Deloitte.

TOP-LINE MØBELPRODUKTION MØLDRUP A/S

Vestergade 31
9632 Møldrup
CVR No. 10303184

Annual report 01.05.2023 - 30.04.2024

The Annual General Meeting adopted the annual report on 08.10.2024

Jan Snogdal
Chairman of the General Meeting

Contents

Entity details

Entity

TOP-LINE MØBELPRODUKTION MØLDRUP A/S
Vestergade 31
9632 Møldrup

Business Registration No.: 10303184
Registered office: Viborg
Financial year: 01.05.2023 - 30.04.2024

Board of Directors

Svend Østergaard Pedersen, Chairman
Jan Snogdal
Bjarke Østergaard Pedersen
Jens Juul Dollerup Sørensen
Anders Ertmann

Executive Board

Claus Sjælland Nørgaard, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Østre Havnepromenade 26, 4th floor
9000 Aalborg

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of TOP-LINE MØBELPRODUKTION MØLDRUP A/S for the financial year 01.05.2023 - 30.04.2024.

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 30.04.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.05.2023 - 30.04.2024.

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.

Møldrup, 08.10.2024

Executive Board

Claus Sjælland Nørgaard
CEO

Board of Directors

Svend Østergaard Pedersen
Chairman

Jan Snogdal

Bjarke Østergaard Pedersen

Jens Juul Dollerup Sørensen

Anders Ertmann

Independent auditor's report

To the shareholders of TOP-LINE MØBELPRODUKTION MØLDRUP A/S

Opinion

We have audited the consolidated financial statements and the parent financial statements of TOP-LINE MØBELPRODUKTION MØLDRUP A/S for the financial year 01.05.2023 - 30.04.2024, 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 30.04.2024 and of the results of their operations and the consolidated cash flows for the financial year 01.05.2023 - 30.04.2024 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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.

Aalborg, 08.10.2024

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

René Winther Pedersen
State Authorised Public Accountant
Identification No (MNE) mne34173

Management commentary

Financial highlights

	2023/24 DKK'000	2022/23 DKK'000	2021/22 DKK'000	2020/21 DKK'000	2019/20 DKK'000
Key figures					
Gross profit/loss	56,819	66,725	81,818	65,828	55,569
Operating profit/loss	(4,701)	4,573	23,694	15,516	5,850
Net financials	(13,133)	(50,603)	(926)	3,244	(4,231)
Profit/loss for the year	(14,404)	(52,031)	10,902	11,551	532
Profit for the year excl. minority interests	(14,404)	(52,031)	11,300	11,690	532
Balance sheet total	91,471	106,641	119,744	106,345	83,415
Investments in property, plant and equipment	1,822	1,430	6,832	2,706	6,421
Equity	11,669	16,850	50,384	46,617	34,349
Equity excl. minority interests	11,669	16,850	50,299	46,517	34,349
Cash flows from operating activities	(10,541)	(893)	13,096	20,238	12,369
Cash flows from investing activities	254	(15,917)	(22,396)	(6,689)	(10,576)
Cash flows from financing activities	9,996	17,194	2,359	(4,042)	(3,044)
Ratios					
Return on equity (%)	(101.01)	(154.97)	23.34	28.91	1.49
Equity ratio (%)	12.76	15.80	42.01	43.74	41.18

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

Return on equity (%):
Profit/loss for the year * 100
Average equity

Equity ratio (%):
Equity excl. minority interests * 100
Balance sheet total

Primary activities

The Company's and the Group's activity is to produce and sell furniture, with a special focus on upholstered furniture, and a selective range of complementary products, especially within wooden products and dining environments.

Production takes place in the Polish subsidiary M-Line S.P.z.o.o. and at selected subsuppliers. Sales are handled by the Company's sales units Troels Denmark A/S, Top-Line Møbelproduktion A/S, A2B Sofactory A/S, Minding A/S, NordKomfort S.P.z.o.o. as well as Scandinavia Top-Line Sp. Z.o.o.

Development in activities and finances

The financial year shows a loss before tax of DKK 13,040k against last year's loss before tax of DKK 59,001k. Management considers the loss for the year to be highly unsatisfactory, but notes that through a targeted effort, the Company has succeeded in achieving balanced operations before extraordinary costs.

In the past financial year, the Company initiated a turn-around plan with a focus on the core business and an exit in relation to external investments and co-ownership of complementary businesses, which resulted in a recognised loss of DKK 55.5m in the last financial year.

This work has been finalised in the current financial year but has affected loss for the year negatively with additional DKK 6.1m in one-off costs, after which Management expects the work to be finally completed.

Based on this, the Board of Directors and Management have prepared an updated strategy plan for the next 3-5 years – Sustainable 2028 – with a focus on strengthening the core business and our position on strategically selected markets.

The introduction of the limited range of goods for resale has been delayed due to delivery issues, especially from a Ukrainian supplier, and the general challenges in global supply chains have also had a negative impact on delivery times and costs.

Core business

The Company's core business consists in development, production and sale of upholstered furniture from the Group's production facilities in Poland.

Primary sales are in Europe under the product names Top-Line, Troels Denmark and NordKomfort with Scandinavia as the largest market.

Despite the difficult market conditions, the Company has managed to expand its position with both existing and new customers in Europe, with the development of new models providing a strong platform for future growth.

The market situation has been characterised by continued consumer reluctance to purchase furniture.

As the Company sells its products in local currency, the continued low exchange rate of NOK and SEK in particular combined with a rising Polish zloty has had a significant negative impact on loss for the year as sales prices could not be adjusted at a similar speed and therefore had a negative impact in the range of DKK 8.4m.

Profit/loss for the year in relation to expected developments

At the onset of the year, the Company's Management and Board of Directors expected the market to stabilise at a higher level than it actually did, so an adjustment was made in the workforce in both Denmark and the factory in

Poland, and with a focus on reducing the cost level in both Denmark and Poland.

The continued unrest in Ukraine and the resulting disruptions, especially in the supply of wooden products, have led to increased costs and delays on some models.

At the same time, there have been fluctuating prices for raw materials and subcontracted services, and the increasing minimum wage in Poland has affected production costs in the Group's own production facilities and of the Company's subcontractors.

As a result, Management launched a number of initiatives in connection with the budget to increase efficiency and reduce fixed costs. Moreover, price adjustments were made, which are expected to restore positive operating income for the coming financial year.

