

Creativ Company A/S

Rasmus Færchs Vej 23, 7500 Holstebro

CVR no. 28 69 29 27

Annual report 2024/25

Approved at the Company's annual general meeting on 27 October 2025

Chair of the meeting:

.....
Carsten Nielsen

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Creativ Company A/S for the financial year 1 May 2024 - 30 April 2025.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 30 April 2025 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 May 2024 - 30 April 2025.

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

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

Holstebro, 27 October 2025
Executive Board:

.....
Jakob Wulff Moeskjær
CEO

.....
Carsten Borup Frederiksen

Board of Directors:

.....
Carsten Nielsen
Chairman

.....
Signe Trock Hilstrøm

.....
Dan Højgaard Jensen

.....
Ino Abraham Dimsits

.....
Nichlas Tikotzki Jakobsen

Independent auditor's report

To the shareholders of Creativ Company A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Creativ Company A/S for the financial year 1 May 2024 - 30 April 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 April 2025, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 May 2024 - 30 April 2025 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the 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:

- u Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

Independent auditor's report

- u 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 Parent Company's internal control.
- u Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- u Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- u Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- u 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 group 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's review

Management is responsible for the Management's review.

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

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aarhus, 27 October 2025

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Søren Smedegaard Hvid
State Authorised Public Accountant
mne31450

Christine Agerskov Bro
State Authorised Public Accountant
mne50623

Management's review

Company details

Name	Creativ Company A/S
Address, Postal code, City	Rasmus Færchs Vej 23, 7500 Holstebro
CVR no.	28 69 29 27
Established	14 April 2005
Registered office	Holstebro
Financial year	1 May 2024 - 30 April 2025
E-mail	mail@cchobby.dk
Board of Directors	Carsten Nielsen, Chairman Signe Trock Hilstrøm Dan Højgaard Jensen Ino Abraham Dimsits Nichlas Tikotzki Jakobsen
Executive Board	Jakob Wulff Moeskjær, CEO Carsten Borup Frederiksen
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Financial highlights for the Group

DKK'000	2024/25	2023/24	2022/23	2021/22	2020/21
Key figures					
Revenue	553,444	605,795	597,937	606,823	512,572
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	-11,429	46,169	69,333	60,845	61,933
Profit before interest and tax (EBIT)	-39,073	18,865	41,463	36,743	46,586
Normalized EBITDA	22,571	46,169	69,333	60,845	61,933
Net financials	-9,615	-4,024	1,323	-3,812	-7,064
Profit/loss for the year	-38,782	9,524	31,951	23,839	29,257
Balance sheet					
Total assets	318,900	312,796	392,735	418,813	339,982
Investments in property, plant and equipment	1,936	24,612	9,588	29,574	46,849
Equity	74,721	106,115	182,919	159,168	99,940
Financial ratios					
Operating margin	-7.1%	3.1%	6.9%	6.1 %	9.1 %
Gross margin	22.9%	27.3%	32.3%	30.2%	35.9%
Return on assets	-14.1%	4.3%	10.2%	9.7%	13.7%
Return on equity	-50.5%	4.6%	18.7%	18.4%	32.4%
Personnel					
Average number of full-time employees	294	280	282	295	324

For terms and definitions, please see the accounting policies.

Management's review

Management commentary

Principal activities

The Group's main activity is to sell hobby products and toys to schools, institutions, individuals and wholesale customers throughout Europe. The Group has subsidiaries in Denmark, Sweden, Norway, Germany, the UK, the Netherlands, Finland and France.

Development in activities and financial matters

The income statement for 2024/25 shows a loss of DKK 38,782 thousand against a profit of DKK 9,524 thousand last year, and the balance sheet at 30 April 2025 shows equity of DKK 74,721 thousand. The result is significantly affected by costs related to several strategic initiatives and decisions regarding assortment alignment and inventory write off, closure of CreaVea in France and ERP implementation. Overall, these extraordinary items have burdened the company's earnings before interest, taxes, depreciation, and amortization (EBITDA) by 34 million DKK.

Management assesses that the annual result, despite the adjustment for extraordinary circumstances, is not satisfactory.

During the year, the Group continued its integration of acquisitions made in the preceding financial years. DE Dream Holding ApS bought 100% of the shares in Creativ Company A/S in January 2025. It also concluded the acquisition of Legeakademiet ApS and Sinelli thereby obtaining full ownership of all subsidiaries.

In Management's assessment, the Company has adequate cash resources at its disposal.

Profit/loss for the year compared to previously announced expectations

For the financial year 2024/25, the company anticipated a revenue and earnings growth rate of 0–5%, consistent with its strategic growth objectives. However, overall activity levels fell short of expectations, primarily due to a decline in demand within certain segments and initial challenges associated with the implementation of a new ERP system. As a result, inventory planning and reporting - particularly for the critical Q4 2024 season - did not reach a satisfactory standard, leading to missed revenue opportunities.

In addition, management initiated several long-term strategic initiatives during the year, which had a significant one-off impact on the profit and loss statement for 2024/25.

Financial risks and use of financial instruments

Due to foreign activities, profit, cash flows and equity are affected by the exchange and interest rate developments for a number of currencies. It is the Company's policy to hedge against commercial foreign exchange exposure. Hedging is mainly made through forward exchange contracts to hedge expected revenue and purchases within the next six to nine months.

