



ANNUAL REPORT 2024/25

1 May 2024 - 30 April 2025

Approved at the Company's annual general meeting on 28 August, 2025
Chairman of the General Meeting Lars Tandrup

AudioNord Group A/S

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HiFi Klubben
NORDIC HIFI

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MANAGEMENT'S REVIEW

FINANCIAL HIGHLIGHTS FOR THE GROUP

Key figures (DKK 1,000)

Profit/loss	2024/25	2023/24	2022/23	2021/22	2020/21
Revenue	1,185,879	1,040,328	1,073,374	1,338,205	1,261,034
Retail revenue*	1,198,207	1,091,808	1,178,155	1,360,731	1,342,473
Gross profit/loss	400,198	334,066	378,991	439,220	401,658
Profit and loss before financial items (EBIT)	49,267	19,996	50,386	119,308	87,646
Net financials	-10,346	-3,456	-7,228	-6,007	2,787
Net profit for the year	28,247	12,342	33,650	87,025	71,377
Balance sheet					
Balance sheet total	528,908	480,121	447,635	525,212	567,030
Equity	151,644	132,566	120,598	133,325	157,853
Cash flows					
Cash flows from:					
- operating activities	67,769	111,132	46,377	167,217	116,116
- investing activities	-37,051	-16,555	-25,896	-21,606	-19,986
including investment in property, plant and equipment	-30,916	-11,315	-10,808	-8,995	-9,739
- financing activities	-27,386	-89,134	-22,423	-149,520	-111,405
Change in cash and cash equivalents	3,332	5,443	-1,942	-3,909	-15,275
Ratios					
EBIT Margin, %	4.2%	1.9%	4.7%	8.9%	7.0%
Equity ratio, %	28.7%	27.6%	26.9%	25.4%	27.8%
Return on equity, %	19.9%	9.9%	26.5%	59.8%	51.0%

* The Group's retail revenue is defined as sales from both the physical shops and online of AudioNord Group irrespective of whether sales are affected from own chain shops or from franchise shops.

The key ratios were calculated according to the recommendations published by the Danish Society of Financial Analysts. Please refer to Note 26 - Definition of key ratios.

OUR PERFORMANCE

AudioNord Group is a retail and distribution group driven by a passion for high-quality HiFi products, music, and genuine customer service - an experience brought to life in our stores under the HiFi Klubben brand. HiFi Klubben delivers exceptional sound and visual experiences to quality-conscious customers who value authentic music reproduction.

The Group sources premium products globally and distributes primarily to the Scandinavian countries, the Netherlands, and Germany. As part of the Group's core competencies, the internal development company Nordic Hi-Fi A/S designs and manufactures its own unique HiFi products, aligning with market trends and customer needs. These products are sold to HiFi Klubben stores, which serve as the exclusive retail channel for Nordic Hi-Fi in the countries where HiFi Klubben operates.

In addition to supplying the Group, Nordic Hi-Fi also engages in external sales across both B2B and B2C markets - particularly in countries where HiFi Klubben is not present. These external sales are growing rapidly, reflecting increasing demand for Nordic Hi-Fi's high-quality, in-house developed products and the company's expanding international footprint.

This dual-channel approach supports the Group's strategy of combining product innovation with market reach, while reinforcing Nordic Hi-Fi's role as a key driver of value creation within the AudioNord Group.

For more information, see the subsection About AudioNord Group.

Development in the year

The consolidated statement of comprehensive income for 2024/25 shows a profit of DKK 29,078k (2023/24: DKK 11,775k), and the consolidated balance sheet as of 30 April 2025 shows equity of DKK 151,644k (2024: DKK 132,566k).

AudioNord Group delivered an exceptional year, significantly surpassing expectations. The Group achieved revenue growth of 14% compared to the previous year, and retail revenue (sales from own shops, franchise shops, and online) increased by 10%. AudioNord Group successfully gained market share in the HiFi segment in both the Netherlands and Germany, while also generating growth across all markets. This development is considered highly satisfactory, reflecting the strength of our brand, the dedication of our teams, and our ability to adapt and thrive in a competitive landscape.

The Group's strong performance has made it financially stronger and more resilient, better prepared to handle future market fluctuations.

In 2024/25, AudioNord Group maintained an online share of 39% of total sales (including franchise), consistent with the previous year. This indicates that 39% of the retail revenue was ordered and paid for through the websites. Additionally, the website acts as a crucial touchpoint in the customer journey, even for sales completed in physical stores. This performance is a direct result of AudioNord Group's omni-channel strategy, which fully integrates physical stores and online platforms into a seamless customer experience. Internally, this is managed through a unified revenue-sharing model; externally, it presents as a cohesive and customer-centric retail journey.

At the beginning of the reporting period, management expected revenue growth of 5–10% and an EBIT result between DKK 20,000k and 25,000k. However, the Group significantly outperformed these expectations. As stated above, revenue increased by 14%, and the EBIT result was DKK 49,267k, corresponding to an increase of 146% - exceeding expectations by DKK 24,267k.

The company's growth during the period was driven by strong sales performance, particularly a significant increase in sales of core HiFi products, successful product launches, and improved operational efficiency across markets. Strategic investments in customer experience and digital platforms also contributed to the increase in profitability. This development is considered highly satisfactory. As a result of these achievements, the Group is now financially stronger and more resilient, well-positioned to navigate future challenges and seize new opportunities in a dynamic market.

These achievements reflect the agility of our organization and the unwavering commitment of our teams to deliver value and innovation in a competitive retail landscape.

Parent company results

The results of the parent company show profit of DKK 18,914k (2023/24: DKK 32,639k), driven by received dividends of DKK 20,000k.

For the parent company the expectation to the result was a profit before tax in the range of DKK 15,000 – 20,000k including dividends from subsidiaries. This expectation has been met. Management considered this result satisfactory.

Targets and expectations for the year ahead

For the financial year 2025/26, AudioNord Group expects continued growth, with revenue projected to increase by 3–7%. Management anticipates earnings before interest and tax (EBIT) in the range of DKK 45,000k to 50,000k, reflecting confidence in the Group's strategic direction and market position.

To support this growth, several new stores are planned to open in the Netherlands and Germany, further strengthening the Group's presence and control in these markets.