Outlook

After the completed cost adjustment of the Group, the focus is on developing the core business in the coming years, and an operating profit is expected for 2024/25.

However, Management expects that the implemented cost reductions, efficiency improvements, price adjustments and planned improvements in structure, processes and co-operation both internally within the Group and externally towards the market will lead to an improvement in earnings capacity.

The Company has initiated an update of the strategy plan – Sustainable 2028 – which further strengthens our position, which together with the execution of the strategy will strengthen our earnings capacity and market position in the years to come.

Management expects to generate profit before taxes in the level of DKK 8-10m.

Use of financial instruments

Top-Line Møbelproduktion A/S may use forward foreign exchange contracts, currency options and FX Swaps (Liquidity Swaps) to manage currency risks. In the individual trades, products are selected based on market expectations and security in the budget. Writing/selling of financial instruments is permitted as long as any obligation is based on an underlying cash flow or inventory. Top-Line Møbelproduktion A/S may also use FX Swaps to maintain a position in a specific currency, e.g. NOK or PLN, from a strategic point of view.

Environmental performance

In continuation of the strategic efforts to reduce the Company's environmental impact, an experienced resource was hired in the financial year to focus on meeting the market's desire for increased transparency and reporting requirements. The Company is continuously working to reduce its environmental impact, with increased focus on waste reduction, waste sorting/recycling.

The Company expects to increase future initiatives towards a smaller carbon footprint and environmental impact and is working towards fulfilment of the requirements of the CSRD directive although the Group is not subject to the legislation or met with the demand from the market.

Top-Line Group's philosophy is to produce long-lasting designs and furniture that have a long lifespan, thus minimising the impact on the environment. The furniture is sold exclusively through recognised dealers in strategically selected markets.

Research and development activities

The Company is continuously working on the development of new models and innovative solutions in close co-operation with customers, designers and subcontractors, but has not incurred separate expenses for research and development activities.

Events after the balance sheet date

As the Company's customers continue to experience a difficult market with high consumer spending restraint, the Board and Management decided to update the strategic plan and budget as well as implement a number of earnings-enhancing initiatives and cost savings.

Moreover, the Company's founder injected additional DKK 5.0m in share capital, which has contributed to increased resilience to the market fluctuations that have prevailed over the past few years, and which also further strengthened cash resources.

In addition, the Company has entered into a long-term funding agreement with the Company's bank, Nordea, on market terms with the usual covenants.

The Company's cash resources are thus intact, and the Executive Board and Board of Directors assess that the Company's capital resources are sufficient to secure future operations.

Based on long-standing relationships and the continuous development of products and market cultivation, we have succeeded in expanding our position in stores, which provides the basis for future positive development.

No other events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Consolidated treasury shares

	Number	Nominal value DKK	Share of contributed capital %	Purchase/ (selling) price DKK
Ordinary stock	52,700	52,700	2.53	52,700
Investments disposed of	**52,700**	**52,700**	**2.53**	
Ordinary stock	81,600	81,600	3.92	
Holding of treasury shares	**81,600**	**81,600**	**3.92**	

The Company has disposed of treasury shares to employees in the financial year.

Consolidated income statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Gross profit/loss	2	**56,819,161**	**66,724,767**
Staff costs	3	(58,508,844)	(59,510,649)
Depreciation, amortisation and impairment losses		(3,011,521)	(2,640,620)
Operating profit/loss		**(4,701,204)**	**4,573,498**
Income from investments in associates		4,794,732	(12,971,494)
Other financial income	4	2,177,631	3,186,710
Impairment losses on financial assets	5	0	(33,020,706)
Other financial expenses	6	(15,310,699)	(20,769,251)
Profit/loss before tax		**(13,039,540)**	**(59,001,243)**
Tax on profit/loss for the year	7	(1,364,693)	6,969,751
Profit/loss for the year	8	**(14,404,233)**	**(52,031,492)**

Consolidated balance sheet at 30.04.2024

Assets

	Notes	2023/24 DKK	2022/23 DKK
Acquired intangible assets		50,000	0
Acquired licences		0	3
Intangible assets	9	**50,000**	**3**
Land and buildings		13,323,793	13,754,416
Plant and machinery		2,713,094	3,423,080
Other fixtures and fittings, tools and equipment		1,719,943	1,630,143
Leasehold improvements		0	0
Property, plant and equipment in progress		2,902	0
Property, plant and equipment	10	**17,759,732**	**18,807,639**
Investments in associates		0	0
Other investments		15,750	15,750
Financial assets	11	**15,750**	**15,750**
Fixed assets		**17,825,482**	**18,823,392**
Raw materials and consumables		15,716,476	19,613,208
Work in progress		2,389,909	2,335,568
Manufactured goods and goods for resale		8,850,487	4,281,667
Inventories		**26,956,872**	**26,230,443**
Trade receivables		24,187,747	24,329,884
Receivables from group enterprises		2,184,918	18,325,722
Deferred tax	12	7,097,922	8,011,167
Other receivables		6,615,974	4,601,987
Tax receivable		324,607	180,691
Receivables from owners and management	13	37,193	0
Prepayments	14	1,168,247	731,707
Receivables		**41,616,608**	**56,181,158**
Cash		**5,071,972**	**5,405,563**

Current assets	**73,645,452**	**87,817,164**
Assets	**91,470,934**	**106,640,556**

Equity and liabilities

	Notes	2023/24 DKK	2022/23 DKK
Contributed capital	15	2,081,900	2,081,900
Translation reserve		1,716,232	(271,428)
Retained earnings		7,870,582	15,039,115
Equity		**11,668,714**	**16,849,587**
Other provisions	16	2,717,072	919,619
Provisions		**2,717,072**	**919,619**
Mortgage debt		653,176	755,968
Bank loans		6,645,375	9,878,396
Lease liabilities		732,649	1,127,762
Non-current liabilities other than provisions	17	**8,031,200**	**11,762,126**
Current portion of non-current liabilities other than provisions	17	2,663,723	4,023,317
Bank loans		36,422,022	27,154,985
Lease liabilities		549,976	0
Trade payables		13,626,282	12,759,298
Payables to group enterprises		2,240,351	1,317,793
Payables to owners and management		305,454	742,933
Tax payable		33,954	0
Joint taxation contribution payable		0	3,349,926
Other payables	18	13,208,150	27,751,615
Deferred income	19	4,036	9,357
Current liabilities other than provisions		**69,053,948**	**77,109,224**
Liabilities other than provisions		**77,085,148**	**88,871,350**
Equity and liabilities		**91,470,934**	**106,640,556**