Research and development activities

Research and development are carried out in the Parent Company and are of a limited scale. Development projects mainly relate to the development of new product concepts and product types, which are both supported by creative learning and playing ideas.

The new product concepts and types are intended for sale in the Company's existing markets, targeting both current and new customers. Before initiating development projects, the Group carefully assessed opportunities, market demands, and emerging trends.

Corporate social responsibility

Business model

The Group's main activity is to sell hobby products to schools, institutions, individuals and wholesale customers throughout Europe, for example through its subsidiaries in Denmark, Sweden, Norway, Germany, the UK, the Netherlands, Finland and France

Management's review

Environmental and climate impacts

The greatest risks of environmental and climate impact at Creativ Company exist in the manufacturing of products, general supply chain and in- and outbound transport of products to customers. As a direct consequence of the EUTR (EU regulation on illegal logging), Creativ Company has decided to purchase wood and paper products originating from FSC-certified wood. Creativ Company, moreover, has a policy of using sustainable materials for its products where possible. In the product development phase, the Company deliberately uses sustainable materials such as bamboo and biodegradable materials.

The company maintains a policy of transporting its products in a manner that minimizes environmental and climate impact. During the financial year 2024/25, sea and road transport were predominantly used for inbound logistics, while air freight was only employed in exceptional cases.

For outbound distribution, Creativ Company required that all forwarding agents engaged during the financial year 2024/25 demonstrate a clear and visible environmental policy, in line with the company's sustainability commitments.

Creativ Company is ISO 9001 and ISO 14001-certified. The certifications are valid until 14 July 2027. In the coming financial years, suppliers will continue to be required to provide sustainable products. In addition, the products must be transported in an environmentally and climate-friendly way.

Human rights

Creativ Company has a written Code of Conduct containing a detailed description of the Company's ethical guidelines and expectations from an internal perspective, but also the Company's expectations in relation to business partners. The greatest risk of human rights violations at Creativ Company is assessed to exist in the supply chain, as many suppliers in the East have sub suppliers. Our top 100 suppliers have signed out Code of Conduct, which extends their obligation to their sub suppliers.

Since May 2019, Creativ Company has been a member of Amfori BSCI (Business Social Compliance Initiative) that works for the promotion of trade and social performance in supply chains. Through the BSCI platform, Creativ Company monitors the suppliers outside the EU that are members of BSCI.

In the financial year 2024/2025, Creativ Company had 56 direct suppliers who have been BSCI or SEDEX audited. In the financial year 2024/2025, the total supplier portfolio across Creativ Company's entities constituted approximately 411 active suppliers of which 33% are located outside of the EU. Creativ Company requires all suppliers to commit to complying with applicable legal requirements, including those related to human rights.

The result of Creativ Company's policies has shown no breaches of human rights in the financial year 2024/25.

In the coming financial year, suppliers will continue to be required to observe human rights. The ambition is to subject more suppliers outside the EU to BSCI audit, and that remaining suppliers must continue to confirm their compliance with human rights.

Social and employee matters

Since its start-up in 2000, Creativ Company has been engaged in creating an inclusive workplace where there is room for people who, for various reasons, find it difficult to gain a foothold in the labour market.

Lack of diversity and inclusion is assessed to be a potential risk for Creativ Company. Creativ Company is an inclusive workplace with room for everyone, where employees take responsibility for each other, for the Company and for the surrounding world. Taking social responsibility is a crucial part of the Company's DNA. Since 2006, Creativ Company has had a department which, in collaboration with Holstebro Municipality, provides citizens who have lost a foothold in the labour market the opportunity to do job training, clarification activities or similar upskilling programmes. In the financial year 2024/2025, more than 30 citizens were attached to this department for short or long periods. This means that around 12% of the employees at the Danish headquarters are employed on special terms in, for example, light and reduced-hours jobs. In total, 8% of our employees have been or are still employed on special terms. Of these, 6% are today employed on general terms. Creativ Company will continue its collaboration with Holstebro Municipality and help more people gain a foothold in the labour market, just as the Company will continue to go to great lengths to help an employee who needs support or special terms at work due to illness, social or family-related difficulties.

Management's review

Anti-corruption

The greatest risk of corruption at Creativ Company is assessed to exist in the supply chain and in relation to competitors in the B2G market. The Company has a zero-tolerance policy for corruption and bribery. Creativ Company's policy does not allow employees, neither indirectly nor directly, to offer, give, demand or receive payments in the form of gifts or other types of remuneration from existing or potential business partners. Creativ Company complies with current legislation in all its activities and in all its markets, including that the Group does not enter into discussions or agreements with competitors concerning price fixing, market sharing or other activities that are in breach of the fair competition rules. Creativ Company introduces all new employees and suppliers to the Group's Code of Conduct.

In the financial year 2024/2025, the Company experienced neither corruption nor bribery, and going forward, Creativ Company will continue to adhere to a zero-tolerance policy in relation to corruption and bribery.

