

ANNUAL REPORT 2024



The Annual General Meeting adopted
the annual report on 21.02.2025

The Army Painter Group Holding ApS
Christiansmindevej 12
8660 Skanderborg
CVR No. 43583204

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Palle Børlum Winther
Chairman of the General Meeting

CONTENTS

- 3** Entity details
- 4** Statement by Management on the annual report
- 5** Independent auditor's report
- 8** Management commentary
- 16** Consolidated income statement for 2024
- 17** Consolidated balance sheet at 31.12.2024
- 19** Consolidated statement of changes in equity for 2024
- 20** Consolidated cash flow statement for 2024
- 21** Notes to consolidated financial statements
- 28** Parent income statement for 2024
- 29** Parent balance sheet at 31.12.2024
- 31** Parent statement of changes in equity for 2024
- 32** Notes to parent financial statements
- 35** Accounting policies

ENTITY DETAILS

Entity

The Army Painter Group Holding ApS
Christiansmindevej 12
8660 Skanderborg

Business Registration No.: 43583204
Registered office: Skanderborg
Financial year: 01.01.2024 – 31.12.2024

Board of Directors

Søren Torp Laursen, Chairman
Lasse Hadberg Lyngø, Deputy chairman
Line Nymann Penstoft
Lars Prisak
Jeppe Kallesøe Odefey
Jens Jørgen Hahn-Petersen

Executive Board

Henning Nielsen, CEO
Palle Børlum Winther, CFO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C



STATEMENT BY MANAGEMENT

The Board of Directors and the Executive Board have today considered and approved the annual report of The Army Painter Group Holding ApS for the financial year 01.01.2024 – 31.12.2024.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2024 – 31.12.2024.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Skanderborg, 21.02.2025

Executive Board

Henning Nielsen
CEO

Palle Børlum Winther
CFO

Board of Directors

Søren Torp Laursen
Chairman

Lasse Hadberg Lyngø
Deputy chairman

Line Nymann Penstoft

Lars Prisak

Jeppe Kallesøe Odefey

Jens Jørgen Hahn-Petersen



INDEPENDENT AUDITOR'S REPORT

**To the shareholders of
The Army Painter Group Holding ApS**

Opinion

We have audited the consolidated financial statements and the parent financial statements of The Army Painter Group Holding ApS for the financial year 01.01.2024 – 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2024 – 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group's and the Entity'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements and the parent financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 21.02.2025

Deloitte.

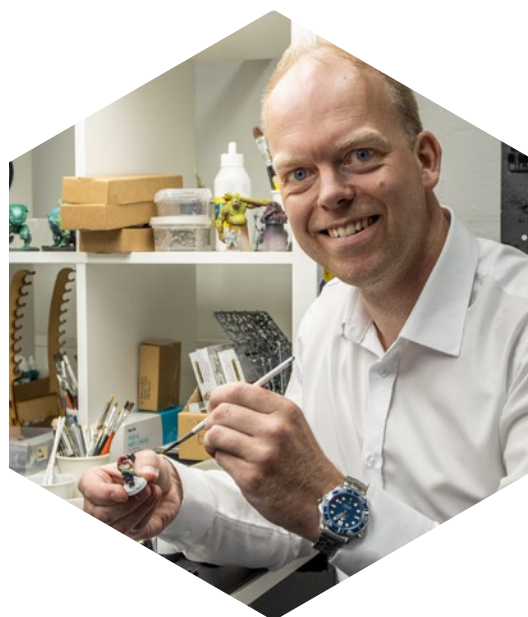
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Fauerskov

State Authorised Public Accountant
Identification No (MNE) mne35428

Marie Louise Vester Sørensen

State Authorised Public Accountant
Identification No (MNE) mne47319



MANAGEMENT COMMENTARY

Financial highlights

	2024 DKK'000	2022/2023 DKK'000
Key figures		
Gross profit/loss	90,944	62,841
EBITDA †	49,995	27,470
EBITDA – adjusted ‡	57,660	32,287
Operating profit/loss	20,152	(2,643)
Net financials	(14,053)	(16,205)
Profit/loss for the year	2,161	(19,932)
Balance sheet total	523,501	551,933
Investments in property, plant and equipment	2,199	11,245
Equity	237,688	232,742
Cash flows from operating activities	45,638	(14,022)
Cash flows from investing activities	(2,460)	(460,909)
Cash flows from financing activities	(26,662)	491,078
Average number of employees	68	64
Ratios		
EBITDA (%)	22.21	14.86
EBITDA – adjusted (%)	25.62	17.29
Equity ratio (%)	45.40	42.17

This is the second financial year, therefore there is only two year's figures included in the overview.