A significantly increased investment in marketing will be made to boost brand awareness and customer engagement across all channels. At the same time, efforts to improve scalability - particularly in the German market - will remain a key focus area, aimed at enhancing profitability while ensuring a solid foundation for sustainable growth.

AudioNord Group will also further increase its investment in the development of proprietary products through its dedicated development company, Nordic HiFi A/S. This initiative builds on the strong foundation laid in recent years and supports the Group's long-term strategy of differentiation and value creation through innovation.

Parent company expectations

For the parent company, the expected result is highly dependent on anticipated dividends for the year. The company forecasts a profit before tax in the range of DKK 25,000k to 35,000k, including dividends received from subsidiaries.

ABOUT AUDIONORD GROUP

AudioNord Group comprises two sub-groups: HiFi Klubben and Nordic Hi-Fi.

HiFi Klubben is a Danish specialist audio distributor and retailer, founded in 1980 in response to the Hi-Fi industry's lack of focus on quality products and the prevalence of misleading sales practices. The founder, Peter Lyngdorf, aimed to educate consumers about audio quality, ensuring they could experience music as the artist intended at the time of recording. This approach also helped customers avoid purchasing low-quality products promoted for short-term profit.

Nordic Hi-Fi serves as the Group's product development company, with its own lineup and brands. Originally part of HiFi Klubben, Nordic Hi-Fi was established as an independent entity with its own management team due to significant growth in this area of the business.

The history in brief

1975	A young HiFi enthusiast in his 20s, Peter Lyngdorf, founded AudioNord: A distribution company for HiFi.
1980	Danmark's Hi-Fi Klub' is founded as a small mail order company selling direct to consumers.
1983	Denon distribution rights are acquired.
1987	Danmarks Hi-Fi Klub enters Norway.
1988	Danmark's Hi-Fi Klub enters Sweden.
1989	Competitor 'Audioscan is acquired.
1994	Danmark's Hi-Fi Klub is renamed into the somewhat more international 'HiFi Klubben'.
1996	Audioscan and HiFi Klubben stores are merged under the HiFi Klubben name.
2001	First franchise-based store (Hillerød) opens, several more follow in the coming years.
2002	The Argon Audio brand is founded as a solution to the entry products we miss from suppliers.
2003	New management team: Customer is king! HiFi Klubben's positioning is re-adjusted back to a customer focus.
2007	The streaming area is entering HiFi Klubben. We land a small, American brand called Sonos exclusively.
2011	HiFi Klubben enters the Dutch market by acquiring a small chain of stores called RAF.
2015	HiFi Klubben enters Germany.
2019	Argon Audio is split out as a separate company to keep focusing on developing the brand – and renamed to "Nordic Hi-Fi A/S".
2022	New speaker brand "Vestlyd" launched globally. New ERP IT platform, MS Dynamics 365 Business Central (and LS Retail POS) is implemented and integrated.
2023	Store no. 12 opens in Germany (Frankfurt) and store no. 15 opens in The Netherlands (Groningen).
2024	New speaker brand "Radiant Acustics" launched globally. HiFi Klubben enters Finland. One new store opens in Germany (Berlin)
2025	One new store opens in the Netherlands (Arnhem) and one new store opens in Germany (Nürnberg).

HiFi Klubben works directly with brand owners to curate its product lineup, handling importation into the EU and redistribution to stores. This is managed through a central warehouse in northern Denmark, with additional hubs in Germany and the Netherlands.

One key difference between HiFi Klubben in the 1980s and today is the broader product range. While the company continues to offer high-end audio equipment, it now also includes high-quality TVs, portable speakers, and headphones - each product carefully selected and approved by HiFi Klubben's expert staff.

What remains unchanged are the core values that define the company: quality, expertise, and honest sales practices. HiFi Klubben is driven by genuine passion among its employees, which continues to set the company apart in the industry.

Real omni channel setup

HiFi Klubben operates with a unified omnichannel strategy, ensuring that customers experience a seamless journey regardless of whether they engage online or in-store. The goal is for customers to never notice a difference between sales channels, as all points of contact are continuously integrated to provide a consistent and high-quality experience.

Currently, HiFi Klubben operates 101 demo rooms (stores) across Denmark, Norway, Sweden, Germany, the Netherlands, and Finland. Each country also features a comprehensive e-commerce platform in the local language, designed to complement and support the physical demo rooms. Of the 101 stores, 60 are chain-owned, while the remainder operate under a franchise model.

HiFi Klubben is a hybrid of chain and franchise operations. Many local demo rooms are franchise-based, but the entire network functions as a unified family across borders. From the customer's perspective, the experience is consistent and indistinguishable between store types.

Earlier this year, HiFi Klubben Denmark was awarded the Omnichannel Experience of the Year by the Retail Customer Awards - a customer-voted recognition for delivering the best integrated shopping experience. While the award was Danish, the omnichannel setup is consistent across all HiFi Klubben locations and online platforms, making this a collective achievement for the entire chain. This recognition underscores HiFi Klubben's ability to create a seamless experience across both physical and digital channels.

The company employs a shared revenue model between online and offline sales. Sales generated through the online platform are fully attributed to the corresponding physical demo rooms. In return, each demo room - whether chain- or franchise-owned - pays a royalty to the central organization. This model ensures alignment and mutual benefit across all sales channels.

Proud brand partnerships

HiFi Klubben offers a carefully curated selection of some of the world's most respected brands in hi-fi, audio, and consumer electronics. While the assortment is broad, the company's strategy emphasizes deep partnerships with a select group of key brands. This approach allows HiFi Klubben to develop in-depth knowledge of each brand's technology and story, while also benefiting from economies of scale in purchasing.