Report on data ethics

The Group uses data-driven solutions for the benefit of customers, suppliers and employees. The continuously increasing amount of data thus requires a constant focus on data quality, while ensuring that processing meets high data processing standards. It is, nonetheless, assessed that the current scope of algorithm-based data analysis does not necessitate an actual data ethics policy. As the use of data continues to evolve, data ethics considerations will continue to play an increasing role as an integrated part of the Group's strategy.

Events after the balance sheet date

No events materially affecting the Group's and the Company's financial position have occurred after the financial year-end.

Outlook

The Company's revenue for 2025/26 is expected to increase by approx. 0-5% and profit level to be restored to past years performance due to the continued growth in the Company's core markets in Europe. On this basis, a turnover in the range of DKK 570 – 590 million is expected for 2025/26 with a result around DKK 17 million. The expectations are based on the assumption that the exchange rates for the currencies to which the Company is exposed will remain unchanged. The growth is based on the expected positive effect of the strategic initiatives.

Cash generated from operations in 2025/26 is expected to be positive as a result of the expected profit growth.

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Income statement

Note	DKK'000	Group		Parent company	
		2024/25	2023/24	2024/25	2023/24
3	Revenue	553,444	605,795	315,879	254,919
	Cost of sales	-319,668	-329,812	-251,046	-147,113
	Other operating income	5,516	3,692	22,000	17,471
4	Other external expenses	-112,660	-114,494	-31,751	-33,698
	Gross profit	126,632	165,181	55,082	91,579
5	Staff costs	-138,061	-118,997	-86,301	-67,603
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-27,644	-27,304	-23,239	-22,096
	Other operating expenses	0	-15	0	-15
	Profit/loss before net financials	-39,073	18,865	-54,458	1,865
	Income from investments in group enterprises	0	0	3,812	3,178
6	Financial income	313	2,763	555	2,761
7	Financial expenses	-9,928	-6,787	-7,253	-5,485
	Profit/loss from continuing operations before tax	-48,688	14,841	-57,344	2,319
8	Tax for the year	9,906	-5,317	14,679	-813
	Profit/loss for the year from continuing operations	-38,782	9,524	-42,665	1,506
8,9	Profit/loss after tax from discontinued operations	0	0	0	4,627
	Profit/loss for the year	<u>-38,782</u>	<u>9,524</u>	<u>-42,665</u>	<u>6,133</u>
	Specification of the Group's results of operations:				
	Shareholders in Creativ Company A/S	-42,357	6,131		
	Non-controlling interests	3,575	3,393		
		<u>-38,782</u>	<u>9,524</u>		

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Balance sheet

Note	DKK'000	Group		Parent company	
		2024/25	2023/24	2024/25	2023/24
		ASSETS			
		Fixed assets			
11	Intangible assets				
	Completed development projects	5,526	7,902	4,824	6,720
	Acquired patents	164	177	164	177
	Software	25,865	22,657	25,865	22,657
	Acquired other similar rights	457	834	200	500
	Goodwill	27,057	33,343	17,533	20,644
		<u>59,069</u>	<u>64,913</u>	<u>48,586</u>	<u>50,698</u>
12	Property, plant and equipment				
	Fixtures and fittings, other plant and equipment	46,451	56,231	44,169	53,969
	Leasehold improvements	423	543	423	543
		<u>46,874</u>	<u>56,774</u>	<u>44,592</u>	<u>54,512</u>
13	Investments				
	Investments in group entities	0	0	68,397	54,176
	Other securities and investments	1	1	1	1
	Deposits	2,939	3,137	2,939	2,939
		<u>2,940</u>	<u>3,138</u>	<u>71,337</u>	<u>57,116</u>
	Total fixed assets	<u>108,883</u>	<u>124,825</u>	<u>164,515</u>	<u>162,326</u>
	Non-fixed assets				
	Inventories				
	Finished goods and goods for resale	132,837	111,758	104,153	87,096
	Prepayments for goods	203	203	203	203
		<u>133,040</u>	<u>111,961</u>	<u>104,356</u>	<u>87,299</u>
	Receivables				
	Trade receivables	50,806	41,092	55	202
	Receivables from group entities	0	0	14,112	12,990
16	Deferred tax assets	7,855	0	10,740	0
	Corporation tax receivable	90	447	0	0
	Joint taxation contribution receivable	0	0	995	799
	Other receivables	5,046	5,227	1,142	4,182
14	Prepayments	3,683	4,946	3,683	3,674
		<u>67,480</u>	<u>51,712</u>	<u>30,727</u>	<u>21,847</u>
	Cash	<u>9,497</u>	<u>24,298</u>	<u>2,550</u>	<u>6,980</u>
	Total non-fixed assets	<u>210,017</u>	<u>187,971</u>	<u>137,633</u>	<u>116,126</u>
	TOTAL ASSETS	<u>318,900</u>	<u>312,796</u>	<u>302,148</u>	<u>278,452</u>