† EBITDA consist of gross profit/loss, staff costs and income from investments in group enterprises.

‡ EBITDA – adjusted consists of gross profit/loss, staff costs and income from investments in group enterprises excluding special items such as transaction costs related to acquisitions, severance pay, extraordinary inventory write-downs not in the ordinary course of business (e.g. from discontinued products), etc.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

EBITDA (%):

EBITDA × 100
Revenue

EBITDA – adjusted (%):

EBITDA – adjusted × 100
Revenue

Equity ratio (%):

Equity * 100
Balance sheet total

Primary activities

The private equity firm CataCap has invested in The Army Painter ApS in 2023 and indirectly owns the majority of the shares in the company through their third fund, CataCap III K/S. The acquisition was completed on January 10th, 2023. CataCap is a member of 'Aktive Ejere'.

The group's primary activity is to own shares in The Army Painter ApS.

The Army Painter's primary activities are sale, marketing and production of painting kits for the miniature hobby and tabletop miniature niche, as well as other accessories for wargaming. Our mission is to provide high-quality products that help hobbyists and artists bring their visions to life, allowing them to "get more time for gaming".

We distribute our products globally through both traditional retail and digital channels, reaching end-users directly and via distributors. Our production is primarily based in Skanderborg, Denmark.

Development in activities and finances

In 2024, The Army Painter experienced continued growth in both revenue and earnings, once again achieving double-digit revenue growth compared to last year. The growth spanned multiple geographical markets and sales channels and was driven by the successful launch of our new flagship product range, Warpaint Fanatic, and steady offtake within the existing product portfolios.

Profit/loss for the year in relation to expected developments

Our expectations for 2024 EBITDA, as stated in the management review in the annual report last year, was an increased profitability compared to the result from 2023. With adjusted EBITDA for 2024 reaching 57.7m, these expectations were met.

During 2024, The Army Painter focused on further strengthening product development, ensuring a strong pipeline of exciting products for our enthusiastic customers. We partnered up with industry legends fostering a portfolio of news-breaking products being launched early 2025. Significant investments in our digital infrastructure, including the implementation of a new Warehouse Management System and the initiation of a new business intelligence platform, ensure our IT landscape continues to support the business effectively.

Commercially, we insourced the European web shop, enabling a seamless and integrated customer experience. Additionally, we invested in organizational changes, particularly within our management group, significantly strengthening our competencies and capabilities while successfully integrating these changes into our existing company culture. Our relentless efforts to expand our unique people and culture universe have allowed us to maintain high employee satisfaction while adapting operations to new efficient ways of working. Lastly, our organization was involved in various



activities as part of a successful supplier acquisition process, completed in January 2025.

While our 2023 product launch of Speedpaint 2.0 complemented traditional acrylic paints by catering to both novice and experienced/professional users, our successful 2024 launch of Warpaint Fanatic achieved similar heights. The launch success was driven by the products' high pigmentation, flexible triad systems, versatile application, and wide range of paints, making it a versatile and high-performance choice for miniature painting.

Considering the investments in product development, activities related to the product launches in 2024, development of the organization and IT investments, management finds the result satisfactory.

Outlook

As a result of the continued growth in the market, the strength of our product portfolio coupled with the exciting upcoming product launches in 2025, The Army Painter expects continued growth in 2025 and to solidify the position as the independent global market leader in tabletop miniature paints and accessories. Significant investments in past years will foster a strong foundation for growth within both revenue and profitability.

Alongside continuing to build the community around the brand, we will invest further in market expansions, organizational growth and in securing our supply chain.

Management expects adjusted EBITDA for 2025 to increase between 10-20% compared to 2024.

Risks

The board of directors and management continuously monitor both internal and external business risks. The company is affected by price developments in raw materials, transportation and market conditions in general in addition to below risks:

US Tariff risk

Import tariff increases in the US will have a negative impact in the short term until the market settles.

The demand for our paint and accessory products is relatively inelastic, meaning that minor changes in price have a limited impact on the demand. Our customers value the quality and uniqueness of our offerings, leading to consistent sales regardless of price fluctuations.

Currency risks

The company is exposed to currency risk arising from fluctuations in exchange rates between Danish kroner (DKK) and US Dollar (USD) / Euro (EUR), as a significant share of the company's revenue inflow is in USD and EUR. This risk is partially mitigated through a natural hedge whereas the inflow risk is offset by expenses and purchase of raw materials in the currency in question. As the currency risk between the Danish kroner (DKK)

and the Euro (EUR) remains minimal due to Denmark's fixed exchange rate policy, the main risk is towards USD.