Current brand partners include:

- Bowers & Wilkins** – Renowned British manufacturer of high-performance loudspeakers and headphones, known for precision engineering and premium sound.
- DALI (Danish Audiophile Loudspeaker Industries)** – Danish speaker specialist and related company, celebrated for innovative design and natural sound reproduction.
- Denon** – Japanese consumer electronics brand with a legacy in high-fidelity audio and home theater systems.
- Marantz** – Premium audio electronics brand offering amplifiers, receivers, and CD players with a focus on musicality and craftsmanship.
- NAD (New Acoustic Dimension)** – Canadian brand known for minimalist design and high-value amplifiers, DACs, and streaming solutions.
- SONOS** – Global leader in wireless multi-room audio systems, offering intuitive streaming speakers with seamless integration.
- Bluesound** – Hi-fi streaming brand delivering high-resolution audio with advanced multi-room capabilities, designed for audiophiles.
- KEF** – British loudspeaker manufacturer and pioneer in acoustic innovation, especially known for its Uni-Q driver technology.
- SOUNDBOKS** – Danish company and market leader in portable, battery-powered Bluetooth speakers built for high-volume outdoor performance.
- Bang & Olufsen** – Iconic Danish brand combining luxury design with high-end audio and visual technology.
- Samsung** – Global leader in consumer electronics and the world's top-selling TV brand, known for cutting-edge display technology.
- Philips** – Established global electronics brand offering a wide range of TVs and home entertainment products.
- AudioQuest** – American manufacturer of high-end audio/video cables and accessories, focused on signal integrity and performance.
- HEGEL** – Norwegian audio company specializing in high-performance amplifiers and DACs with proprietary SoundEngine technology.
- Sennheiser** – German audio specialist recognized worldwide for premium headphones, microphones, and professional audio gear.
- Pro-Ject Audio Systems** – Austrian manufacturer of award-winning turntables and analog audio components, known for precision and value.

...and many more.

Within the group

HiFi Klubben International A/S serves as the administrative and distribution hub of the AudioNord Group. This entity is responsible for global product sourcing and distribution to HiFi Klubben stores. While 99% of its B2B distribution currently serves HiFi Klubben, the company is also positioned to supply any retailer within Europe. HiFi Klubben International is the direct parent company of all HiFi Klubben sales entities across the various markets.

In 2002, HiFi Klubben began developing its own brand, Argon Audio, to meet customer demand for products that traditional hi-fi manufacturers either could not or would not produce. Initially, Argon Audio offered off-the-shelf products to fill gaps in the lineup. However, this initiative provided HiFi Klubben with valuable insight into the consumer electronics development process in the Far East. This behind-the-scenes access sparked a renewed interest in product development - an area HiFi Klubben had previously explored with brands like DALI in the 1990s.

Today, Argon Audio has evolved into a fully developed brand with a mission to create high-quality products that customers genuinely love. The brand has carved out a niche in areas such as active stereo speakers with elegant Scandinavian design, offering performance that rivals much larger global brands.

To further expand this mission, the group established Nordic Hi-Fi A/S in 2019 as an independent entity. Nordic Hi-Fi now includes the following brands:

- **Argon Audio**
A Danish brand offering high-quality, affordable audio products with Scandinavian design. Known for active speakers, turntables, and streaming solutions that combine user-friendliness with audiophile-grade performance.
- **Vestlyd**
Loudspeakers inspired by vintage studio monitors, designed in Denmark. Vestlyd delivers powerful, dynamic sound with a retro aesthetic, ideal for music lovers seeking a “live concert” experience at home.
- **Radiant Acoustics**
A modern hi-fi brand focused on compact, high-performance audio systems. Developed in collaboration with PURIFI, it emphasizes innovation, clarity, and simplicity in design and sound.
- **Noon Audio**
A lifestyle-oriented audio brand blending minimalist Scandinavian design with intuitive functionality. Noon Audio targets casual listeners who value both aesthetics and ease of use.
- **Essentials**
A curated line of audio accessories including cables, stands, and cleaning tools. Essentials ensures optimal performance and convenience across all Nordic Hi-Fi products.

Nordic Hi-Fi is committed to developing products that are engineered in Denmark, feature Scandinavian design, deliver impressive sound quality, and prioritize user convenience. The newest addition, Radiant Acoustics, launched during this financial year, exemplifies this vision - offering innovative audio solutions that combine design, performance, and simplicity.

Research and development

Development activities during the year focused on further enhancements to our ERP system and the continued development of HiFi products. Research costs are expensed as incurred.

Employees, knowledge resources and research activities

Technological advancement continues to accelerate, and the Group's most critical competitive advantage remains the technological expertise, skills, and passion of our employees. As such, we are firmly committed to staying at the forefront of innovation to deliver the best possible solutions tailored to our customers' unique needs.

To support this commitment, we continue to invest significantly in the development of our workforce - at both employee and management levels - as well as in technological platforms that enable effective communication and application of our employees' knowledge in customer interactions.

Unusual events

The accounts are not affected by unusual circumstances.

CORPORATE GOVERNANCE

Duties and responsibilities of the Board of Directors

At AudioNord Group A/S, management responsibilities are divided between the Board of Directors and the Executive Management.

The Executive Management is responsible for the day-to-day operations of the company, while the Board of Directors oversees and evaluates the work of the Executive Management and is accountable for the overall governance and strategic direction of the Group.

As part of its responsibilities, the Board of Directors conducts an annual review of the Group's overall strategy to ensure continued value creation.

The framework for timely, accurate, and adequate reporting from Executive Management to the Board - as well as the communication between the two governing bodies - is defined in the Rules of Procedure for Executive Management. These procedures are reviewed and approved by the Board of Directors on an annual basis.

Composition of the Board of Directors

The Board of Directors at AudioNord Group A/S comprises a group of experienced business professionals, including the Founder. The Board reflects a diverse mix of international experience and competencies that are highly relevant to the Group's strategic and operational needs.

Each year, as part of the board evaluation process, the Board defines the qualifications, experience, and skills required to effectively fulfill its responsibilities, taking into account the Group's current and future priorities.

The key competencies identified as essential for the Board include:

- General Management
- Strategy Development & Partnerships
- Consumer Electronics Expertise
- Consumer Product Supply Chain Management
- New Product Introduction
- Brand Management & Marketing
- Retail, Omnichannel, and E-commerce
- Finance & Accounting
- Risk Management

The Board of Directors conducts an annual self-evaluation to assess its performance and ensure continued alignment with the Group's strategic objectives.

