</b>

Kevin Murphy Europe A/S

Balance Sheet as of 30 June

	Note	2024 EUR	2023 EUR
<b>Liabilities and equity</b>			
Contributed capital		67.211	67.211
Retained earnings		19.730.200	14.597.899
<b>Equity</b>		<b>19.797.411</b>	<b>14.665.110</b>
Debt to banks		899.250	1.257.250
<b>Long-term liabilities other than provisions</b>	13	<b>899.250</b>	<b>1.257.250</b>
Short-term part of long-term liabilities other than provisions		327.000	296.000
Debt to banks		1.698.153	0
Trade payables		2.846.463	5.114.315
Payables to group enterprises		2.267.385	4.087.921
Tax payables		974.619	666.424
Tax payables to group enterprises		125.079	629.210
Other payables		654.922	792.731
<b>Short-term liabilities other than provisions</b>		<b>8.893.621</b>	<b>11.586.601</b>
<b>Liabilities other than provisions within the business</b>		<b>9.792.871</b>	<b>12.843.851</b>
<b>Liabilities and equity</b>		<b>29.590.282</b>	<b>27.508.961</b>
Contingent liabilities	14		
Collaterals and assets pledges as security	15		
Ownership	16		
Related parties	17		
Fees for auditors elected on the general meeting	18		

Kevin Murphy Europe A/S

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 July 2023	67.211	14.768.537	14.835.748
Changes of equity through corrections of errors	0	-170.638	-170.638
<b>Adjusted equity 1 July 2023</b>	<b>67.211</b>	<b>14.597.899</b>	<b>14.665.110</b>
Profit (loss)	0	5.132.301	5.132.301
<b>Equity 30 June 2024</b>	<b>67.211</b>	<b>19.730.200</b>	<b>19.797.411</b>

Kevin Murphy Europe A/S

Cash Flow Statement

	2023/24 EUR	2022/23 EUR
Profit	5.132.301	5.663.041
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets	58.197	31.750
Writedowns of current assets	274.111	1.306.286
Adjustments of tax expense	1.535.856	2.032.542
Adjustments for deferred tax	-3.414	-11.944
Decrease (increase) in inventories	2.080.812	-2.099.056
Decrease (increase) in receivables	-6.651.286	-3.890.437
Decrease (increase) in trade payables	-4.226.197	4.927.228
<b>Cash flow from ordinary operating activities</b>	<b>-1.799.620</b>	<b>7.959.410</b>
Income taxes paid	-1.731.792	-1.909.028
<b>Cash flows from operating activities</b>	<b>-3.531.412</b>	<b>6.050.382</b>
Purchase of property, plant and equipment	-100.229	-89.306
Purchase of investments	-144	-17.530
<b>Cash flows from investing activities</b>	<b>-100.373</b>	<b>-106.836</b>
Proceeds from long-term liabilities	0	1.635.000
Repayments of long-term liabilities	-327.000	-81.750
Correction of previous year	0	-1.370.653
Dividend paid	0	-5.750.000
<b>Cash flows from financing activities</b>	<b>-327.000</b>	<b>-5.567.403</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>-3.958.785</b>	<b>376.143</b>
Cash and cash equivalents, beginning balance	2.384.593	2.008.450
<b>Cash and cash equivalents, ending balance</b>	<b>-1.574.192</b>	<b>2.384.593</b>
<b>Cash and cash equivalents specified:</b>		
Cash and cash equivalents	123.961	2.384.593
Short-term debt to banks	-1.698.153	0
<b>Cash and cash equivalents in total</b>	<b>-1.574.192</b>	<b>2.384.593</b>

## Kevin Murphy Europe A/S

### Notes

	2023/24	2022/23
<b>1. Revenue</b>		
Sale of goods	55.592.147	55.043.629
	<b>55.592.147</b>	<b>55.043.629</b>
<b>Revenue segmentation</b>		
Africa	413.286	449.132
Commonwealth of Independent States	2.462.786	2.492.369
European Economic Area	43.667.149	45.449.900
Middle East	1.934.434	1.586.128
North America	7.114.492	5.066.100
	<b>55.592.147</b>	<b>55.043.629</b>
<b>2. Salaries &amp; Wages</b>		
Wages and salaries	4.144.303	3.221.820
Post-employment benefit expense	515.037	351.779
Social security contributions	51.008	37.610
	<b>4.710.348</b>	<b>3.611.209</b>
<i>Hereof remuneration to management</i>		
Management	477.455	814.437
	<b>477.455</b>	<b>814.437</b>
Average number of employees	46	30
<b>3. Special items</b>		
Impairment of short-term receivables	274.111	1.306.286
<b>Balance at the end of the year</b>	<b>274.111</b>	<b>1.306.286</b>
<b>4. Finance income</b>		
Finance income from group enterprises	274.279	11.311
Other finance income	97.625	26.388
	<b>371.904</b>	<b>37.699</b>
<b>5. Tax expense on ordinary activities</b>		
Current tax for the year	1.535.856	1.984.413
Adjustments for deferred tax	-3.414	-11.944
Adjustments for current tax of prior period	4.783	0
	<b>1.537.225</b>	<b>1.972.469</b>
<b>6. Distribution of profit</b>		
Proposed extraordinary dividend	0	5.750.000
Retained earnings	5.132.301	-86.959
	<b>5.132.301</b>	<b>5.663.041</b>