Regular monitoring of exchange rate trends and market conditions are conducted internally, and hedging strategies are adjusted as needed to respond to significant changes in the currency market.

Active hedging through financial instruments such as forward contracts, options or other financial instruments has been considered but is currently not being used. These instruments or similar may be used in the future to manage the currency-related risk. By implementing these instruments, we aim to minimize the impact of currency risk on our operations and maintain financial stability.

IT risks

The Army Painter faces various IT risks that could impact operations, financial performance, and reputation. We do recognize the importance of robust IT risk management to ensure business continuity and safeguard our critical assets especially as we are amplifying our digital landscape and strategic online presence.

In 2024 we have initiated further actions to mitigate risks within five areas: (1) Cybersecurity threats, (2) Data Protection and Privacy, (3) System Downtime and Reliability, (4) Third-Party Risks, and (5) Emerging Technologies. In 2025 we will strengthen the effort by addressing these IT risks proactively, by updating our IT policies and further educate our employees.

Interest risks

The company faces interest rate risks on its bank loans within The Army Painter Group ApS, which are related to variable interest rates. An increase in interest rates can lead to higher costs, adversely impacting liquidity and profitability. However, the annual repayment of these loans helps to gradually mitigate these risks.

Suppliers' risks

The Army Painter maintains close and long-standing relationships with its main suppliers and adjusts forecasts throughout the year to manage the supply of raw materials.

The majority of our suppliers are within the European Union, and to a minor degree in Asia. To manage the risks of an international supplier base, all new suppliers are presented with a supplier manual and code of conduct. These policies have been developed to ensure that all products have the same quality and follow the same guidelines for production and ESG.

Environmental performance

Although The Army Painter is not required to comply with the European CSRD (Corporate Sustainability Reporting Directive), our shareholders, board of directors, and management are dedicated to measuring, monitoring, and enhancing our ESG (Environmental, Social, and Governance)

footprint and initiatives. In 2024, we set strategic goals and launched initiatives to ensure continuous improvement within these areas.

Environmental performance

In 2024, the company successfully completed calculations for for Scope 1, Scope 2, and Scope 3 emissions for the baseline year 2022 and the subsequent year 2023. These results were meticulously audited by an external party, establishing a robust foundation for the company's future emission reduction goals. This comprehensive assessment underscores the company's commitment to sustainability and paves the way for significant environmental impact reduction in the coming years. Goals and initiatives to reduce emissions within all scopes towards 2030 have been formalized and are now a part of our quarterly management reporting. This is in accordance with the guidelines for CataCap's portfolio companies.

During 2025 we will allocate additional resources and focus to further decrease our emissions.

Social performance

For years, The Army Painter has been heavily involved in the community, through donating paints and accessories to children with special needs, both in Denmark but also abroad. Furthermore, we welcome a flexible working environment and hold various positions for employees with disabilities. Our overall organizational gender diversity is 50/50 at the end of 2024, whereas the executive management is constituted by 33% women.

Research and development activities

The Army Painter continuously seeks to develop both its products and the miniature hobby niche. This is done by keeping focus on both the technical aspects of our products and developing and maintaining close contact with the end-users and the community.

Group relations

Management structure

The company's principles for good corporate governance are based on rules of procedures and a management structure consisting of a board of directors and management team. The board of directors meets according to a set schedule, at least 5 times a year. In addition, a similar number of Chairmanship meetings are held.

Governance

To provide transparency, The Army Painter follows guidelines of "Aktive Ejere" for responsible ownership and good corporate governance. On this foundation, the board of directors, and the management team have established internal procedures to ensure active, secure, and value creating management. Likewise, the board of directors continuously monitor the company's management structure and control systems to ensure that they are reliable and effective. At board level, the fixed procedures include monthly reporting on relevant commercial, operational and financial parameters, including risk assessment of investments and markets.