CORPORATE SOCIAL RESPONSIBILITY

Statutory statement of corporate social responsibility, cf section 99 a of the Danish Financial Statements Act

The Group is committed to operating in a financially and socially responsible manner for the benefit of all stakeholders. Our business model is outlined in the About AudioNord Group section of this report. Refer to page 4.

Management continuously evaluates the need for a formal CSR policy. As of the 2024/25 financial year, the Group has not yet adopted a written policy covering areas such as social and employee matters, environmental and climate issues, human rights, and anti-corruption. However, the Company expects to implement a formal CSR policy during the 2025/26 financial year.

Despite the absence of a written policy, the Group actively works to comply with relevant legislation and standards in the areas of occupational health and safety, working conditions, human rights, anti-corruption, environmental protection, and climate responsibility.

The Group's core values emphasize accountability, high ethical standards, and respect for business partners, customers, employees, and other stakeholders. As a retail organization with extensive daily interactions, we recognize the importance of responsible business conduct. Accordingly, the need for policies, guidelines, and initiatives is continuously assessed and developed.

The Group's CSR approach for the 2024/25 financial year can be summarized as follows:

Social and staff matters

Management has identified the Group's ability to attract and retain qualified employees - both now and in the future - as a key risk area related to social and staff matters.

To address this, the Group is committed to hiring trainees and recently qualified individuals each year, while also promoting the inclusion of marginalized social groups in the workforce. These efforts support both talent development and social responsibility.

The Group also prioritizes creating a positive and respectful working environment. It is our objective that all employees experience a workplace culture that values them as whole individuals, fostering well-being, engagement, and mutual respect.

Action and performance

In the 2024/25 financial year, the Group employed seven trainees and three recently qualified individuals, reflecting our ongoing commitment to talent development. Additionally, three employees were hired under our policy supporting individuals with social, mental, or physical challenges.

During the year, 15 cases required management attention under our policy for supporting vulnerable employees, including those affected by stress, illness, or other personal challenges. These cases were handled with care and in accordance with our inclusive employment principles.

Looking ahead, we will continue our inclusive approach to recruitment and development, ensuring equal opportunities for all, regardless of background or ability. We also remain committed to implementing and monitoring the specific initiatives developed from the statutory Occupational Safety and Health (OSH) audit conducted in previous years. These efforts aim to maintain a safe, inclusive, and supportive working environment for all employees.

In 2024/25, the Group also made significant investments in digital skills development. We expanded our e-learning offerings to accelerate training in digital systems and hired a dedicated staff development specialist to support growth across technology, product knowledge, sales, and customer service. Additionally, we introduced targeted training programs for back-office staff, tailored to their specific functional areas.

We are continuously working to align all training and educational initiatives across the organization, and these efforts will continue throughout 2025.

Environmental and climate issues

In light of global climate change, Management has identified energy consumption across the Group's operations as the primary environmental and climate-related risk.

The Group is committed to integrating environmentally and climate-friendly solutions in all renovation, redecoration, and new store establishment projects. This includes prioritizing the use of recycled materials for packaging wherever possible and implementing comprehensive waste recycling systems across all stores and administrative functions.

Sustainability is deeply embedded in HiFi Klubben's DNA. The company is dedicated to offering high-quality products designed to last, many of which can be repaired or upcycled. This approach minimizes waste and extends product lifespans. HiFi Klubben's service and repair department is one of the largest hi-fi repair facilities in Northern Europe. It plays a key role in environmental responsibility by:

- Supporting the development of new repair solutions through root cause analysis
- Serving as a test center for verifying product quality before market launch
- Contributing to a circular economy that benefits the environment, suppliers, and customers

This commitment reflects the Group's core values: maintaining a short value chain, prioritizing quality, and ensuring that every product sold delivers long-term value. HiFi Klubben does not sell products for short-term gain; each product must align with the company's heritage and standards of excellence.

Looking ahead to 2025/26, the Group will continue to expand its repair services, develop new repair solutions, and support software upgrades. Additionally, operations will remain aligned with the requirements of the Waste Electrical and Electronic Equipment (WEEE) Directive, ensuring responsible handling of electronic waste.

Action and performance

During the financial year 2024/25, HiFi Klubben continued to advance its environmental ambitions by implementing additional initiatives aimed at reducing emissions, energy consumption, and waste across its operations.

At the central warehouse, we introduced a new system utilizing returnable plastic pallets. This transition eliminates the need for disposable wooden pallets and reduces emissions associated with single-use materials and reverse logistics. The plastic pallets occupy less space during transport, do not require incineration, and can be reused multiple times—supporting a circular logistics model with both environmental and economic benefits.

At our headquarters and warehouse facilities, we completed a full transition to energy-efficient LED lighting by replacing all outdated fixtures. This upgrade has resulted in a measurable reduction in electricity consumption, contributing to lower CO₂ emissions from daily operations.

These initiatives complement the ongoing expansion of our service and repair activities, which remain central to our sustainability strategy. We are committed to extending the lifespan of our products through repair and maintenance services, helping to keep them active within the circular economy. This approach not only reduces waste but also supports more responsible consumption patterns among our customers.

Building on the progress made in 2023/24, we continued our efforts to upcycle electronic products that would otherwise have ended up as electronic waste. We remain committed to encouraging consumers to prioritize repairable products and are continuing to invest in expanding our service and repair capabilities. As a result, more products are being refurbished and brought back to life - ready for new homes, with extended lifespans and reduced environmental impact.

Looking ahead, we remain committed to scaling our refurbishment and upcycling efforts. We aim to make more repaired products available to consumers through our webshops and stores, reinforcing our role in promoting a circular economy within the consumer electronics industry.

Human rights and anti-corruption

The Group distributes and sells hi-fi products across Northern Europe, where compliance with the UN's human rights principles is generally considered satisfactory. However, there remains a risk that certain suppliers within the Group's global supply chain may not fully adhere to these standards—particularly in areas such as child labour, unsafe working conditions, or other human rights violations. The Group maintains a strict zero-tolerance policy toward corruption and unethical practices. As part of this commitment, the Company regularly reviews supplier contracts to monitor and enforce compliance with internationally recognized human rights standards and sound business ethics. These principles include, among others, a prohibition against child labour and a requirement that all suppliers and manufacturers comply with applicable laws and regulations.