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Balance sheet

Note	DKK'000	Group		Parent company	
		2024/25	2023/24	2024/25	2023/24
		EQUITY AND LIABILITIES			
		Equity			
15	Share capital	500	500	500	500
	Net revaluation reserve according to the equity method	0	0	176	12,403
	Reserve for development costs	0	0	3,763	5,241
	Translation reserve	-464	-464	0	0
	Hedging reserve	-3,120	-143	-3,120	-143
	Retained earnings	62,805	73,242	58,094	55,134
	Dividend proposed	15,000	20,000	15,000	20,000
	Shareholders in Creativ Company A/S' share of equity	74,721	93,135	74,413	93,135
	Non-controlling interests	0	12,980	0	0
	Total equity	74,721	106,115	74,413	93,135
	Provisions				
16	Deferred tax	0	3,185	0	2,944
18	Total provisions	0	3,185	0	2,944
	Liabilities other than provisions				
17	Non-current liabilities other than provisions				
	Mortgage debt	0	2,489	0	2,489
	Lease liabilities	43,103	53,269	49,710	50,793
	Other payables	7,926	6,819	7,346	6,708
		51,029	62,577	57,056	59,990
	Current liabilities other than provisions				
17	Short-term part of long-term liabilities other than provisions	8,540	7,655	347	7,655
	Bank debt	107,745	75,175	107,745	75,175
	Trade payables	34,292	21,302	23,943	14,544
	Payables to group entities	10,000	9,687	20,360	17,589
	Corporation tax payable	1,015	3,227	0	0
19	Other payables	31,558	23,851	18,284	7,420
	Deferred income	0	22	0	0
		193,150	140,919	170,679	122,383
	Total liabilities other than provisions	244,179	203,496	227,735	182,373
	TOTAL EQUITY AND LIABILITIES	318,900	312,796	302,148	278,452

1 Accounting policies

2 Events after the balance sheet date

10 Appropriation of profit/loss

20 Contractual obligations and contingencies, etc.

21 Contingent assets

22 Security and collateral

23 Related parties

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Statement of changes in equity

Note	DKK'000	Group						Non-controlling interests	Total equity
		Share capital	Translation reserve	Hedging reserve	Retained earnings	Dividend proposed	Total		
	Equity at 1 May 2024	500	-464	-143	73,242	20,000	93,135	12,980	106,115
	Transfer through appropriation of loss	0	0	0	-57,357	15,000	-42,357	3,575	-38,782
	Adjustment of investments through foreign exchange adjustments	0	0	0	143	0	143	0	143
	Other value adjustments of equity	0	0	0	-13,502	0	-13,502	-12,635	-26,137
	Adjustment of hedging instruments at fair value	0	0	-3,816	0	0	-3,816	0	-3,816
	Tax on items recognised directly in equity	0	0	839	0	0	839	0	839
	Dividend distributed	0	0	0	0	-20,000	-20,000	-3,920	-23,920
	Contribution from group	0	0	0	60,279	0	60,279	0	60,279
	Equity at 30 April 2025	500	-464	-3,120	62,805	15,000	74,721	0	74,721

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Statement of changes in equity (continued)

		Parent company						
Note	DKK'000	Share capital	Net revaluation reserve according to the equity method	Reserve for development costs	Hedging reserve	Retained earnings	Dividend proposed	Total
	Equity at 1 May 2024	500	12,403	5,241	-143	55,134	20,000	93,135
10	Transfer, see "Appropriation of profit/loss"	0	5,212	0	0	-62,877	15,000	-42,665
	Adjustment of investments through foreign exchange adjustments	0	143	0	0	0	0	143
	Other value adjustments of equity	0	-13,502	0	0	0	0	-13,502
	Adjustment of hedging instruments at fair value	0	0	0	-3,816	0	0	-3,816
	Distributed dividend from group enterprises	0	-4,080	0	0	4,080	0	0
	Depreciation in the year	0	0	-1,478	0	1,478	0	0
	Tax on items recognised directly in equity	0	0	0	839	0	0	839
	Dividend distributed	0	0	0	0	0	-20,000	-20,000
	Contribution from group	0	0	0	0	60,279	0	60,279
	Equity at 30 April 2025	<u>500</u>	<u>176</u>	<u>3,763</u>	<u>-3,120</u>	<u>58,094</u>	<u>15,000</u>	<u>74,413</u>

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Cash flow statement

		<u>Group</u>	
Note	DKK'000	<u>2024/25</u>	<u>2023/24</u>
	Profit/loss for the year	-38,782	9,524
24	Adjustments	<u>27,353</u>	<u>36,648</u>
	Cash generated from operations (operating activities)	-11,429	46,172
25	Changes in working capital	<u>-11,794</u>	<u>20,836</u>
	Cash generated from operations (operating activities)	-23,223	67,008
	Interest received, etc.	313	2,763
	Interest paid, etc.	-8,821	-6,315
	Income taxes paid	-2,989	-15,951
	Other cash flows from operating activities	<u>361</u>	<u>0</u>
	Cash flows from operating activities	<u>-34,359</u>	<u>47,505</u>
	Additions of intangible assets	-9,816	-22,167
	Additions of property, plant and equipment	-2,085	-10,780
	Purchase of financial assets	198	-41
	Acquisition of companies	<u>-26,211</u>	<u>0</u>
	Cash flows to investing activities	<u>-37,914</u>	<u>-32,988</u>
	Dividends paid	-23,920	-86,960
	Repayments, debt to credit institutions	-2,489	-2,481
	Repayments, finance leases	-9,281	-9,678
	Repayments, borrowings from group enterprises	0	-2,464
	Lease obligations incurred	0	23,803
	Raising of payables to group enterprises	313	7,184
	Contribution from group	<u>60,279</u>	<u>0</u>
	Cash flows from financing activities	<u>24,902</u>	<u>-70,596</u>
	Net cash flow	<u>-47,371</u>	<u>-56,079</u>
	Cash and cash equivalents at 1 May	<u>-48,377</u>	<u>7,702</u>
26	Cash and cash equivalents at 30 April	<u><u>-95,748</u></u>	<u><u>-48,377</u></u>