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Consolidated statement of changes in equity for 2023/24

	Contributed capital DKK	Translation reserve DKK	Retained earnings DKK	Total DKK
Equity beginning of year	2,081,900	(271,428)	15,039,115	16,849,587
Sale of treasury shares	0	0	52,700	52,700
Exchange rate adjustments	0	1,987,660	0	1,987,660
Group contributions etc.	0	0	7,183,000	7,183,000
Profit/loss for the year	0	0	(14,404,233)	(14,404,233)
Equity end of year	**2,081,900**	**1,716,232**	**7,870,582**	**11,668,714**

Consolidated cash flow statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Operating profit/loss		(4,701,204)	4,573,498
Amortisation, depreciation and impairment losses		3,011,521	2,640,620
Other provisions		1,797,453	(98,085)
Working capital changes	20	846,620	(2,212,805)
Cash flow from ordinary operating activities		**954,390**	**4,903,228**
Financial income received		2,123,409	1,767,579
Financial expenses paid		(9,753,918)	(2,301,434)
Taxes refunded/(paid)		(3,864,983)	(5,262,828)
Cash flows from operating activities		**(10,541,102)**	**(893,455)**
Acquisition etc. of intangible assets		0	(5,262)
Sale of intangible assets		0	5,695
Acquisition etc. of property, plant and equipment		(1,822,153)	(569,590)
Sale of property, plant and equipment		2,076,280	717,794
Loans		0	(12,877,750)
Repayments received		0	3,312,595
Capital increases in associates		0	(6,500,000)
Cash flows from investing activities		**254,127**	**(15,916,518)**
Free cash flows generated from operations and investments before financing		**(10,286,975)**	**(16,809,973)**
Loans raised		9,267,037	15,719,289
Repayments of loans etc.		(5,090,520)	0
Incurrence of debt to group enterprises		922,558	1,317,793
Repayment of debt to group enterprises		(1,896,389)	0
Incurrence of debt to associates		6,035	423,777
Repayment of debt to participating interests		(448,614)	0
Acquisition of treasury shares		0	(282,846)
Sale of treasury shares		52,700	15,500
Group contributions etc.		7,183,000	0
Cash flows from financing activities		**9,995,807**	**17,193,513**

Increase/decrease in cash and cash equivalents	**(291,168)**	**383,540**
Cash and cash equivalents beginning of year	5,405,563	5,297,127
Currency translation adjustments of cash and cash equivalents	(42,423)	(275,104)
Cash and cash equivalents end of year	**5,071,972**	**5,405,563**
Cash and cash equivalents at year-end are composed of:		
Cash	5,071,972	5,405,563
Cash and cash equivalents end of year	**5,071,972**	**5,405,563**

Notes to consolidated financial statements

1 Going concern

In July 2024, the Group signed a new agreement with its bank, securing sufficient credit facilities for the next financial year. The financial year showed a loss of DKK 14,404k, which has resulted in a reduction of equity to DKK 11,669k at 30.04.2024. Cash flows before financing activities amount to negative cash flows of DKK 291k in the financial year, which has resulted in increased liquidity needs.

As part of a new funding agreement, the Group has streamlined its business, which has resulted in disposal of all investments in associates, which reduces the risk of loss. The Group expects an operating profit as well as positive cash flows for the next financial year.

Moreover, the Group's founder injected additional DKK 5.0m in share capital, which has contributed to increased resilience to the market fluctuations that have prevailed over the past few years, and which also further strengthened cash resources.

Based on the funding agreement and capital increase, the Group has ensured that the necessary cash resources are available for the next financial year.

2 Gross profit/loss

Gross profit includes other operating income in the form of reinvoicing of administrative expenses of DKK 528k (2022/23: DKK 1,381k), payroll compensation of DKK 165k (2022/23: DKK 503k) and other operating income of DKK 2,101k (2022/23: DKK 207k).

3 Staff costs

	2023/24 DKK	2022/23 DKK
Wages and salaries	49,543,869	50,100,252
Pension costs	1,207,802	1,449,374
Other social security costs	7,757,173	7,961,023
	58,508,844	**59,510,649**

Average number of full-time employees	**338**	**363**

	Remuneration of management 2023/24 DKK	Remuneration of management 2022/23 DKK
Executive Board	2,834,737	3,124,833
	2,834,737	**3,124,833**

Special incentive programmes
The Company has agreed incentive programmes for the management group by way of share-based remuneration plans.

Remuneration of the Board of Directors and the Executive Board is disclosed collectively in accordance with the provisions of S. 98 B (3) of the Danish Financial Statements Act.

4 Other financial income

	2023/24 DKK	2022/23 DKK
Financial income from group enterprises	62,088	0
Other interest income	89,822	0
Exchange rate adjustments	1,733,737	2,973,437
Other financial income	291,984	213,273
	2,177,631	**3,186,710**

5 Impairment losses on financial assets

In 2022/23 impairment losses on financial assets consisted of impairment losses on receivables from FASMAS GmbH of DKK 23,451k, impairment losses on receivables from Troels LLC of DKK 7,570k as well as impairment losses on receivables from Canett Furniture A/S of DKK 2,000k.

6 Other financial expenses

	2023/24 DKK	2022/23 DKK
Financial expenses from group enterprises	268,806	0
Financial expenses from associates	6,127,742	17,048,686
Other interest expenses	1,742,894	700,688
Exchange rate adjustments	376,739	713,674
Fair value adjustments	5,556,781	1,419,131
Other financial expenses	1,237,737	887,072
	15,310,699	**20,769,251**

Financial expenses from associates consist of losses related to guarantee obligation for associates. In 2022/23 the item consisted of a guarantee commitment relating to FASMAS GmbH.