The risk of corruption within the Group is assessed as low. This is due in part to the Group's operational base in Northern Europe and its collaboration with large, reputable global partners who have established anti-corruption policies and procedures in place.

Action and performance

In the 2024/25 financial year, selected suppliers were reviewed to assess compliance with human rights and anti-corruption standards. The Group's objective is to conduct a full review of its supplier portfolio every three years. No instances of non-compliance with the Group's policies were identified during the year.

In relation to anti-corruption and anti-bribery, the Group has established internal policies and conducted relevant controls throughout 2024/25. No breaches were detected. As part of our ongoing efforts, all new contracts and pricing structures are being reviewed to ensure alignment with market standards and to prevent overpricing. This work will continue into the 2025/26 financial year.

With respect to human rights, the Group continues to strengthen its governance of personal data. Management systems are in place to support the ongoing development and implementation of GDPR and privacy regulations across the organization.

Whistleblower scheme

The Group has implemented a whistleblower scheme that allows employees and stakeholders to report suspected breaches of laws or regulations anonymously, should they prefer not to use standard communication channels. This mechanism is designed to support transparency, accountability, and ethical conduct across the organization.

During the 2024/25 financial year, two concerns were submitted through the whistleblower scheme:

One case concerned system registration errors, which was quickly investigated, clarified, and resolved without further consequences.

The second case involved concerns about workplace communication and leadership practices. The matter was addressed through internal dialogue and follow-up by senior management. No further issues were reported, and the case was subsequently closed.

Data Ethics

Statutory statement of data ethics, cf. section 99 d of the Danish Financial Statements Act

The Group is committed to handling data responsibly and ethically. While a formal written data ethics policy is expected to be introduced during the 2025/26 financial year, the Group continues to operate in compliance with applicable data protection regulations and ethical standards.

Our current approach is guided by the principles outlined in the Group's 2021/22 data ethics framework, and are summarized as follows:

The Group's use of customer data

The Group collects and stores significant volumes of data, including personal data. With this comes a substantial responsibility to handle such data with care, transparency, and integrity. We are committed to ensuring that individuals can trust us to store, analyze, and use their data in a responsible and ethical manner.

We aim to clearly communicate the basis for our data usage and the priorities guiding our data protection efforts. Transparency and accountability are central to our approach.

It is essential to the Group that our customers - and the broader public - have strong confidence in our ability to safeguard their data. Respect for the privacy of both customers and employees is deeply embedded in our culture and values. These individuals are at the heart of our business, and we are committed to protecting their rights and representing their interests across all areas of the organization.

We uphold the right to privacy as a fundamental principle and continuously strive to ensure that our data practices reflect this commitment.

Openness and transparency concerning the Group's use of customer data

The Group is committed to ensuring the integrity of customer information through openness and transparency. Customers must always have access to clear information about what personal data the Group collects, how it is stored, and for what purposes it is used.

To support customer self-determination, the Group continuously works to structure its data processing practices in a way that ensures full visibility into the data stored for each individual. This structured approach enables us to respond accurately and efficiently to customer inquiries regarding their personal data.

Furthermore, the Group ensures that personal data is retained only for as long as necessary and is processed solely for the specific purposes communicated to the customer. This commitment reflects our broader dedication to responsible data governance and privacy protection.

Provision of data

The Group collects and stores only the data necessary to support its operations and services, and always ensures that such data is processed lawfully.

Any data that can be attributed to a natural person is collected based on a valid legal basis. This may include statutory requirements, contractual agreements with the customer, or explicit customer consent. The Group is committed to upholding these legal standards to ensure transparency, accountability, and respect for individual privacy rights.

The Group's focus on the outside world

Beyond our direct customer relationships, the Group also engages with a broader network of external stakeholders. As such, we recognize our wider responsibility to ensure ethical and lawful data processing in all interactions.

Given our position in the retail industry, our use of data is closely tied to technology and marketing. We are committed to using data responsibly in these areas, ensuring that all practices align with ethical standards and applicable regulations.

The Group also collaborates with public authorities and complies fully with legal obligations to provide data when formally requested. This reflects our commitment to transparency, accountability, and responsible corporate citizenship.

Third-party data processing

The Group collaborates with a range of third parties, including payroll service providers, ERP vendors, and marketing technology platforms. These partners are expected to uphold the same high standards of data protection as the Group.

The Group also works with franchisees, who are formally considered third parties. However, due to HiFi Klubben's unified omnichannel sales model, customers expect a seamless experience across all branded stores - regardless of ownership. This includes the ability to make purchases in one location and returns in another. To support this expectation, the Group shares customer data with franchisees where legally permissible, ensuring a consistent and full-service experience.

To safeguard data integrity, the Group enters into data processing agreements with all relevant third parties and regularly verifies their compliance with contractual obligations. In certain cases, the Group and its franchisees act as joint data controllers under applicable data protection legislation. Where joint processing occurs, the Group ensures that appropriate contractual arrangements are in place and that individuals are informed in accordance with legal requirements.

Importantly, the Group does not sell customer data or any other personal data to third parties.

Compliance in the Group and employee skills training

The Group's data ethics policy is binding for all managers and employees. Managers carry a particular responsibility to lead by example, ensure compliance within their teams, and actively promote awareness of the policy.

To support this, the Group places strong emphasis on employee education in data ethics, data security, and the proper handling of personal data. This is achieved through structured initiatives such as e-learning modules and regular awareness sessions, including briefings during morning staff meetings.

The Group fosters a culture of openness, where transparency about errors and challenges is encouraged as a path to continuous improvement. Employees are expected to raise concerns or report incidents - whether through direct communication with managers, operational reporting channels, or the Group's whistleblower scheme - without fear of reprisal. This open culture ensures that mistakes become learning opportunities for the entire organization.

All employees are required to complete at least two e-learning courses annually on IT security and proper data handling. The IT team monitors completion rates and follows up as needed. In addition, the IT department conducts simulated phishing attacks to train employees in identifying and responding to suspicious emails, further strengthening the Group's cybersecurity awareness.

Roles and responsibilities

The day-to-day responsibility for data ethics lies with the Group's department managers. They are tasked with integrating data ethics into daily operations and ensuring the implementation of the Group's data ethics framework and objectives.