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

1 Accounting policies

The annual report of Creativ Company A/S for 2024/25 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

Changes in accounting policies

As a result of a reassessment of the classification of income from costs invoiced to subsidiaries certain adjustments have been made to the comparative figures. The changes have been made to make a more accurate classification of income and cost items in line with the Danish Financial Statements Act. Apart from the above changes the accounting policies are consistent with those of last year.

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flows are reflected in the consolidated cash flow statement.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and group entities controlled by the Parent Company.

Control means a parent company's power to direct a group entity's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual group entities' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of group entities are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of group entities which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates and joint ventures are recognised in the consolidated financial statements using the equity method.

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

1 Accounting policies (continued)

Non-controlling interests

On initial recognition, non-controlling interests are measured at the fair value of the non-controlling interests' equity interest.

Goodwill relating to the non-controlling interests' share of the acquiree is recognised.

External business combinations

Recently acquired entities are recognised in the consolidated financial statements from the date of acquisition. Entities sold or otherwise disposed of are recognised up to the date of disposal. Comparative figures are not restated to reflect newly acquired entities. Discontinued operations are presented separately, see below.

The date of acquisition is the date when the group actually obtains control of the acquiree.

The acquisition method is applied to the acquisition of new entities of which the group obtains control. The acquirees' identifiable assets, liabilities and contingent liabilities are measured at fair value at the date of acquisition. Identifiable intangible assets are recognised if they are separable or arise from a contractual right. Deferred tax related to the revaluations is recognised.

Positive differences (goodwill) between, on the one hand, the consideration for the acquiree, the value of non-controlling interests in the acquired entity and the fair value of any previously acquired equity investments and, on the other hand, the fair value of the assets, liabilities and contingent liabilities acquired are recognised as goodwill under "Intangible assets". Goodwill is amortised on a straight-line basis in the income statement based on an individual assessment of the economic life of the asset.

Negative differences (negative goodwill) are recognised in the income statement at the date of acquisition.

Upon acquisition, goodwill is allocated to the cash-generating units, which subsequently form the basis for impairment testing. Goodwill and fair value adjustments in connection with the acquisition of a foreign entity with a functional currency different from the presentation currency used in the consolidated financial statements are accounted for as assets and liabilities belonging to the foreign entity and are, on initial recognition, translated into the foreign entity's functional currency using the exchange rate at the transaction date.

The consideration paid for an entity consists of the fair value of the agreed consideration in the form of assets transferred, liabilities assumed and equity instruments issued. If part of the consideration is contingent on future events or compliance with agreed terms, such part of the consideration is recognised at fair value at the date of acquisition. Subsequent adjustments of contingent considerations are recognised in the income statement.

Expenses incurred to acquire entities are recognised in the income statement in the year in which they are incurred.

Where, at the date of acquisition, the identification or measurement of acquired assets, liabilities or contingent liabilities or the determination of the consideration is associated with uncertainty, initial recognition will take place on the basis of provisional amounts. If it turns out subsequently that the identification or measurement of the consideration transferred, acquired assets, liabilities or contingent liabilities was incorrect on initial recognition, the statement will be adjusted retrospectively, including goodwill, until 12 months after the acquisition, and comparative figures will be restated. Hereafter, any adjustments are recognised as misstatements.

Gains or losses from disposal of group entities which result in loss of control are calculated as the difference between, on the one hand, the fair value of the selling price less selling expenses and, on the other hand, the carrying amount of net assets.

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

1 Accounting policies (continued)

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Derivative financial instruments

On initial recognition, derivative financial instruments are recognised at cost in the balance sheet and are subsequently measured at fair value. Positive and negative fair values of derivative financial instruments are presented as separate items in the balance sheet.

Fair value adjustments of derivative financial instruments designated as and qualifying for recognition as a hedge of the fair value of a recognised asset or liability are recognised in the income statement along with changes in the fair value of the hedged asset or liability.

Fair value adjustments of derivative financial instruments designated and qualifying as hedging of future assets or liabilities are recognised as separate items in the balance sheet and in the hedging reserve under equity. If the forecast transaction results in the recognition of assets or liabilities, amounts previously recognised in equity are transferred to the cost of the asset or liability, respectively. If the forecast transaction results in income or expenses, amounts previously recognised in equity are transferred to the income statement in the period in which the hedged item affects the income statement.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Revenue from the sale of goods for resale and finished goods is recognised in the income statement if the risk has passed to the buyer before the end of the year, and if the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including rental income from the temporary lease out of production facilities, compensation, government grants, refund of wages and salaries, gains on the disposal of intangible assets and property, plant and equipment, etc. Compensation and grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

Raw materials and consumables

Raw materials and consumables include expenses relating to raw materials and consumables used in generating the year's revenue.