7 Tax on profit/loss for the year

	2023/24 DKK	2022/23 DKK
Current tax	618,928	845,663
Change in deferred tax	745,765	(7,842,923)
Adjustment concerning previous years	0	27,509
	1,364,693	**(6,969,751)**

8 Proposed distribution of profit/loss

	2023/24 DKK	2022/23 DKK
Retained earnings	(14,404,233)	(52,031,492)
	(14,404,233)	**(52,031,492)**

9 Intangible assets

	Acquired intangible assets DKK	Acquired licences DKK
Cost beginning of year	0	402,660
Exchange rate adjustments	0	24,849
Additions	50,000	0
Cost end of year	**50,000**	**427,509**
Amortisation and impairment losses beginning of year	0	(402,657)
Exchange rate adjustments	0	(24,852)
Amortisation and impairment losses end of year	**0**	**(427,509)**
Carrying amount end of year	**50,000**	**0**

10 Property, plant and equipment

	Land and buildings DKK	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK	Property, plant and equipment in progress DKK
Cost beginning of year	33,095,014	9,524,338	12,489,517	408,273	0
Exchange rate adjustments	1,699,606	571,293	217,700	0	0
Additions	0	378,181	1,441,070	0	2,902
Disposals	0	(31,091)	(1,170,189)	0	0
Cost end of year	**34,794,620**	**10,442,721**	**12,978,098**	**408,273**	**2,902**
Depreciation and impairment losses beginning of year	(19,340,598)	(6,101,258)	(10,859,374)	(408,273)	0
Exchange rate adjustments	(942,564)	(367,923)	(129,713)	0	0
Depreciation for the year	(1,187,665)	(1,291,537)	(595,768)	0	0
Reversal regarding disposals	0	31,091	326,700	0	0
Depreciation and impairment losses end of year	**(21,470,827)**	**(7,729,627)**	**(11,258,155)**	**(408,273)**	**0**
Carrying amount end of year	**13,323,793**	**2,713,094**	**1,719,943**	**0**	**2,902**
Recognised assets not owned by Entity	0	566,859	1,272,861	0	0

11 Financial assets

	Investments in associates DKK	Other investments DKK
Cost beginning of year	21,863,125	15,750
Disposals	(21,787,690)	0
Cost end of year	**75,435**	**15,750**
Impairment losses beginning of year	(21,863,125)	0
Reversal regarding disposals	21,787,690	0
Impairment losses end of year	**(75,435)**	**0**
Carrying amount end of year	**0**	**15,750**

Associates	**Registered in**	**Ownership %**
Fasmas GmbH	Germany	40.00
Troels Denmark LLC	USA	48.00

12 Deferred tax

	2023/24 DKK	2022/23 DKK
Intangible assets	(1,571)	0
Property, plant and equipment	7,519	(47,147)
Receivables	49,228	231,827
Tax losses carried forward	7,042,746	7,826,487
Deferred tax	**7,097,922**	**8,011,167**

Changes during the year	2023/24 DKK	2022/23 DKK
Beginning of year	8,011,167	111,894
Recognised in the income statement	(913,245)	7,899,273
End of year	**7,097,922**	**8,011,167**

Deferred tax has been recognised in the balance sheet as follows	2023/24 DKK	2022/23 DKK
Deferred tax assets	7,097,922	8,011,167
	7,097,922	**8,011,167**

Deferred tax assets

Deferred tax assets relate to intangible assets, property, plant and equipment, receivables, liabilities and tax loss carryforwards. Management expects to realise the tax losses carried forward within a period of 3 years, based on management's expectations of future earnings.

13 Receivables from owners and management

Receivables from owners and management consist of ordinary trade accounts, as the owner regularly trades with the Group. The receivables are settled on the same terms as other receivables.

14 Prepayments

Prepayments comprise prepaid expenses.

15 Contributed capital

	Number	Nominal value DKK
Ordinary stock	2,081,900	2,081,900
	2,081,900	**2,081,900**

16 Other provisions

Other provisions comprise expected costs relating to warranty provisions.

17 Non-current liabilities other than provisions

	Due within 12 months 2023/24 DKK	Due within 12 months 2022/23 DKK	Due after more than 12 months 2023/24 DKK	Outstanding after 5 years 2023/24 DKK
Mortgage debt	105,652	106,541	653,176	442,336
Bank loans	1,952,400	3,232,764	6,645,375	0
Lease liabilities	605,671	684,012	732,649	0
	2,663,723	**4,023,317**	**8,031,200**	**442,336**

18 Other payables

	2023/24 DKK	2022/23 DKK
VAT and duties	3,294,855	52,515
Wages and salaries, personal income taxes, social security costs, etc. payable	2,450,288	2,181,920
Holiday pay obligation	1,385,987	2,860,706
Derivative financial instruments	5,604,499	1,419,000
Other costs payable	472,521	21,237,474
	13,208,150	**27,751,615**

Other costs payable consist of other costs payable constituting expenses payable. In 2022/23 the item consisted of a guarantee commitment in relation to FASMAS GmbH's bank debt of DKK 17,059k and other costs payable constituting expenses payable.

The Group has entered into foreign exchange swaps to hedge cash flows in foreign currencies. The market value amounts to DKK 5,604k at the balance sheet date. Market value adjustments are recognised in the income statement.

19 Deferred income

Deferred income comprises accrued income.

20 Changes in working capital

	2023/24 DKK	2022/23 DKK
Increase/decrease in inventories	(726,429)	4,361,858
Increase/decrease in receivables	(2,308,390)	3,252,928
Increase/decrease in trade payables etc.	3,881,439	(9,827,591)
	846,620	**(2,212,805)**

21 Derivative financial instruments

Other payables include a negative fair value of forward exchange contracts of DKK 5.604 k (2022/23: 1,419k). The forward exchange contracts have a time to maturity of 1-2 months and are concluded to hedge the foreign exchange risk on the Group's future currency payments. At the end of the financial year 2023/24, the contract value of the Group's forward exchange contracts to meet the future risks totals SEK 2,500k, NOK 6,200k and PLN 23,443k. (2022/23: USD 304k, NOK 7,000k and PLN 19,594k). The forward exchange contracts have been entered into with the Group's usual bank.

Fair value of the forward exchange contracts is calculated at the present value of the expected payments upon settlement of the instruments based on relevant observable forward exchange rates. Discounting to net present value at the balance sheet date is made by using an approximate risk-free interest rate (OIS). The determination of fair value does not include correction for the Company's or the counterparty's credit risk as the effect thereof is considered immaterial as a result of adequate collateral provided to the counterparty.