The Army Painters' top management consists of

Søren Torp Laursen

Executive Board

Cascas Holding ApS
Cascas Invest ApS

Chairman

The Army Painter ApS
The Army Painter Group ApS
The Army Painter Group Holding ApS
Koble ApS
Postevand ApS

Varier Furniture AS
BørneRiget Fonden

Board member

Ejendomsselskabet Frederiks Alle 105 P/S
Marselisborg Alle 24 P/S
Værkstedvej 41 P/S
People2Play ApS
Koble Holding ApS
Mattel, Inc

Lasse Hadberg Lynge

Executive Board

LHLH ApS

Deputy chairman

The Army Painter ApS
The Army Painter Group ApS
The Army Painter Group Holding ApS

Board member

Aerfin Holdings Limited
Aerfin Limited
Atlantic HoldCo Limited
Atlantic OfferCo Limited

Jens Jørgen Hahn-Petersen

Executive Board

PROSPERITAS ApS
CATACAP MANAGEMENT A/S
CATACAP GENERAL PARTNER I ApS
CATACAP OP ApS
CATACAP DM ApS
CataCap General Partner II ApS
CC II Management Invest 2017 GP ApS
CataCap DM II ApS
CC Fly Invest ApS
Rekom ManCo ApS
TPA Green ManCo ApS
CC Globe Invest ApS
Globe ManCo ApS
CC Toaster Invest ApS
Luxplus MIIP ApS
CataCap General Partner III ApS
CC North Invest ApS
CC DAFA Invest ApS
DAFA MIIP ApS
CC TopCo Invest ApS
CC HoldCo ApS
CC BidCo ApS
CC TAP Invest ApS
CC NLM Invest ApS

CC TopCo IV Invest ApS
CC HoldCo IV ApS
CC BidCo IV ApS
TAP MIIP ApS
CC TopCo V Invest ApS
CC HoldCo V ApS
CC BidCo V ApS
CC Aviation General Partner I ApS
NLM Vantinge IP ApS

Board member

NORDMARK MASKINFABRIK A/S
Group Online A/S
Nordmark Coating A/S
Nordmark Properties ApS
Nordmark Group Holding ApS
CC Green Wall Invest ApS
CC Globe Holding I ApS
CC Globe Holding II A/S
Nordmark Group ApS
The Army Painter ApS
The Army Painter Group ApS
The Army Painter Group Holding ApS
Nordmark Coating Cuxhaven Properties ApS

Jeppe Kallesøe Odefey

Executive Board

Odekal management ApS

Board member

G.O. HOLDING A/S

HOLGER KRISTIANSENS EFTF. AALBORG A/S

G.O. TRANS A/S

G.O. TRANSPORT & SPEDITION A/S

The Army Painter ApS

The Army Painter Group ApS

The Army Painter Group Holding ApS

NEMLIG.COM A/S

Lars Prisak

Executive Board

LH Investering ApS

Triarca Holding ApS

Lanpri ApS

Prisak Invest ApS

Triarca A/S

Investeringselskabet af 14 juni 2024 ApS

AE2017 Bidco ApS

Board member

B6 Nordic A/S

The Army Painter ApS

The Army Painter Group ApS

The Army Painter Group Holding ApS

Triarca Holding ApS

HAMAG A/S

Triarca A/S

Chairman

B6 A/S

Line Nymann Penstoft

Executive Board

Sigfred Holding ApS

Møljner Holding ApS

Aria Holding ApS

Pixie Capital ApS

Board member

The Army Painter ApS

The Army Painter Group ApS

The Army Painter Group Holding ApS

TAP Paint Factory S.L.

The Army Painter Inc

Henning Nielsen

Executive Board

MF 135 ApS

The Army Painter ApS

The Army Painter Group ApS

The Army Painter Group Holding ApS

Board member

BISGAARD SKO A/S

Nailster A/S

Bisgaard Sko Logistics A/S

TAP Paint Factory S.L

Palle Winther

Executive Board

The Army Painter ApS

The Army Painter Group ApS

The Army Painter Group Holding ApS

PACE Consulting ApS

Board member

Furnipart Holding A/S

TAP Paint Factory S.L

Annual report

The Company's annual report is available on the website:
<https://thearmypainter.com/>

Events after the balance sheet date

In January 2025, The Army Painter acquired one of its key paint suppliers. The acquisition supports the company's growth strategy and ambition to strengthen production, supply and innovation. The Board and management look forward to realizing the synergies supporting our overall ambition of "full Galactic domination".

Parent treasury shares

	Number	Nominal value DKK	Share of contributed capital %	Purchase/ (selling) price DKK
A2 shares	8,738	88	0.21	325,622
B1 shares	26,214	262	0.62	149,420
Investments acquired	34,952	350	0.83	
A2 shares	8,738	88	0.21	
B1 shares	26,214	262	0.62	
Holding of treasury shares	34,952	350	0.83	

The acquired shares are a part of the MiiP program.