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

1 Accounting policies (continued)

Other external expenses

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

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of amortisation, which is calculated as cost less any residual value, is amortised on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	3 years
Acquired patents	5-10 years
Software	5-10 years
Goodwill	10 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

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

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Land and buildings	50 years
Fixtures and fittings, other plant and equipment	3-10 years
Leasehold improvements	10 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

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

Impairment losses in respect of non-fixed assets exceeding usual impairment losses

Impairment losses in respect of non-fixed assets exceeding usual impairment losses comprise impairment losses on inventories and trade receivables, which are considered unusual compared to those considered normal write-downs for obsolescence or normal write-downs for bad debts.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Profit/loss from investments in group entities

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

1 Accounting policies (continued)

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

The proportionate share of the individual group entities' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

Tax

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

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the estimated useful life of 10 years.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 3 years.

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

1 Accounting policies (continued)

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight line basis over the remaining term of the patent, and licences are amortised over the term of the licence. The amortisation period is 5-10 years. Software licenses are amortised over the period of the agreements, which is 5-10 years.

Property, plant and equipment

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

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

Leases

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

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

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

Investments in group entities

Equity investments in group entities are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Other securities and investments

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

1 Accounting policies (continued)

Securities which the Company intends to hold to maturity are measured at amortised cost, using the effective interest rate method at the date of acquisition. Value adjustments are recognised in the income statement under "Net financials".

Securities and investments consisting of listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in group entities is assessed for impairment on an annual basis.

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

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

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

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

The cost of raw materials and consumables comprises the cost of acquisition plus delivery costs.

Receivables

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

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in group entities and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Hedging reserve

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

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

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

1 Accounting policies (continued)

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

- Level 1: Value in an active market for similar assets/liabilities
- Level 2: Value based on recognised valuation methods on the basis of observable market information
- Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

1 Accounting policies (continued)

Cash flow statement

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

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before net financials +/- Other operating income and other operating expenses
Operating margin	$\frac{\text{Operating profit/loss (EBIT)} \times 100}{\text{Revenue}}$
Gross margin	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss from operating activities} \times 100}{\text{Average assets}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax excl. non-controlling interests} \times 100}{\text{Average equity excl. non-controlling interests}}$

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

2 Events after the balance sheet date

There have been no events of significant importance affecting the financial position of the group and the parent company after the balance sheet date.

DKK'000	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24

3 Segment information

Breakdown of revenue by business segment:

Crafts	387,678	443,186	290,632	254,919
Toys	165,766	162,609	25,247	0
	<u>553,444</u>	<u>605,795</u>	<u>315,879</u>	<u>254,919</u>

Breakdown of revenue by geographical segment:

Revenue, Scandinavia	409,916	430,380	193,634	118,942
Revenue, other EU countries	143,528	175,415	122,245	135,977
	<u>553,444</u>	<u>605,795</u>	<u>315,879</u>	<u>254,919</u>

DKK'000	Group	
	2024/25	2023/24

4 Fee to the auditors appointed in general meeting

Statutory audit	434	379
Tax assistance	15	9
Other assistance	45	12
	<u>494</u>	<u>400</u>

Auditor appointed in general meeting is in 2024/25 EY Godkendt Revisionspartnerselskab and in 2023/24 Pricewaterhousecoopers Statsautoriseret Revisionspartnerselskab.

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24
DKK'000				
5 Staff costs				
Wages/salaries	120,471	101,403	75,437	57,600
Pensions	13,596	13,493	9,180	8,429
Other social security costs	3,994	4,095	1,684	1,568
Other staff costs	0	6	0	6
	<u>138,061</u>	<u>118,997</u>	<u>86,301</u>	<u>67,603</u>
Average number of full-time employees	<u>294</u>	<u>280</u>	<u>191</u>	<u>149</u>
Remuneration to members of Management:				
Executive Board	6,090	8,869	6,090	8,193
Board of Directors	<u>124</u>	<u>400</u>	<u>124</u>	<u>400</u>
	<u>6,214</u>	<u>9,269</u>	<u>6,214</u>	<u>8,593</u>
6 Financial income				
Interest receivable, group entities	0	2,464	296	2,761
Other financial income	<u>313</u>	<u>299</u>	<u>259</u>	<u>0</u>
	<u>313</u>	<u>2,763</u>	<u>555</u>	<u>2,761</u>
7 Financial expenses				
Exchange losses	373	472	314	472
Other financial expenses	<u>9,555</u>	<u>6,315</u>	<u>6,939</u>	<u>5,013</u>
	<u>9,928</u>	<u>6,787</u>	<u>7,253</u>	<u>5,485</u>
8 Tax for the year				
Estimated tax charge for the year	4,773	3,509	0	226
Deferred tax adjustments in the year	<u>-14,679</u>	<u>1,808</u>	<u>-14,679</u>	<u>1,808</u>
	<u>-9,906</u>	<u>5,317</u>	<u>-14,679</u>	<u>2,034</u>
Specified as follows:				
Tax on continuing operations	-9,906	5,317	-14,679	813
Tax on discontinued operations, see note 9	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,221</u>
Tax for the year	-9,906	5,317	-14,679	2,034
Tax on items recognised directly in equity	<u>-839</u>	<u>196</u>	<u>-839</u>	<u>196</u>
	<u>-10,745</u>	<u>5,513</u>	<u>-15,518</u>	<u>2,230</u>