Acquired to hedge future cash flows:
30.04.2024:
• 3 forward contracts, purchase of NOK by selling DKK, total nominal NOK 6,200k, exchange rate 63.77-65.61, settled at 03-06-2024.
• 1 forward contract, purchase of SEK by selling DKK, total nominal SEK 2,500k, exchange rate 63.37, settled at 03-06-2024.
• 8 forward contracts, purchase of NOK by selling PLN, total nominal PLN 23,204k, exchange rate 213.98-250.71, settled at 03-06-2024.
• 1 forward contract, purchase of SEK by selling PLN, total nominal PLN 239k, exchange rate 251.14, settled at 03-06-2024.

30.04.2023:
• 10 forward contracts, purchase of NOK by selling PLN, total nominal PLN 12,594k, exchange rate 227.04-245.41, settled in the period 23.05-29.06.2023.
• 2 forward contracts, purchase of USD by selling NOK, total nominal USD 203k, exchange rate 986.63-987.76, settled in the period 15.05-16.05.2023.
• 2 forward contracts, purchase of NOK by selling DKK, total nominal NOK 4,000k, exchange rate 67.40, settled at 08.06.2023.
• 1 forward contract, purchase of PLN by selling DKK, total nominal PLN 1,000k, exchange rate 157.00, settled at 02.05.2023.
• 1 forward contract, purchase of NOK by selling USD, total nominal USD 101k, exchange rate 687.76, settled at 15.05.2023.
• 1 forward contract, purchase of DKK by selling NOK, total nominal NOK 3,000k, exchange rate 70.82, settled at 29.06.2023.
• 4 option contracts, purchase of PLN by selling DKK, total nominal PLN 6,000k, exchange rate 157.00, settled in the period 31.05-29.06.2023.

22 Fair value information

	Forward exchange contracts DKK
Fair value end of year	(5,556,781)
Unrealised fair value adjustments recognised in the income statement	(5,556,781)

23 Unrecognised rental and lease commitments

	2023/24 DKK	2022/23 DKK
Total liabilities under rental or lease agreements until maturity	**2,568,379**	**3,587,102**

The Company has entered into leases with an average annual lease payment of approx. DKK 1,3660k. The leases have a time to maturity of 4-38 months.

24 Contingent liabilities

The Group participates in a Danish joint taxation arrangement with Bjarke P. Holding ApS serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Group is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend 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.

25 Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties.

Bank debt is secured by way of a deposited mortgage deed registered to the mortgagor of nominally DKK 1,250k (2022/23: DKK 1,250k).

Bank debt is secured on a deposited mortgage deed registered to the mortgagor of a nominal value of DKK 1,000k on the property (2022/23: DKK 1,000k). The carrying amount of charged property is DKK 332k (2022/23: DKK 346k).

The Group has granted a floating charge to banks totalling DKK 15,000k (2022/23: DKK 15,000k). The floating charge comprises unsecured claims relating to trade receivables, inventories of raw materials, semi-manufactures and finished goods, fixtures and fittings, tools and equipment, goodwill, domain name and rights as well as shares in subsidiaries. The carrying amount of charged assets is DKK 50,475k (2022/23: DKK 49,855k).

The Group has granted a floating charge to banks totalling a nominal value of DKK 12,000k (2022/23: DKK 9,000k). The floating charge comprises operating equipment, inventories and unsecured claims.

The Group has also charged deposits in foreign bank accounts as collateral for bank loans.

Collateral provided for group enterprises
The Group has guaranteed Troels Denmark A/S's debt with Nordea. The maximum limit of the guarantee is DKK 20,227k (2022/23: DKK 16,800k). The guaranteed bank debt at 30.04.2024 amounts to DKK 13,691k (2022/23: DKK 9,098k).

The Company has guaranteed A2B Sofactory A/S's debt with Nordea. The maximum limit of the guarantee is DKK 100k (2022/23: DKK 100k). The guaranteed bank debt at 30.04.2024 amounts to DKK 9k (2022/23: DKK 0k).

The Company has guaranteed Minding A/S's debt with Nordea. The maximum limit of the guarantee is DKK 1,000k (2022/23: DKK 1,000k). The guaranteed bank debt at 30.04.2023 amounts to DKK 849k (2022/23: DKK 915k).

The Company has guaranteed M-Line Sp z.o.o's debt with Nordea. The maximum limit of the guarantee is DKK 2,555k (2022/23: DKK 3,830k). The guaranteed bank debt at 30.04.2024 amounts to DKK 2,541k (2022/23: 3,830k).

The Company has guaranteed Top-Line Holding ApS's debt with Nordea. The maximum limit of the guarantee is DKK 18,000k (2022/23: DKK 18,000k). The guaranteed bank debt at 30.04.2024 amounts to DKK 18,000k (2022/23: 18,000k).

The Group has guaranteed Top-Line Møbelproduktion Møldrup A/S's debt with Nordea. The maximum limit of the guarantee is DKK 26,721 k (2022/23: DKK 25,674k.). The guaranteed bank debt at 30.04.2024 amounts to DKK 22,632k (2022/23: 16,974k).

The Group has issued a letter of support to lower-level group enterprises. The Group undertakes to contribute the necessary liquidity to the companies on demand until 01.05.2025. The total equity of the lower-level group enterprises amounts to DKK -2,994k.

26 Non-arm’s length related party transactions
Only non-arm's length related party transactions are disclosed in the annual report. In the year, a tax exempt contribution of DKK 5,000k was provided to a subsidiary. Furthermore Top-Line Holding ApS has provided the group with a tax exempt contribution of DKK 7,183k.

No further non-arm's length transactions were conducted during the financial year.

27 Group relations
Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Bjarke P. Holding ApS, CVR-number. 31948398, 9632 Møldrup

28 Subsidiaries

	Registered in	Ownership %
troels denmark A/S	Viborg	100.00
Nordkomfort PL	Poland	100.00
Top-Line of Scandinavia	Poland	100.00
M-Line Sp. ZOO	Polen	100.00
A2B Sofactory A/S	Viborg	100.00
Minding A/S Conscious living	Viborg	100.00

Parent income statement for 2023/24

	Notes	2023/24 DKK	2022/23 DKK
Gross profit/loss	2	**7,947,211**	**14,092,395**
Staff costs	3	(11,225,769)	(13,422,162)
Depreciation, amortisation and impairment losses		(274,913)	(389,858)
Operating profit/loss		**(3,553,471)**	**280,375**
Income from investments in group enterprises		(4,487,563)	(19,432,458)
Other financial income	4	865,858	1,633,211
Impairment losses on financial assets	5	0	(23,451,067)
Other financial expenses	6	(4,376,557)	(17,514,053)
Profit/loss before tax		**(11,551,733)**	**(58,483,992)**
Tax on profit/loss for the year	7	(2,852,500)	6,452,500
Profit/loss for the year	8	**(14,404,233)**	**(52,031,492)**