CONSOLIDATED INCOME STATEMENT FOR 2024

	Notes	2024 DKK	2022/2023 DKK
Gross profit/loss		90,943,835	62,840,976
Staff costs	2	(40,948,702)	(35,100,982)
Depreciation, amortisation and impairment losses	3	(29,843,530)	(30,382,530)
Operating profit/loss		20,151,603	(2,642,536)
Other financial income		4,882,701	1,947,829
Other financial expenses		(18,935,324)	(18,152,810)
Profit/loss before tax		6,098,980	(18,847,517)
Tax on profit/loss for the year	4	(3,938,018)	(1,084,430)
Profit/loss for the year	5	2,160,962	(19,931,947)

CONSOLIDATED BALANCE SHEET AT 31.12.2024

Assets

	Notes	2024 DKK	2022/2023 DKK
Acquired intangible assets		40,241,225	45,271,378
Acquired trademarks		209,028,791	220,641,502
Goodwill		171,519,125	181,078,650
Development projects in progress	7	245,100	382,215
Intangible assets	6	421,034,241	447,373,745
Other fixtures and fittings, tools and equipment		5,395,569	6,851,692
Leasehold improvements		217,913	203,854
Property, plant and equipment	8	5,613,482	7,055,546
Deposits		851,519	836,121
Financial assets	9	851,519	836,121
Fixed assets		427,499,242	455,265,412
Raw materials and consumables		9,460,191	13,951,904
Work in progress		4,873,363	6,637,274
Manufactured goods and goods for resale		28,083,010	37,936,789
Prepayments for goods		2,813,279	3,144,294
Inventories		45,229,843	61,670,261
Trade receivables		16,074,107	16,386,785
Other receivables		826,758	1,315,334
Prepayments	10	1,207,706	1,147,832
Receivables		18,108,571	18,849,951
Cash		32,663,328	16,147,015
Current assets		96,001,742	96,667,227
Assets		523,500,984	551,932,639

Equity and liabilities

	Notes	2024 DKK	2022/2023 DKK
Contributed capital	11, 12	72,010	69,735
Translation reserve		(1,639)	(11,355)
Retained earnings		237,617,734	232,683,928
Equity		237,688,105	232,742,308
Deferred tax	13	56,041,328	60,105,683
Provisions		56,041,328	60,105,683
Bank loans		69,600,000	96,480,000
Lease liabilities		1,001,834	2,261,715
Payables to owners and management		110,120,549	104,876,712
Non-current liabilities other than provisions	14	180,722,383	203,618,427
Current portion of non-current liabilities other than provisions	14	28,859,932	23,330,871
Bank loans		2,900,284	14,970,137
Prepayments received from customers		225,027	403,978
Trade payables		10,290,548	9,025,641
Payables to owners and management		18,155	1,856,994
Joint taxation contribution payable		4,987,035	108,565
Other payables	15	1,768,187	2,495,597
Deferred income	16	0	3,274,438
Current liabilities other than provisions		49,049,168	55,466,221
Liabilities other than provisions		229,771,551	259,084,648
Equity and liabilities		523,500,984	551,932,639
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	18		
Contingent liabilities	19		
Assets charged and collateral	20		
Non-arm's length related party transactions	21		
Subsidiaries	22		

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR 2024

	Contributed capital DKK	Share premium DKK	Translation reserve DKK	Retained earnings DKK	Total DKK
Equity beginning of year	69,735	0	(11,355)	232,683,928	232,742,308
Increase of capital	2,275	3,247,886	0	0	3,250,161
Transferred from share premium	0	(3,247,886)	0	3,247,886	0
Purchase of treasury shares	0	0	0	(475,042)	(475,042)
Exchange rate adjustments	0	0	9,716	0	9,716
Profit/loss for the year	0	0	0	2,160,962	2,160,962
Equity end of year	72,010	0	(1,639)	237,617,734	237,688,105

CONSOLIDATED CASH FLOW STATEMENT FOR 2024

	Notes	2024 DKK	2022/2023 DKK
Operating profit/loss		20,151,603	(2,642,536)
Amortisation, depreciation and impairment losses		29,843,531	30,382,530
Working capital changes	17	12,427,065	(20,458,010)
Cash flow from ordinary operating activities		62,422,199	7,281,984
Financial income received		758,365	1,375,714
Financial expenses paid		(14,419,056)	(17,679,436)
Taxes refunded/(paid)		(3,123,903)	(5,000,000)
Cash flows from operating activities		45,637,605	(14,021,738)
Acquisition etc. of intangible assets		(245,100)	(410,329,881)
Acquisition etc. of property, plant and equipment		(2,199,077)	(11,085,057)
Sale of property, plant and equipment		0	20,000
Acquisition of enterprises		0	(39,432,684)
Deposits		(15,397)	(81,156)
Cash flows from investing activities		(2,459,574)	(460,908,778)
Free cash flows generated from operations and investments before financing		43,178,031	(474,930,516)
Loans raised		10,763,837	134,734,002
Repayments of loans etc.		(40,200,674)	(1,138,793)
Acquisition of treasury shares		(475,042)	0
Cash capital increase		3,250,161	252,605,610
Payables to owners and management raised		0	104,876,712
Cash flows from financing activities		(26,661,718)	491,077,531
Increase/decrease in cash and cash equivalents		16,516,313	16,147,015
Cash and cash equivalents beginning of year		16,147,015	0
Cash and cash equivalents end of year		32,663,328	16,147,015
Cash and cash equivalents at year-end are composed of:			
Cash		32,663,328	16,147,015
Cash and cash equivalents end of year		32,663,328	16,147,015