The Group's IT Manager, in collaboration with general management, is responsible for evaluating and determining which new technological opportunities should be adopted by the Group.

The Group recognizes that data ethics extends beyond mere legal compliance. Accordingly, the Group adopts a proactive approach to data ethics, aiming to uphold standards that exceed regulatory requirements.

MANAGEMENT'S STATEMENT AND INDEPENDENT AUDITOR'S REPORT

MANAGEMENT'S STATEMENT

The Board of Directors and the Executive Management have today considered and adopted the Annual Report of AudioNord Group A/S for the financial year 1 May 2024 – 30 April 2025.

The Consolidated Financial Statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and the Parent Company Financial Statements have been prepared in accordance with the Danish Financial Statements Act. Management's Review has been 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 on 30 April 2025 of the Group and the Parent Company, the results of the Group and Parent Company operations for the financial year 1 May 2024 - 30 April 2025 and consolidated cash flows of the Group for the financial year 1 May 2024 - 30 April 2025.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Group and the Parent Company, of the results for the year and of the financial position of the Group and the Parent Company as well as a description of the most significant risks and elements of uncertainty facing the Group and the Parent Company.

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

Aarhus, 28 August 2025

Executive Management

Lars Tandrup
CEO

Karsten Birkelund
COO

Board of Directors

Per Rasmussen
Chairman

Christian Løche Andersen
Deputy Chairman

Peter Lyngdorf

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of AudioNord Group A/S

OPINION

In our opinion, the Consolidated Financial Statements give a true and fair view of the Group's financial position at 30 April 2025 and of the results of the Group's operations and cash flows for the financial year 1 May 2024 to 30 April 2025 in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

Moreover, in our opinion, the Parent Company Financial Statements give a true and fair view of the Parent Company's financial position at 30 April 2025 and of the results of the Parent Company's operations for the financial year 1 May to 30 April 2025 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of AudioNord Group A/S for the financial year 1 May - 30 April 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including material accounting policy information, for both the Group and the Parent Company, as well as statement of comprehensive income and cash flow statement for the Group ("financial statements").

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 Financial Statements" section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

STATEMENT ON MANAGEMENT'S REVIEW

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement in Management's Review.

MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act and for the preparation of 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 about 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 these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the 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.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the Consolidated Financial Statements. 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.

Aarhus, 28 August 2025

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Henrik Trangeled Kristensen
State Authorised Public Accountant
mne23333

Rasmus Møllgaard Stenskrøge
State Authorised Public Accountant
mne34161

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME

1 May - 30 April

DKK 1,000	Note	2023/24	2024/25
Revenue	4	1,040,328	1,185,879
Cost of goods sold		-706,262	-785,681
Gross Profit		334,066	400,198
Other external costs	6	-90,232	-107,826
Staff costs	5	-162,734	-177,690
Amortisation and depreciation	6	-61,783	-65,496
Other operating income		723	111
Other operating expenses		-44	-30
Operating Profit (EBIT)		19,996	49,267
Financial income	7	2,546	140
Financial expenses	7	-6,002	-10,486
Profit before tax		16,540	38,921
Tax on profit for the year	8	-4,198	-10,674
Profit for the year		12,342	28,247
Other comprehensive income			
Items that will be reclassified subsequently to the income statement:			
Exchange adjustments		-1,295	1,670
Value adjustment of hedging instrument in the year		933	-1,076
Tax on value adjustment of hedging instrument		-205	237
Other comprehensive income after tax		-567	831
Total comprehensive income for the year		11,775	29,078

STATEMENT OF CASH FLOWS

1 May - 30 April

DKK 1,000

	Note	2023/24	2024/25
Operating profit		19,996	49,267
Amortisation and depreciation		61,783	65,496
Adjustment for other non-cash operating items	20	-1,175	4,148
Changes in working capital	20	47,890	-38,259
Ingoing interest payments, etc,		756	140
Outgoing interest payments, etc,		-6,002	-4,095
Income tax paid		-12,116	-8,928
Cash flows from operating activities		111,132	67,769
Investments in intangible assets		-4,585	-6,120
Investments in tangible assets		-11,315	-30,916
Investments in other fixed asset investments		-802	-968
Property, plant and equipment sold		16	953
Other fixed asset investments sold		131	0
Cash flows from investing activities		-16,555	-37,051
Free cash flow		94,577	30,718
Dividend to shareholders		0	-10,000
Repayment of lease liabilities	20	-48,966	-52,085
Draw down on credit facilities	20	-40,168	34,699
Cash flows from financing activities		-89,134	-27,386
Net cash flows from operating, investing and financing activities		5,443	3,332
Cash and cash equivalents at 1 May		14,337	19,780
Cash and cash equivalents at 30 April	21	19,780	23,112

ASSETS AT 30 APRIL

DKK 1,000	Note	2024	2025
Intangible assets	9	28,645	25,499
Property, plant and equipment	10	22,236	43,749
Right-of-use assets	11	145,966	148,492
Deposits	12	11,061	12,018
Non-current assets		207,908	229,758
Inventories	13	187,347	210,414
Trade receivables	14	26,115	33,986
Receivables from group enterprises		13,444	8,296
Deferred tax asset	8	3,519	6,604
Income tax		2,618	430
Other receivables		11,969	7,810
Prepayments		7,421	8,498
Cash and cash equivalents	21	19,780	23,112
Current assets		272,213	299,150
Assets		480,121	528,908

EQUITY AND LIABILITIES AT 30 APRIL

DKK 1,000	Note	2024	2025
Share capital		50,000	50,000
Currency translation reserve		-1,199	471
Reserve for currency hedging		1,303	464
Retained earnings		72,462	70,709
Proposed dividend		10,000	30,000
Equity		132,566	151,644
Other provisions	15	17,984	17,149
Lease liability	11	103,395	104,190
Deferred tax	8	2,648	4,602
Credit institutions	17, 19	0	8,786
Non-current liabilities		124,027	134,727
Other provisions	15	5,695	8,477
Credit institutions	17, 19	34,015	59,928
Trade payables		77,215	59,777
Payables to group enterprises		5,062	5,822
Income tax		3,202	1,310
Other payables	16	47,097	51,182
Lease liability	11	46,689	51,019
Prepayments	16	4,553	5,022
Current liabilities		223,528	242,537
Equity and liabilities		480,121	528,908

