

Müller Martini Nordic A/S

Møllehaven 8

DK-4040 Jyllinge

CVR no. 78 42 02 19

Annual report 2024

The annual report was presented and adopted at the
Company's annual general meeting

on 20th of May 2025

Volker Leonhardt
Chairman

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Müller Martini Nordic A/S for the financial year 1 January – 31 December 2024.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024.

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 should be approved at the annual general meeting.

Jyllinge, 20th of May 2025.

Executive Board:

Bernardo Volken
CEO

Board of Directors:

Volker Leonhardt
Chairman

Bernardo Volken

Felix Stirnimann

Independent auditor's extended review report on the financial statements

To the shareholders of Müller Martini Nordic A/S

Conclusion

We have performed an extended review of the financial statements of Müller Martini Nordic A/S for the financial year 1. January – 31. December 2024 comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, it is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31. December 2024 and of the results of the Company's operations for the financial year 1. January – 31. December 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibility for the extended review of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

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

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

Independent auditor's extended review report on the financial statements

Auditor's responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures in order to obtain further assurance for our conclusion.

An extended review comprises procedures primarily consisting of making enquiries of Management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on these financial statements.

Statement on the Management's review

Management is responsible for the Management's review.

Our conclusion 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 extended review 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 extended review, 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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 20/5 2024

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Jesper Bo Pedersen

State Authorised
Public Accountant
mne42778

Christian Miltersen Sørensen

State Authorised
Public Accountant
mne50702

Management's review

Company details

Müller Martini Nordic A/S
Møllehaven 8
DK-4040 Jyllinge

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Website: www.mullermartini.com
E-mail: info.dk@mullermartini.com

CVR no.: 78 42 02 19
Established: 7 June 1985
Registered office: Jyllinge
Financial year: 1 January – 31 December

Executive Board

Bernardo Volken, CEO

Board of Directors

Volker Wolfgang Leonhardt (chairman)
Felix Stirnimann
Bernardo Volken

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
2100 København Ø
Denmark

Annual general meeting

The annual general meeting will be held on 20th of May 2025.

Management's review

Operating review

Principal activities

Müller Martini Nordic A/S is part of the graphics industry and delivers innovative solutions for book production - hardcover and paperback - newspaper distribution and offset printing.

Customers range from small bookbinders and printing firms to major media groups.

Development and production take place through the Parent, while the Company is responsible for the sale, service and installation of the machines.

Development in activities and financial position

The Company's income statement for 2024 shows a profit of DKK 288.554 as against a profit of DKK 1.460.613 in 2023. Equity in the Company's balance sheet at 31 December 2024 stood at DKK 10.384.255 as against DKK 10.095.701 at 31 December 2023.

Significant events after the balance sheet date

No events have occurred after the balance sheet date, which are considered to have a significant influence on the company's financial situation at 31 December 2024.

Outlook

We expect a positive result in 2025.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2024	2023
Gross profit		5.081.884	5.749.953
Staff costs	1	4.736.594	4.241.674
Profit before financial income and expenses		345.290	1.508.279
Financial income		187.972	120.547
Financial expense		-123.519	68.643
Profit before tax		409.743	1.697.469
Tax on profit for the year	2	-121.189	-236.613
Profit for the year		288.554	1.460.856
Proposed profit for the year			
Retained earnings		288.554	1.460.856

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2024	2023
ASSETS			
Current assets			
Receivables			
Trade receivables		1.107.813	3.687.284
Deferred tax		324.232	426.481
Prepaid tax		612.000	0
Other receivables		134.152	121.702
Prepayments		2.441.337	61.345
		<u>4.619.534</u>	<u>4.296.812</u>
Cash at bank and in hand		<u>10.519.237</u>	<u>10.261.002</u>
Total current assets		<u>15.138.771</u>	<u>14.557.814</u>
TOTAL ASSETS		<u><u>15.138.771</u></u>	<u><u>14.557.814</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	2024	2023
EQUITY AND LIABILITIES			
Equity			
Contributed capital		2.000.000	2.000.000
Retained earnings		8.384.255	8.095.701
Total equity		10.384.255	10.095.701
Liabilities			
Current liabilities			
Prepayment from customers		215.731	324.160
Trade payables		57.388	340.629
Payables to group entities		2.221.017	601.225
Corporation tax		0	246.364
Provisions	3	658.511	1.149.846
Other payables		1.601.869	1.799.889
		4.754.516	4.462.113
Total liabilities other than provisions		4.754.516	4.462.113
TOTAL EQUITY AND LIABILITIES		15.138.771	14.557.814
Contractual obligations, contingencies, etc.	4		
Mortgages	5		
Related parties	6		
Accounting policies	7		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Balance at 1 January 2024	2.000.000	8.095.701	10.095.701
Transferred over the profit appropriation	0	288.554	288.554
Balance at 31 December 2024	<u>2.000.000</u>	<u>8.384.255</u>	<u>10.384.255</u>