Parent balance sheet at 30.04.2024

Assets

	Notes	2023/24 DKK	2022/23 DKK
Land and buildings		1,037,121	1,141,541
Other fixtures and fittings, tools and equipment		803,370	204,384
Leasehold improvements		0	0
Property, plant and equipment	9	**1,840,491**	**1,345,925**
Investments in group enterprises		29,792,962	30,190,663
Investments in associates		0	0
Other investments		15,750	15,750
Financial assets	10	**29,808,712**	**30,206,413**
Fixed assets		**31,649,203**	**31,552,338**
Raw materials and consumables		145,195	345,540
Inventories		**145,195**	**345,540**
Trade receivables		8,342,958	8,780,161
Receivables from group enterprises		2,140,699	18,303,725
Deferred tax	11	3,540,000	6,392,500
Other receivables		65,274	10,579
Receivables from owners and management	12	37,193	0
Prepayments	13	514,753	551,652
Receivables		**14,640,877**	**34,038,617**
Cash		**1,158,496**	**419,921**
Current assets		**15,944,568**	**34,804,078**
Assets		**47,593,771**	**66,356,416**

Equity and liabilities

	Notes	2023/24 DKK	2022/23 DKK
Contributed capital		2,081,900	2,081,900
Translation reserve		1,716,232	(271,428)
Reserve for net revaluation according to equity method		0	4,987,258
Retained earnings		7,870,582	10,051,857
Equity		**11,668,714**	**16,849,587**
Provisions for investments in group enterprises	14	1,017,572	607,435
Provisions		**1,017,572**	**607,435**
Mortgage debt		653,176	710,316
Bank loans		5,369,000	7,321,400
Non-current liabilities other than provisions	15	**6,022,176**	**8,031,716**
Current portion of non-current liabilities other than provisions	15	2,009,578	2,009,677
Bank loans		12,560,000	7,682,770
Lease liabilities		549,976	0
Trade payables		3,326,152	2,968,742
Payables to group enterprises		6,148,235	6,059,053
Payables to owners and management		0	456,938
Joint taxation contribution payable		0	1,619,569
Other payables	16	4,291,368	20,070,929
Current liabilities other than provisions		**28,885,309**	**40,867,678**
Liabilities other than provisions		**34,907,485**	**48,899,394**
Equity and liabilities		**47,593,771**	**66,356,416**
Going concern	1		
Financial instruments	17		
Fair value information	18		
Unrecognised rental and lease commitments	19		
Contingent liabilities	20		
Assets charged and collateral	21		
Related parties with controlling interest	22		
Non-arm's length related party transactions	23		

Parent statement of changes in equity for 2023/24

	Contributed capital DKK	Translation reserve DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Total DKK
Equity beginning of year	2,081,900	(271,428)	4,987,258	10,051,857	16,849,587
Sale of treasury shares	0	0	0	52,700	52,700
Exchange rate adjustments	0	1,987,660	0	0	1,987,660
Group contributions etc.	0	0	0	7,183,000	7,183,000
Profit/loss for the year	0	0	(4,987,258)	(9,416,975)	(14,404,233)
Equity end of year	**2,081,900**	**1,716,232**	**0**	**7,870,582**	**11,668,714**

Notes to parent financial statements

1 Going concern

In July 2024, Top-Line Møbelproduktion Møldrup A/S signed a new agreement with its bank, securing sufficient credit facilities for the next financial year. The financial year showed a loss of DKK 14,404k, which has resulted in a reduction of equity to DKK 11,669k at 30.04.2024. Cash flows before financing activities amount to negative cash flows of DKK 5,046k in the financial year, which has resulted in increased liquidity needs.

As part of a new funding agreement, Top-Line Møbelproduktion Møldrup A/S has streamlined its business, which has resulted in disposal of all investments in associates, which reduces the risk of loss. The Company expects an operating profit as well as positive cash flows for the next financial year.

Moreover, the Company's founder injected additional DKK 5.0m in share capital, which has contributed to increased resilience to the market fluctuations that have prevailed over the past few years, and which also further strengthened cash resources.

Based on the funding agreement and capital increase, Top-Line Møbelproduktion Møldrup A/S has ensured that the necessary cash resources are available for the next financial year.

2 Gross profit/loss

Gross profit includes other operating income such as reimbursement of pay of tDKK 120 (2022/23: tDKK 503) and reinvoicing of administrative expenses to group enterprises of tDKK 10,760 (2022/23: tDKK 11,828).

3 Staff costs

	2023/24 DKK	2022/23 DKK
Wages and salaries	10,192,840	12,209,953
Pension costs	876,541	1,035,770
Other social security costs	156,388	176,439
	11,225,769	**13,422,162**
Average number of full-time employees	**18**	**21**

	Remuneration of Manage-ment 2023/24 DKK	Remuneration of Manage-ment 2022/23 DKK
Total amount for management categories	1,836,113	1,562,416
	1,836,113	**1,562,416**

Special incentive programmes

The Company has agreed incentive programmes for the management group by way of share-based remuneration plans.

Remuneration of the Board of Directors and the Executive Board is disclosed collectively in accordance with the provisions of s. 98B (3) of the Danish Financial Statements Act.

4 Other financial income

	2023/24 DKK	2022/23 DKK
Financial income from group enterprises	205,237	0
Exchange rate adjustments	660,621	1,633,211
	865,858	**1,633,211**

5 Impairment losses on financial assets

In 2022/23 impairment losses on financial assets consist of impairment losses on receivables from FASMAS GmbH.

6 Other financial expenses

	2023/24 DKK	2022/23 DKK
Financial expenses from group enterprises	205,845	0
Financial expenses from associates	0	17,048,686
Other interest expenses	1,049,761	465,367
Exchange rate adjustments	366,399	0
Fair value adjustments	2,754,552	0
	4,376,557	**17,514,053**

In 2022/23 financial expenses from associates consist of a guarantee commitment relating to FASMAS GmbH.