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 Events after the balance sheet date

In January 2025, The Army Painter acquired one of its key paint suppliers. The acquisition supports the company's growth strategy and ambition to strengthen production, supply and develop competences. The Board and management look forward to harvest the synergies supporting our overall ambition of "full Galactic domination".

2 Staff costs

	2024 DKK	2022/2023 DKK
Wages and salaries	35,910,731	31,604,748
Pension costs	4,149,547	2,948,615
Other social security costs	888,424	547,619
	40,948,702	35,100,982
Average number of full-time employees	68	64

	Remuneration of management 2024 DKK	Remuneration of management 2022/23 DKK
Executive Board	3,206,035	4,358,349
Board of Directors	650,000	445,831
	3,856,035	4,804,180

3 Depreciation, amortisation and impairment losses

	2024 DKK	2022/2023 DKK
Amortisation of intangible assets	26,202,389	26,202,389
Depreciation of property, plant and equipment	3,641,141	4,180,141
	29,843,530	30,382,530

4 Tax on profit/loss for the year

	2024 DKK	2022/2023 DKK
Current tax	8,013,116	4,872,785
Change in deferred tax	(4,064,355)	(3,788,355)
Adjustment concerning previous years	(10,743)	0
	3,938,018	1,084,430

5 Proposed distribution of profit/loss

	2024 DKK	2022/2023 DKK
Retained earnings	2,160,962	(19,931,947)
	2,160,962	(19,931,947)

6 Intangible assets

	Acquired intangible assets DKK	Acquired trademarks DKK	Goodwill DKK	Development pro- jects in progress DKK
Cost beginning of year	50,301,531	232,254,213	190,638,175	382,215
Additions	0	0	0	245,100
Disposals	0	0	0	(382,215)
Cost end of year	50,301,531	232,254,213	190,638,175	245,100
Amortisation and impairment losses beginning of year	(5,030,153)	(11,612,711)	(9,559,525)	0
Amortisation for the year	(5,030,153)	(11,612,711)	(9,559,525)	0
Amortisation and impairment losses end of year	(10,060,306)	(23,225,422)	(19,119,050)	0
Carrying amount end of year	40,241,225	209,028,791	171,519,125	245,100

7 Development projects

The company's development project consists of developing of a data warehouse project.

The development project is under development. Future improvements will be capitalized, while maintenance costs will be expensed in the income statement continuously. Management expects the development project to be completed by 2025.

Management has not identified any indications of impairment regarding the accounting value of DKK 245k. The development project is expected to generate positive cash flows that exceed the accounting value.

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	10,689,295	297,387
Additions	2,087,252	111,825
Disposals	(2,972,278)	0
Cost end of year	9,804,269	409,212
Depreciation and impairment losses beginning of year	(3,837,603)	(93,533)
Depreciation for the year	(3,543,375)	(97,766)
Reversal regarding disposals	2,972,278	0
Depreciation and impairment losses end of year	(4,408,700)	(191,299)
Carrying amount end of year	5,395,569	217,913
Recognised assets not owned by entity	2,226,685	0

9 Financial assets

	Deposits DKK
Cost beginning of year	836,121
Additions	15,398
Cost end of year	851,519
Carrying amount end of year	851,519

10 Prepayments

Prepayments consist of prepaid costs.

11 Contributed capital

	Number	Par value DKK	Nominal value DKK
A1 shares	5,970,150	0.01	59,702
A2 shares	835,127	0.01	8,351
B1 shares	395,706	0.01	3,957
	7,200,983		72,010

12 Treasury shares

	Number	Nominal value DKK	Share of contributed capital %	Purchase/ (selling) price DKK
A2 shares	8,738	88	0.21	325,622
B1 shares	26,214	262	0.62	149,420
Investments acquired	34,952	350	0.83	
A2 shares	8,738	88	0.21	
B1 shares	26,214	262	0.62	
Holding of treasury shares	34,952	350	0.83	

The acquired shares are a part of the MiiP program.