Financial statements 1 January – 31 December

Notes

DKK	2024	2023
1 Staff costs		
Wages and salaries	3.978.871	3.601.064
Pensions	336.103	311.965
Other social security expenses	421.620	328.645
	<u>4.736.594</u>	<u>4.241.674</u>
Average number of full-time employees	<u>7</u>	<u>6</u>
2 Tax on profit/loss for the year		
Tax previous years	18.940	23.376
Current tax for the year	23.892	408.364
Deferred tax adjustment for the year	78.357	-195.127
	<u>121.189</u>	<u>236.613</u>
3 Provisions		
Warranty	658.511	1.149.846
	<u>658.511</u>	<u>1.149.846</u>
4 Contractual obligations, contingencies, etc.		
Operating lease obligations		
Liabilities under rental or lease agreement until maturity in total	403.512	528.284
	<u>403.512</u>	<u>528.284</u>

The term to maturity for liabilities under rental or lease agreement is 3 years at 31 December 2024.

Financial statements 1 January – 31 December

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5 Mortgages and collateral

Balances with Danske Bank are pledged as security in a guarantee cover amount. The security amounts to DKK 79 thousand. Bank debt at 31 December 2024 is DKK 0.

6 Related parties

Müller Martini Nordic A/S' related parties comprise the following:

Control

Müller Martini Nordic A/S is part of the consolidated financial statements of Müller Martini Holding AG, Sonnenbergstrassen 13, Postfach 160, 6052 Hergiswill, Switzerland, which is the smallest group, in which the Company is included as a subsidiary.

The consolidated financial statements of Müller Martini Holding AG can be obtained by contacting the company at the address above.

Financial statements 1 January – 31 December

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7 Accounting policies

The annual report of Müller Martini Nordic A/S for 2024 has been presented in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates 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, payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit

Gross profit comprises revenue, cost of sales and other external costs. In accordance with section 32 of the Danish Financial Statements Act, taking into consideration competitive conditions, the Company is not disclosing net sales.

Revenue

Income from the sale of goods, comprising the sale of manufactured goods, and goods for resale, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms ® 2020.

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

Financial statements 1 January – 31 December

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7 Accounting policies (continued)

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory write-downs.

Other external costs

Other external costs comprise expenses relating to the Company's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Other operating income

Other operating income comprises items secondary to the activities of the Company as well as payroll refunds.

Government grants

Government grants are recognised when it is fairly certain that the grant conditions will be complied with, and the grant will be received.

Grants compensating for costs incurred are recognised directly as operating income in the income statement as costs eligible for grants are incurred. If the conditions for receiving the grant are not complied until after related costs have been recognised, the grant is to be recognised in the income statement when the conditions have been complied with and it is fairly certain that the grant will be awarded.

Grants to acquire assets are recognised in the balance sheet as deferred income/prepayments and transferred to other operating income in the income statement line with depreciation/amortisation of the assets covered by the grant.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs.

Financial income and expenses

Financial income and expenses comprise interest income and expense, payables and transactions denominated in foreign currencies, etc.

Financial statements 1 January – 31 December

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7 Accounting policies (continued)

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement at the amount attributable to the profit/loss for the year and directly in equity at the amount attributable to entries directly in equity.

Balance sheet

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.

Cost consist of purchase price plus delivery costs.

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

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast 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 comprise prepayment of costs incurred relating to subsequent financial years.

Financial statements 1 January – 31 December

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7 Accounting policies (continued)

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities measured on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with 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. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Provision

The Company provides warranty of 1 to 2 years on some of its product and is obligated to repair or replace goods which are not satisfactory. Based on previous experience and individual estimates per machine sold, provisions have been made for expected warranty claims.

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at cost, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at amortised cost.