STATEMENT OF CHANGES IN EQUITY

2024/2025

DKK 1,000	Share capital	Currency translation	Currency hedging	Proposed dividend	Retained earnings	Total
Equity at 1 May	50,000	-1,199	1,303	10,000	72,462	132,566
Net profit for the year	0	0	0	30,000	-1,753	28,247
Exchange adjustments	0	1,670	0	0	0	1,670
Value adjustment of hedging instrument	0	0	-1,076	0	0	-1,076
Tax on value adjustment of hedging instrument	0	0	237	0	0	237
Total comprehensive income	0	1,670	-839	30,000	-1,753	29,078
Dividend paid during the year	0	0	0	-10,000	0	-10,000
Transactions with shareholders	0	0	0	-10,000	0	-10,000
Equity at 30 April 2025	50,000	471	464	30,000	70,709	151,644

2023/2024

DKK 1,000	Share capital	Currency translation	Currency hedging	Proposed dividend	Retained earnings	Total
Equity at 1 May	50,000	96	575	0	69,927	120,598
Net profit for the year	0	0	0	10,000	2,342	12,342
Exchange adjustments	0	-1,295	0	0	0	-1,295
Value adjustment of hedging instrument	0	0	933	0	0	933
Tax on value adjustment of hedging instrument	0	0	-205	0	0	-205
Total comprehensive income	0	-1,295	728	10,000	2,342	11,776
Share-based payment	0	0	0	0	193	193
Transactions with shareholders	0	0	0	0	193	193
Equity at 30 April 2024	50,000	-1,199	1,303	10,000	72,462	132,566

Share capital

The nominal value of the share capital is DKK 50,000k divided into shares of DKK 10, equivalent to 5,000,000 shares and 5,000,000 votes. The shares are not divided into share classes and does not carry any restrictions.

Capital structure

The Company regularly assesses the need for adjustment of the capital structure. The capital is managed for the Group as a whole.

Accounting Policies:

Share capital - Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deductions, net of tax, from the proceeds.

Currency translation - Exchange differences arising on translation of the parent company and of foreign controlled entities into DKK, are recognised in other comprehensive income and accumulated in a separate reserve within equity as currency translation. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Currency hedging - Reserve comprises accumulated changes in the fair value of derivative financial instruments that qualify for hedging of future cash flows, where the hedged position has not yet been realised. The changes in fair value are transferred to the income statement when the hedged positions are realised.

Dividends - Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

SUMMARY OF NOTES TO THE FINANCIAL STATEMENTS

Key accounting Principals

- Note 1 Basis of preparation
- Note 2 New financial reporting standards to be adopted
- Note 3 General accounting policies

Profit and loss & Balance sheet

- Note 4 Revenue
- Note 5 Staff costs, Remuneration of the Board of Directors & Executive Management
- Note 6 Depreciations & fees to auditors
- Note 7 Financial income and expenses
- Note 8 Tax on profit for the year and deferred tax asset
- Note 9 Intangible assets
- Note 10 Property, plant and equipment
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Cash flows and credit facilities

- Note 20 Specifications of cash flow from operating and financing activities
- Note 21 Cash and cash equivalents

Other disclosures

- Note 22 Contingent liabilities and security
- Note 23 Events occurring after the balance sheet date
- Note 24 Related parties
- Note 25 Group overview
- Note 26 Definition of key ratios

NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Basis of preparation

The consolidated financial statements of AudioNord Group A/S and its subsidiaries ('the group') for the year ended 30 April 2025 has been approved by the Board of Directors at its meeting on 28 August 2025 and will be presented to the shareholders of AudioNord Group A/S for approval on the annual general meeting.

The consolidated financial statements of the group have been prepared in accordance with IFRS Accounting Standards as adopted by the EU as well as additional Danish disclosure requirements applying to entities of reporting class C for large enterprises.

General information

The annual report has been prepared on the basis of the historical cost principle, modified in that certain financial assets and liabilities are measured at fair value. Subsequent to initial recognition, the assets and liabilities are measured as described below in respect of each individual item or in the relevant note.

The Group's consolidated financial statements are presented in Danish kroner (DKK). Figures are rounded to the nearest DKK thousand, unless otherwise stated.

Significant estimates and judgements

In connection with the practical use of the accounting policies described, it may be necessary for Management to make estimates in respect of the accounting items. The estimates and assumptions applied are based on historical experience and other factors that Management considers reasonable under the circumstances, but which are inherently uncertain and unpredictable. Such assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. In addition, the company is subject to risks and uncertainties that may cause actual outcomes to deviate from these estimates.

It may be necessary to change previous estimates as a result of changes to the assumptions on which the estimates were based or due to new information or subsequent events.

A further description of the principal accounting estimates and judgements is provided in the relevant notes.

Area		Note	Risk of impact and degree of estimation
Right-of-use-assets	Estimate	11	Low risk and high degree of estimation
Inventories	Estimate	13	Low risk and medium degree of estimation
Other provisions	Estimate	15	Medium risk and medium degree of estimation

Note 2 - New financial reporting standards to be adopted

New and amended standards are implemented when taking effect. Based on the initial assessment, new standards are not expected to have a significant impact on the profit/loss statement or equity. Reporting standards or interpretations which are not adopted by the EU have not been applied in this annual report.

Note 3 - General accounting policies

This section provides a summary of significant accounting policies, and other general accounting policies. A detailed description of the accounting policies applied, and the estimates made relative to each individual item is provided in relevant notes, such that all information about a specific accounting item can be found there.

Foreign currency

The financial statement items of individual Group entities are measured in the currency used in the primary economic environment in which the entity operates (functional currency). Other currencies are considered foreign currencies. The consolidated financial statements are presented in Danish kroner (DKK), which is the functional and presentation currency of the parent company.

Translation of foreign currencies

Transactions denominated in foreign currencies are translated into an entity's functional currency at the exchange rate prevailing at the transaction date.