7 Tax on profit/loss for the year

	2023/24 DKK	2022/23 DKK
Change in deferred tax	2,852,500	(6,452,500)
	2,852,500	**(6,452,500)**

8 Proposed distribution of profit and loss

	2023/24 DKK	2022/23 DKK
Retained earnings	(14,404,233)	(52,031,492)
	(14,404,233)	**(52,031,492)**

9 Property, plant and equipment

	Land and buildings DKK	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	3,498,266	8,960,461	408,273
Additions	0	769,479	0
Cost end of year	**3,498,266**	**9,729,940**	**408,273**
Depreciation and impairment losses beginning of year	(2,356,725)	(8,756,077)	(408,273)
Depreciation for the year	(104,420)	(170,493)	0
Depreciation and impairment losses end of year	**(2,461,145)**	**(8,926,570)**	**(408,273)**
Carrying amount end of year	**1,037,121**	**803,370**	**0**
Recognised assets not owned by entity	0	746,910	0

10 Financial assets

	Investments in group enterprises DKK	Investments in associates DKK	Other investments DKK
Cost beginning of year	17,449,049	7,754,357	15,750
Additions	5,000,000	0	0
Disposals	0	(7,754,357)	0
Cost end of year	**22,449,049**	**0**	**15,750**
Revaluations beginning of year	12,741,614	0	0
Exchange rate adjustments	1,992,660	0	0
Share of profit/loss for the year	(4,487,563)	0	0
Dividend	(3,770,155)	0	0
Investments with negative equity value depreciated over receivables	457,220	0	0
Investments with negative equity value transferred to provisions	410,137	0	0
Revaluations end of year	**7,343,913**	**0**	**0**
Impairment losses beginning of year	0	(7,754,357)	0
Reversal regarding disposals	0	7,754,357	0
Impairment losses end of year	**0**	**0**	**0**
Carrying amount end of year	**29,792,962**	**0**	**15,750**

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

Investments in associates	Registered in	Corporate form	Ownership %
FASMAS GmbH	Germany	GmbH	40.00

11 Deferred tax

	2023/24 DKK	2022/23 DKK
Property, plant and equipment	86,026	19,159
Tax losses carried forward	3,453,974	6,373,341
Deferred tax	**3,540,000**	**6,392,500**

Changes during the year	2023/24 DKK	2022/23 DKK
Beginning of year	6,392,500	(60,000)
Recognised in the income statement	(2,852,500)	6,452,500
End of year	**3,540,000**	**6,392,500**

Deferred tax assets

Management expects to realise the recognised tax asset within a period of 3 years based on Management's expectations for future earnings in the company as well as in the joint taxation group.

12 Receivables from owners and management

Receivables from owners and management consist of ordinary trade accounts, as the owner regularly trades with the company. The receivables are settled on the same terms as other receivables.

13 Prepayments

Prepayments comprise prepaid expenses.

14 Provisions for investments in group enterprises

Top-Line Møbelproduktion Møldrup A/S has issued a letter of support to a lower-level group enterprise. Top-Line Møbelproduktion Møldrup A/S undertakes to contribute the necessary liquidity to the company on demand until 01.05.2025. The negative balance in the group enterprise is recognised under provisions in the annual report of Top-Line Møbelproduktion Møldrup A/S at 30.04.2024.

15 Non-current liabilities other than provisions

	Due within 12 months 2023/24 DKK	Due within 12 months 2022/23 DKK	Due after more than 12 months 2023/24 DKK	Outstanding after 5 years 2023/24 DKK
Mortgage debt	57,178	57,277	653,176	442,336
Bank loans	1,952,400	1,952,400	5,369,000	0
	2,009,578	**2,009,677**	**6,022,176**	**442,336**

16 Other payables

	2023/24 DKK	2022/23 DKK
VAT and duties	559,187	1,185,919
Wages and salaries, personal income taxes, social security costs, etc. payable	20,988	24,330
Holiday pay obligation	776,887	795,833
Derivative financial instruments	2,802,229	20,925
Other costs payable	132,077	18,043,922
	4,291,368	**20,070,929**

Other costs payables consists of other costs payable constituting expenses payable. In 2022/23 the item consisted of a guarantee commitment in relation to FASMAS GmbH's bank debt of DKK 17,059k and other costs payable constituting expenses payable.

The Company has entered into foreign exchange swaps to hedge cash flows in foreign currencies. The market value as of 30.04.2024 amounts to DKK 2,802k (2022/23: 21k). Market value adjustments are recognised in the income statement.

17 Derivative financial instruments

Other payables include a negative fair value of forward exchange contracts of DKK 2,802k. The forward exchange contracts have a time to maturity of 1-2 months and are concluded to hedge the foreign exchange risk on the Company's future currency payments. At the end of the financial year 2023/24, the contract value of the Company's forward exchange contracts to meet the future risks totals NOK 800k and PLN 10,071k (2022/23: NOK 4,000k, USD 304k and PLN 10,256k). The forward exchange contracts have been entered into with the Group's usual bank.

Fair value of the forward exchange contracts is calculated at the present value of the expected payments upon settlement of the instruments based on relevant observable forward exchange rates. Discounting to net present value at the balance sheet date is made by using an approximate risk-free interest rate (OIS). The determination of fair value does not include correction for the company's or the counterparty's credit risk as the effect thereof is considered immaterial as a result of adequate collateral provided to the counterparty.

Forward exchange contracts are broken down as follows:

Acquired to hedge future cash flows:
30.04.2024:
• 1 forward contract, purchase of NOK by selling DKK, total nominal NOK 800k, exchange rate 63,79, settled at 03-06-2024.
• 5 forward contracts, purchase of NOK by selling PLN, total nominal PLN 10,071k, exchange rate 213,98-250,68,0 settled at 03-06-2024.

30.04.2023:
• 4 forward contracts, purchase of NOK by selling PLN, total nominal PLN 3,256k, exchange rate 227.04-245.41, settled in the period 23.05-29.06.2023.
• 2 forward contracts, purchase of USD by selling NOK, total nominal: USD 203k, exchange rate 986.63-987.76, settled in the period 15.05-16.05.2023.
• 1 forward contract, purchase of PLN by selling DKK, total nominal PLN 1,000k, exchange rate 157.00, settled at

02.05.2023.
• 1 forward contract, purchase of NOK by selling USD, total nominal USD 101k, exchange rate 987.76, settled at 15.05.2023.
• 1 forward contract, purchase of NOK by selling DKK, total nominal NOK 1,000k, exchange rate 67.40, settled at 08.06.2023.
• 1 forward contract, purchase of DKK by selling NOK, total nominal NOK 3,000k, exchange rate 70.82, settled at 29.06.2023.
• 4 option contracts, purchase of PLN by selling DKK, total nominal PLN 6,000k, exchange rate 157.00, settled in the period 31.05-29.06.2023.