Notes

	2023/24	2022/23
<b>7. Fixtures, fittings, tools and equipment</b>		
Cost at the beginning of the year	26.134	16.839
Addition during the year, incl. improvements	16.376	9.295
<b>Cost at the end of the year</b>	<b>42.510</b>	<b>26.134</b>
Depreciation and amortisation at the beginning of the year	-16.836	-15.256
Amortisation for the year	-7.224	-1.580
<b>Impairment losses and amortisation at the end of the year</b>	<b>-24.060</b>	<b>-16.836</b>
<b>Carrying amount at the end of the year</b>	<b>18.450</b>	<b>9.298</b>
<b>8. Leasehold improvements</b>		
Cost at the beginning of the year	104.537	24.526
Addition during the year, incl. improvements	83.853	80.011
<b>Cost at the end of the year</b>	<b>188.390</b>	<b>104.537</b>
Depreciation and amortisation at the beginning of the year	-34.909	-4.739
Amortisation for the year	-50.973	-30.170
<b>Impairment losses and amortisation at the end of the year</b>	<b>-85.882</b>	<b>-34.909</b>
<b>Carrying amount at the end of the year</b>	<b>102.508</b>	<b>69.628</b>
<b>9. Long-term receivables from group enterprises</b>		
Cost at the beginning of the year	2.541.769	0
Addition during the year	1.775.780	2.541.769
<b>Cost at the end of the year</b>	<b>4.317.549</b>	<b>2.541.769</b>
<b>Carrying amount at the end of the year</b>	<b>4.317.549</b>	<b>2.541.769</b>
<b>10. Deposits</b>		
Cost at the beginning of the year	57.568	40.038
Addition during the year	144	17.530
<b>Cost at the end of the year</b>	<b>57.712</b>	<b>57.568</b>
<b>Carrying amount at the end of the year</b>	<b>57.712</b>	<b>57.568</b>

Notes

	2023/24	2022/23
<b>11. Deferred tax asset</b>		
Deferred tax, opening balance	12.573	629
Recognized in the income statement for the financial year	3.414	11.944
<b>Balance at the end of the year</b>	<b>15.987</b>	<b>12.573</b>
Deferred tax consist of:		
Property, plant and equipment	4.166	752
Borrowing expenses	11.821	11.821
	<b>15.987</b>	<b>12.573</b>
<b>12. Deferred expenses</b>		
Prepaid insurance	3.983	2.491
Deferred expenses	447.182	484.847
<b>Balance at the end of the year</b>	<b>451.165</b>	<b>487.338</b>

**13. Long-term liabilities**

	Due after 1 year	Due within 1 year	Due after 5 years
Debt to banks	899.250	327.000	0
	<b>899.250</b>	<b>327.000</b>	<b>0</b>

**14. Contingent liabilities**

The company has entered into rental agreements, which can be terminated within 1-6 months notice equal to t.EUR 102.

The company has entered into leasing agreements which run from 22 months after the financial year, amounting to a leasing obligation of t.EUR 2 where t.EUR 1 will be paid within a year.

The Company is jointly taxed with the other enterprises in the group and are jointly and severally liable for the taxes that concern the joint taxation.

**15. Collaterals and securities**

As collateral for debt to financial institutions t.EUR 1,553, the company has provided company pledge, total t.EUR. 4,297, in fixtures, fittings, tools and equipment, inventories and short-term trade receivables which financial value per June 30th 2024 is:

- Fixtures, fittings, tools and equipment, t.EUR. 18.
- Inventory t.EUR 12.018.
- Short-term trade receivables, t.EUR. 7.313.

The company has submitted a withdrawal declaration and letter of support of t.EUR 1.780 for Omni Blonde A/S.

## Kevin Murphy Europe A/S

### Notes

2023/24

2022/23

#### 16. Ownership

Kevin Murphy Group Pty Ltd.  
c/o OnCore Legal Services  
Level 10  
239 George Street, Brisbane, QLD 4000  
Australia.

Kevin Murphy Group Pty Ltd owns 100 % of the shares in Kevin Murphy Europe A/S.

Kevin Murphy Group Pty Ltd prepares the consolidated financial statement in which Kevin Murphy Europe A/S is included as a subsidiary. The consolidated financial statement can be obtained from <https://connectonline.asic.gov.au/>.

#### 17. Related parties

Dominant participation  
Kevin Murphy Group Pty Ltd  
c/o OnCore Legal Services  
Level 10  
239 George Street, Brisbane, QLD 4000  
Australia.

Related party transactions:

All transactions with related parties during the financial year have been completed on market terms. Thus, no further informations about transactions with related parties is disclosed in accordance with §98 of the danish financial statements act.

#### 18. Fees for auditors elected on the general meeting

Statutory audit	36.204	28.197
Tax consultancy	3.687	3.525
Other services	18.439	30.379
	<b>58.330</b>	<b>62.101</b>