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

9 Profit from discontinuing operations

Profit/loss from discontinuing operations is broken down on main items below:

DKK'000	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24
Revenue	0	0	0	215,729
Expenses	0	0	0	-185,605
Other operating income	0	0	0	401
Other external expenses	0	0	0	-9,911
Staff expenses	0	0	0	-14,289
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	0	0	0	-1
Financial expenses	0	0	0	-476
Profit before tax	0	0	0	5,848
Tax on profit/loss	0	0	0	-1,221
Profit after tax from discontinuing operations	0	0	0	4,627

The parent company's sales activities was in 2023/24 transferred to the subsidiary Creativ Company Danmark A/S.

DKK'000	Parent company	
	2024/25	2023/24
10 Appropriation of profit/loss		
Recommended appropriation of profit/loss		
Proposed dividend for the financial year	15,000	20,000
Extraordinary dividend for the financial year	0	25,000
Net revaluation reserve according to the equity method	5,212	5,766
Retained earnings/accumulated loss	-62,877	-44,633
	-42,665	6,133

Consolidated financial statements and parent company financial statements 1 May 2024 - 30 April 2025

Notes to the financial statements

11 Intangible assets

DKK'000	Group					Total
	Completed development projects	Acquired patents	Software	Acquired other similar rights	Goodwill	
Cost at 1 May 2024	30,727	375	23,421	2,269	60,794	117,586
Additions	2,693	25	7,098	0	0	9,816
Transferred	0	0	25,501	0	0	25,501
Cost at 30 April 2025	33,420	400	56,020	2,269	60,794	152,903
Impairment losses and amortisation at 1 May 2024	22,825	198	764	1,435	27,451	52,673
Amortisation for the year	5,069	38	5,492	377	6,286	17,262
Transferred	0	0	23,899	0	0	23,899
Impairment losses and amortisation at 30 April 2025	27,894	236	30,155	1,812	33,737	93,834
Carrying amount at 30 April 2025	5,526	164	25,865	457	27,057	59,069

Recognised intangible assets which are held under finance leases and which are not the Company's property total t.DKK 10.733.

Development projects relate to the development of new product concepts and product types, which are both supported by creative learning and playing ideas. In the financial year, two batches of development projects was finalised. The next batch is expected to be finalised at 1 July 2024. The marketing of the first batch began in Juli 2023, and the marketing of the second batch of development projects will take place as from January 2024. The projects are progressing according to plan and are funded by the resources allocated by Management to the development. The new product concepts and product types are expected to be sold in the Company's present markets to existing and new customers. Prior to the initiation of the development projects, opportunities, demands and trends have been examined, and product concepts and product types have been developed based on this.

DKK'000	Parent company					Total
	Completed development projects	Acquired patents	Software	Acquired other similar rights	Goodwill	
Cost at 1 May 2024	25,381	375	23,421	1,500	31,117	81,794
Additions	2,147	25	7,098	0	0	9,270
Transferred	0	0	25,501	0	0	25,501
Cost at 30 April 2025	27,528	400	56,020	1,500	31,117	116,565
Impairment losses and amortisation at 1 May 2024	18,661	198	764	1,000	10,473	31,096
Amortisation for the year	4,043	38	5,492	300	3,111	12,984
Transferred	0	0	23,899	0	0	23,899
Impairment losses and amortisation at 30 April 2025	22,704	236	30,155	1,300	13,584	67,979
Carrying amount at 30 April 2025	4,824	164	25,865	200	17,533	48,586

Recognised intangible assets which are held under finance leases and which are not the company's property total t.DKK 10.733.

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Notes to the financial statements

12 Property, plant and equipment

DKK'000	Group		
	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 May 2024	140,831	1,743	142,574
Additions	1,922	163	2,085
Transferred	-25,501	0	-25,501
Cost at 30 April 2025	117,252	1,906	119,158
Impairment losses and depreciation at 1 May 2024	84,600	1,200	85,800
Depreciation	10,100	283	10,383
Transferred	-23,899	0	-23,899
Impairment losses and depreciation at 30 April 2025	70,801	1,483	72,284
Carrying amount at 30 April 2025	46,451	423	46,874
Property, plant and equipment include finance leases with a carrying amount totalling	39,442	0	39,442

Note 22 provides more details on security for loans, etc. as regards property, plant and equipment.

DKK'000	Parent company		
	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 May 2024	130,216	732	130,948
Additions	1,773	163	1,936
Transferred	-25,501	0	-25,501
Cost at 30 April 2025	106,488	895	107,383
Revaluations at 1 May 2024	0	0	0
Revaluations at 30 April 2025	0	0	0
Impairment losses and depreciation at 1 May 2024	76,247	189	76,436
Depreciation	9,971	283	10,254
Transferred	-23,899	0	-23,899
Impairment losses and depreciation at 30 April 2025	62,319	472	62,791
Carrying amount at 30 April 2025	44,169	423	44,592
Property, plant and equipment include finance leases with a carrying amount totalling	39,442	0	39,442

Note 22 provides more details on security for loans, etc. as regards property, plant and equipment.