18 Fair value information

	Forward exchange contracts DKK
Fair value end of year	(2,754,552)
Unrealised fair value adjustments recognised in the income statement	(2,754,552)

19 Unrecognised rental and lease commitments

	2023/24 DKK	**2022/23 DKK**
Total liabilities under rental or lease agreements until maturity	2,089,541	2,881,090

The Company has entered into leases with an average annual lease payment of approx. DKK 744k. The leases have a time to maturity of 4-38 months.

20 Contingent liabilities

The Company participates in a Danish joint taxation arrangement with Bjarke P. Holding ApS serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend 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.

21 Assets charged and collateral

Mortgage debt is secured by way of mortgage on properties.

Bank debt is secured by way of a deposited mortgage deed registered to the mortgagor of nominally DKK 1,250k on properties (2022/23: 1,250 k).

The carrying amount of charged properties is DKK 1,037k (2022/23: DKK 1,142k).

The Company has granted a floating charge to banks totalling DKK 15,000k (2022/23: DKK 15,000k). The floating charge comprises unsecured claims relating to trade receivables, inventories of raw materials, semi-manufactures and finished goods, fixtures and fittings, tools and equipment, goodwill, domain name and rights as well as shares in subsidiaries.

The carrying amount of charged assets is DKK 38,959k (2022/23: DKK 38,913k).

A floating charge has been provided to banks totalling DKK 9,000k. The floating charge comprises unsecured claims, inventories as well as fixtures and fittings, tools and equipment.

The Company has guaranteed Troels Denmark A/S's debt with Nordea. The maximum limit of the guarantee is DKK 20,227k (2022/23: DKK 16,800k). The guaranteed bank debt at 30.04.2024 amounts to DKK 13,691k (2022/23: DKK 9,098k).

The Company has guaranteed A2B Sofactory A/S's debt with Nordea. The maximum limit of the guarantee is DKK 100k (2022/23: DKK 100k). The guaranteed bank debt at 30.04.2024 amounts to DKK 9k (2022/23: DKK 0k).

The Company has guaranteed Minding A/S's debt with Nordea. The maximum limit of the guarantee is DKK 1,000k (2022/23: DKK 1,000k). The guaranteed bank debt at 30.04.2023 amounts to DKK 849k (2022/23: DKK 915k).

The Company has guaranteed M-Line Sp z.o.o's debt with Nordea. The maximum limit of the guarantee is DKK 2,555k (2022/23: DKK 3,830k). The guaranteed bank debt at 30.04.2024 amounts to DKK 2,541k (2022/23: 3,830k).

The Company has guaranteed Top-Line Holding ApS's debt with Nordea. The maximum limit of the guarantee is DKK 18,000k (2022/23: DKK 18,000k). The guaranteed bank debt at 30.04.2024 amounts to DKK 18,000k (2022/23: 18,000k).

Collateral provided for group enterprises

Top-Line Møbelproduktion Møldrup A/S has issued a letter of support to a lower-level group enterprise. Top-Line Møbelproduktion Møldrup A/S undertakes to contribute the necessary liquidity to the company on demand until 01.05.2025.

Top-Line Møbelproduktion Møldrup A/S has issued a letter of support to the subsidiaries Minding A/S Conscious living and A2B Sofactory A/S.

22 Related parties with controlling interest

Related parties with a controlling interest hold the majority of the shares in the Company and thus have a controlling interest therein.

Bjarke Østergaard Pedersen (board member)
Bjarke P. Holding ApS (majority owner)

23 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. In the year, a tax-free contribution of tDKK 5,000 was provided to a subsidiary. Top-Line Holding ApS has provided the company with a tax exempt contribution of DKK 7,183k.

No further non-arm's length 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.

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. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

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. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in Management's proposal for the distribution of net profit/loss and equity, respectively.

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.

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.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value, which has been calculated as the discounted value of expected future net cash flows by using an approximate risk-free interest rate adjusted for any factors that a potential market participant would attribute value to when acquiring the instrument. Derivative financial instruments are recognised in other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, costs of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of goods for resale and finished goods 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.

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

Costs of raw materials and consumables
Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and normal writedowns of the relevant inventories.

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, and gains and losses from the sale of intangible assets and property, plant and equipment.

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.

Income from investments in associates
Income from investments in associates comprises the pro rata share of the individual associates' profit/loss after pro rata 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.

Impairment losses on financial assets
Impairment losses on financial assets comprises impairment losses on financial assets which are not measured at fair value on a current basis.

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. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc.

Intellectual property rights etc. comprise acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation.

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

Property, plant and equipment

Land and buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

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 self-constructed assets, cost comprises direct and indirect costs of materials, components, subsuppliers and labour costs. 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
Buildings	25 years
Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	5 years

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.

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.

Investments in associates
Investments in associates are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the associates' equity value.

Associates with negative equity value are measured at DKK 0. Any receivables from these associates 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 associate, 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 associates is transferred to the reserve for net revaluation according to the equity method in equity.

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

Investments in associates are measured at cost in the parent financial statements. Investments are written down to the lower of recoverable amount and carrying amount.

Investments in associates fall within the definitions of both participating interests and associates, yet in these consolidated financial statements they have been presented as investments in associates because this designation reflects more accurately the Group's involvement in the relevant entities.

Other investments
Other investments comprise listed securities which are measured at fair value (market price) at the balance sheet date, and unlisted equity investments measured at the lower of cost and net realisable value.

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.

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

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

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.

Tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

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

Cash
Cash comprises cash in hand and 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.

Other provisions
Other provisions comprise anticipated costs of payment of liabilities in subsidiaries.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Mortgage debt
At the time of borrowing, mortgage debt to mortgage credit institutions is measured at cost which corresponds to the proceeds received less transaction costs incurred. Mortgage debt is subsequently measured at amortised cost. This means that the difference between the proceeds at the time of borrowing and the nominal repayable amount of the loan is recognised in the income statement as a financial expense over the term of the loan applying the effective interest method.

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.

Operating leases
Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

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

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, including acqusition of assets held under finance lease.

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

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk with deduction of short-term bank debt.