13 Deferred tax

	2024 DKK	2022/2023 DKK
Intangible assets	54,893,404	58,584,834
Property, plant and equipment	618,924	1,232,849
Inventories	1,027,000	1,061,000
Liabilities other than provisions	(498,000)	(773,000)
Deferred tax	56,041,328	60,105,683

Changes during the year	2024 DKK	2022/2023 DKK
Beginning of year	60,105,683	0
Recognised in the income statement	(4,064,355)	(3,788,355)
Addition through business combinations etc	0	63,894,038
End of year	56,041,328	60,105,683

14 Non-current liabilities other than provisions

	Due within 12 months 2024 DKK	Due within 12 months 2022/2023 DKK	Due after more than 12 months 2024 DKK	Outstanding after 5 years 2024 DKK
Bank loans	27,600,000	22,080,000	69,600,000	0
Lease liabilities	1,259,932	1,250,871	1,001,834	0
Payables to owners and management	0	0	110,120,549	110,120,549
	28,859,932	23,330,871	180,722,383	110,120,549

15 Other payables

	2024 DKK	2022/2023 DKK
VAT and duties	601,398	397,556
Wages and salaries, personal income taxes, social security costs, etc. payable	201,431	1,093,771
Holiday pay obligation	764,601	736,090
Other costs payable	200,757	268,180
	1,768,187	2,495,597

16 Deferred income

Deferred Income consist of floating sales orders where the customer has paid, but the risk transfer has not occurred on the balance sheet date.

17 Changes in working capital

	2024 DKK	2022/2023 DKK
Increase/decrease in inventories	16,440,418	(11,542,962)
Increase/decrease in receivables	741,380	(5,895,121)
Increase/decrease in trade payables etc.	(4,754,733)	(7,327,441)
Other changes	0	4,307,514
	12,427,065	(20,458,010)

18 Unrecognised rental and lease commitments

	2024 DKK	2022/2023 DKK
Total liabilities under rental or lease agreements until maturity	11,119,372	15,308,728

19 Contingent liabilities

None.

20 Assets charged and collateral

The group has provided security for the subsidiary's debt to Nykredit.

The security is provided in shares in The Army Painter ApS, The Army Painter Group Holding ApS and Group loans.

As security for all The Army Painter ApS' and Intercompany bank debt to Nykredit, The Army Painter ApS has granted a floating charge of DKK 4,000k on intellectual property rights, other fixtures and fittings, tools and equipment, trade receivables and inventories.

The carrying amount of assets charged at 31.12.2024 is DKK 66,262k (31.12.2023: DKK 83,368k).

The Army Painter ApS has entered into an agreement with a supplier on the minimum purchase of raw materials. The company's obligation per 31.12.2024 amounts to a total of: DKK 8,380k. (31.12.2023: DKK 10,526k).

21 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

21 Subsidiaries

	Registered in	Corporated form	Equity interest %
The Army Painter Group ApS	Skanderborg	ApS	100.00
The Army Painter ApS	Skanderborg	ApS	100.00
The Army Painter US, Inc	Delaware	Inc	100.00
TAP Paint Factory S.L.	Valencia	S.L.	100.00

PARENT INCOME STATEMENT FOR 2024

	Notes	2024 DKK	2022/2023 DKK
Gross profit/loss		(201,726)	(120,678)
Income from investments in group enterprises		4,143,189	(19,829,637)
Other financial income	2	5,284,426	4,882,087
Other financial expenses		(5,243,836)	(4,876,712)
Profit/loss before tax		3,982,053	(19,944,940)
Tax on profit/loss for the year	3	13,621	12,992
Profit/loss for the year	4	3,995,674	(19,931,948)

PARENT BALANCE SHEET AT 31.12.2024

Assets

	Notes	2024 DKK	2022/2023 DKK
Investments in group enterprises		137,062,881	132,909,975
Receivables from group enterprises		209,461,582	204,250,690
Financial assets	5	346,524,463	337,160,665
Fixed assets		346,524,463	337,160,665
Receivables from group enterprises		87,314	0
Joint taxation contribution receivable		13,621	12,992
Receivables		100,935	12,992
Cash		3,059,218	490,362
Current assets		3,160,153	503,354
Assets		349,684,616	337,664,019