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Notes to the financial statements

13 Investments

DKK'000	Parent company			Total
	Investments in group entities	Other securities and investments	Deposits	
Cost at 1 May 2024	41,773	1	2,939	44,713
Additions	26,211	0	0	26,211
Cost at 30 April 2025	67,984	1	2,939	70,924
Value adjustments at 1 May 2024	12,403	0	0	12,403
Foreign exchange adjustments	143	0	0	143
Dividend received	-4,080	0	0	-4,080
Profit/loss for the year	3,812	0	0	3,812
Value adjustments for the year	-13,502	0	0	-13,502
Transferred	1,637	0	0	1,637
Value adjustments at 30 April 2025	413	0	0	413
Carrying amount at 30 April 2025	68,397	1	2,939	71,337

Parent company

Name	Domicile	Interest
Creativ Company Sverige AB	Sweden	100.00%
Creativ Company AS	Norway	100.00%
Creativ Company Deutschland GmbH	Germany	100.00%
Creativ Company (UK) Ltd.	UK	100.00%
Creativ Company B.V.	Netherlands	100.00%
Creativ Company Finland	Finland	100.00%
Creativ Company France SARL	France	100.00%
Creavea SARL	France	100.00%
Legeakademiet ApS	Denmark	100.00%
Creativ Company Danmark ApS	Denmark	100.00%

14 Prepayments

Group

Prepayments consist of prepaid expenses concerning insurance premiums, subscriptions and licenses.

15 Share capital

The share capital consists of 500 shares of a nominal value of DKK 1,000. No shares carry any special rights.

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Notes to the financial statements

DKK'000	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24
16 Deferred tax				
Deferred tax at 1 May	3,185	1,634	2,944	1,136
Amounts recognised in the income statement for the year	-9,893	1,355	-12,845	1,612
Amounts recognised in equity for the year	-839	196	-839	196
Other deferred tax	-308	0	0	0
Deferred tax at 30 April	-7,855	3,185	-10,740	2,944

As of April 30, 2025, the Group has recognized a tax asset totaling t.DKK 7.855. The tax asset primarily consists of carryforward tax losses.

Management has assessed, based on the budgets up to 2030, that it is likely that there will be future taxable income available, against which unused tax losses and unused tax deductions can be utilized.

17 Non-current liabilities other than provisions

DKK'000	Group			
	Total debt at 30/4 2025	Short-term portion	Long-term portion	Outstanding debt after 5 years
Lease liabilities	51,643	8,540	43,103	12,103
Other payables	7,926	0	7,926	0
	59,569	8,540	51,029	12,103

18 Provisions

The provision for deferred tax primarily relates to timing differences in respect of intangible assets and property, plant and equipment.

19 Other payables

Other payables consist primarily of VAT and personel related accruals.

20 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

DKK'000	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24
Rent and lease liabilities	79,821	92,780	70,382	92,455

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Notes to the financial statements

20 Contractual obligations and contingencies, etc. (continued)

Group

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

The Group has entered into forward exchange contracts at a value of DKK 150 million. The market value of 30th April 2025 is positive to the amounts of DKK 4 millions.

Parent company

The company has entered into forward exchange contracts at a value of DKK 150 million. The market value of 30th April 2025 is positive to the amounts of DKK 4 millions.

21 Contingent assets

During the financial year, the Group has identified contingent assets in the form of rental income amounting to DKK 50,154.

22 Security and collateral

Group

Company charge totalling TDKK 58,500 providing security on debts, inventory, other fixtures and fittings, tools and equipment among others at a total carrying amount of TDKK 201,435.

Parent company

Company charge totalling TDKK 28,500 providing security on debts, inventory, other fixtures and fittings, tools and equipment among others at a total carrying amount of TDKK 148,800.

23 Related parties

Group

Creativ Company A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
DE Dream Holding ApS	Denmark	Legal owner

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
DE Dream Holding ApS, CVR-nr. 45 19 27	Denmark	www.cvr.dk

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Notes to the financial statements

23 Related parties (continued)

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(6) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

DKK'000	Group	
	2024/25	2023/24
24 Adjustments		
Amortisation/depreciation and impairment losses	27,644	27,303
Financial income	-313	-2,763
Financial expenses	9,928	6,787
Tax for the year	-9,906	5,318
Exchange adjustments	0	3
	<u>27,353</u>	<u>36,648</u>
25 Changes in working capital		
Change in inventories	-21,079	11,208
Change in receivables	-8,270	22,123
Change in trade and other payables	20,675	-13,385
Fair value adjustments of hedging instruments	-3,120	890
	<u>-11,794</u>	<u>20,836</u>
26 Cash and cash equivalents at year-end		
Cash according to the balance sheet	9,497	24,298
Short-term debt to banks	-107,745	-75,175
Adjustment for overdraft facility	2,500	2,500
	<u>-95,748</u>	<u>-48,377</u>