Equity and liabilities

	Notes	2024 DKK	2022/2023 DKK
Contributed capital		72,010	69,735
Translation reserve		(1,639)	(11,355)
Retained earnings		239,452,446	232,683,927
Equity		239,522,817	232,742,307
Payables to owners and management		110,120,549	104,876,712
Non-current liabilities other than provisions	6	110,120,549	104,876,712
Trade payables		41,250	45,000
Current liabilities other than provisions		41,250	45,000
Liabilities other than provisions		110,161,799	104,921,712
Equity and liabilities		349,684,616	337,664,019
Events after the balance sheet date	1		
Employees	7		
Contingent liabilities	8		
Assets charged and collateral	9		
Related parties with controlling interest	10		
Non-arm's length related party transactions	11		

PARENT STATEMENT OF CHANGES IN EQUITY FOR 2024

	Contributed capital DKK	Share premium DKK	Translation reserve DKK	Retained earnings DKK	Total DKK
Equity beginning of year	69,735	0	(11,355)	232,683,927	232,742,307
Increase of capital	2,275	3,247,886	0	0	3,250,161
Transferred from share premium	0	(3,247,886)	0	3,247,886	0
Purchase of treasury shares	0	0	0	(475,041)	(475,041)
Exchange rate adjustments	0	0	9,716	0	9,716
Profit/loss for the year	0	0	0	3,995,674	3,995,674
Equity end of year	72,010	0	(1,639)	239,452,446	239,522,817



NOTES TO PARENT FINANCIAL STATEMENTS

1 Events after the balance sheet date

In January 2025, The Army Painter acquired one of its key paint suppliers. The acquisition supports the company's growth strategy and ambition to strengthen production, supply and develop competences. The Board and management look forward to harvest the synergies supporting our overall ambition of "full Galactic domination".

2 Other financial income

	2024 DKK	2022/2023 DKK
Financial income from group enterprises	5,245,162	4,876,712
Other interest income	39,264	5,375
	5,284,426	4,882,087

3 Tax on profit/loss for the year

	2024 DKK	2022/2023 DKK
Refund in joint taxation arrangement	(13,621)	(12,992)
	(13,621)	(12,992)

4 Proposed distribution of profit and loss

	2024 DKK	2022/2023 DKK
Retained earnings	3,995,674	(19,931,948)
	3,995,674	(19,931,948)

5 Financial assets

	Investments in group enterprises DKK	Receivables from group enterprises DKK
Cost beginning of year	152,750,967	204,250,690
Additions	0	5,210,892
Cost end of year	152,750,967	209,461,582
Revaluations beginning of year	(19,840,992)	0
Exchange rate adjustments	9,716	0
Share of profit/loss for the year	4,143,190	0
Revaluations end of year	(15,688,086)	0
Carrying amount end of year	137,062,881	209,461,582

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

6 Non-current liabilities other than provisions

	Due after more than 12 months 2024 DKK.	Outstanding after 5 years 2024 DKK
Payables to owners and management	110,120,549	110,120,548
	110,120,549	110,120,548

7 Employees

The Entity has no employees other than the Executive Board. The Executive Officer has not received any remuneration.

8 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which CC TAP Invest ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

9 Assets charged and collateral

The company has provided security for the subsidiary's debt to Nykredit.

The security is provided in shares in The Army Painter ApS, The Army Painter Group Holding ApS and Group loans.

10 Related parties with controlling interest

CC TAP Invest ApS owns 55.55% shares in the Entity, thus exercising control.

11 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.



ACCOUNTING POLICIES

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Non-comparability

The previous financial year was the company's first financial year and covers the period from 18.10.2022 to 31.12.2023. Therefore, the figures for 2024 are not directly comparable.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in the translation reserve in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in the translation reserve in equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, other operating income, costs of sales and other external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs

Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Parent is jointly taxed with all of its Danish group enterprises and other Danish consolidated companies. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For the amount of goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation period used is 20 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc

Intellectual property rights etc. comprise development projects in progress with acquired intangible assets and acquired trademarks.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. The amortisation periods used are 3-5 years.

Acquired intangible assets and acquired trademarks are measured at cost less accumulated amortisation. Acquired intangible assets are amortised over a period of 10 years.

Acquired trademarks are amortised over a period of 20 years.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-6 years
Leasehold improvements	5 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises

Investments in group enterprises are recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Reference is made to the above section on business combinations for more details about the accounting policies applied to acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises cash in bank deposits.

Treasury shares

Acquisition and selling prices and dividends of treasury shares are classified directly as equity in retained earnings. Gains and losses from sale are not recognised in the income statement. Capital reduction by cancellation of treasury shares reduces the contributed capital by an amount corresponding to their nominal value.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Lease liabilities

Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.