Monetary items denominated in foreign currencies are translated at the exchange rate prevailing at the balance sheet date. Exchange adjustments arising as the difference between exchange rates at the balance sheet date and exchange rates at the transaction date of monetary items are recognized in the income statement as financial income or expenses.

On translation of entities with a functional currency other than DKK, balance sheet items are translated at the exchange rates at the balance sheet date and income statement items are translated at the exchange rates at the transaction date. The resulting exchange adjustments are taken directly to other comprehensive income.

Consolidation and business combinations

The consolidated financial statements comprise the financial statements of AudioNord Group A/S (the parent company) and enterprises (subsidiaries) controlled by the parent company. The parent company is considered to exercise control when it has power over the relevant activities of the enterprise, is exposed or has rights to a variable return from the investment and has the ability to affect those returns through its power.

The consolidated financial statements are prepared by aggregating the financial statements of the parent company and the individual subsidiaries, all of which are prepared in accordance with the Group's accounting policies. Intra-group transactions, balances, dividends and unrealised gains and losses on transactions between Group companies are eliminated.

Cost of goods sold

Cost of goods sold comprises costs for purchase of goods for the year plus deviations in inventories in generating the revenue for the year. Cost of goods sold is recognised after deduction of supplier discounts and bonuses.

Other external costs

Other external cost comprises of expenses for marketing, IT, other premises cost, promotion, travelling as well as other sales and administrative expenses.

Other receivables

Other receivables comprise transactions outside the usual operating activities of the group.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years and are measured at cost. Other receivables are measured at amortized cost less any provision for expected credit losses. The company assesses the recoverability of other receivables at each reporting date and recognizes an allowance for doubtful amounts where necessary.

Trade payables

Trade payables represent obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are recognized when the related goods or services are received. These are initially recognized at fair value and subsequently measured at amortized cost.

Note 4 - Revenue

Accounting Policies:

Revenue from contracts with customers comprises sale of products (wholesale and retail) and royalty income.

Revenue from sales of products through stores (retail) is recognised at the point in time when control of the goods is transferred to the customer, which generally takes place when a store sells the product to the customer. Payment is usually received when the customer receives the product. Revenue from sales through the AudioNord Group web shops is recognised and payment is received when the product is sent to the customer.

Revenue from wholesale relates primarily to sale to franchisees, which is recognised at a point in time when control of goods is transferred. For these sales on credit, a receivable is recognised. The payment terms are generally between 30 – 60 days. Reference is made to note 14, Trade receivables.

For contracts providing the customer with a right of return within a specified period, the Group considers the timing of recognition. The estimate for returned products is based on historical experience and expectations. A refund liability is recognised for products expected to be returned.

Royalty income relates to franchise fees that are recognised along with provision of the services under the franchise agreements.

Omni channel (Omni) categories express the split in revenue from sale of products from own concept channels and sale to franchise concept channels, respectively.

1 May - 30 April

DKK 1,000	2023/24	2024/25
Specification of revenue representing over 10% of the Group's revenue:		
Denmark	298,017	304,157
Norway	144,786	177,665
Sweden	189,560	217,338
Netherlands	217,887	244,351
Germany	176,056	191,206
Other	14,022	51,162
Total	1,040,328	1,185,879
Revenue by categories:		
Omni - own concept channels	804,415	908,703
Omni - franchise concept channels	209,129	247,468
Omni - franchise royalty	26,784	29,708
Total	1,040,328	1,185,879

Note 5 – Staff costs, Remuneration of the Board of Directors & Executive Management

Accounting Policies:

Staff expenses comprise direct wages and salaries, remuneration, pension costs etc. For defined contribution plans, the group pays contributions to publicly or privately administered pension insurance plans on a voluntary basis. The group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

1 May - 30 April

DKK 1,000	2023/24	2024/25
Specification of staff costs recognised in the financial year		
Salaries, wages and directors' remuneration	-136,424	-148,747
Defined contribution pension plan	-9,275	-9,770
Other social security costs	-16,860	-19,174
Share-based payment	-175	0
	-162,734	-177,690

Average number of employees, FTEs	335	367
Number of employees at 30 April, headcount	523	539

DKK 1,000	Board of Directors	Executive Management	Other key employees	Total
2024/25				
Salaries, wages and directors' remuneration	1,952	6,147	5,788	13,887
Defined contribution pension plan	0	295	412	707
Other long-term benefits	0	0	243	243
Total	1,952	6,442	6,443	14,837

DKK 1,000	Board of Directors	Executive Management	Other key employees	Total
2023/24				
Salaries, wages and directors' remuneration	1,769	2,850	3,068	7,687
Defined contribution pension plan	0	278	288	566
Share-based payment	44	55	44	143
Total	1,813	3,183	3,400	8,396

The group of other key employees consists of the management team in AudioNord Group who all are directly reporting to CEO and covering functions of sales, product development, purchase, finance, marketing, IT and logistics.

Note 6 - Depreciations & fees to auditors

1 May - 30 April

Depreciations

DKK 1,000	2023/24	2024/25
Amortisation, intangible assets	-8,546	-9,272
Depreciation, property, plant and equipment	-7,184	-8,457
Depreciation of right of use assets	-46,053	-47,767
Total	-61,783	-65,496

Fees to the auditors appointed at the general meeting

PwC

Audit fee	921	1,027
Other assurance engagements	34	127
Tax advisory services	196	261
Non-audit services	195	336
Total	1,346	1,751

Note 7 - Financial income and expenses

Accounting Policies:

Financial income and expenses include interest, financing costs of leases using the effective interest method, realised and unrealised foreign exchange adjustments, fair value adjustment of forward contracts transferred from other comprehensive income and fees.

1 May - 30 April

DKK 1,000	2023/24	2024/25
Financial income		
Interest income, group entities	170	0
Other financial income	585	140
Net exchange adjustments	1,791	0
Total	2,546	140
Financial expenses		
Interest expenses	-3,196	-3,580
Interest expenses, lease liabilities	-2,079	-6,326
Net exchange adjustments	0	-65
Other financial expenses and fees	-727	-515
Total	-6,002	-10,486

Note 8 - Tax on profit for the year and deferred tax asset

Accounting Policies:

Audionord Group A/S, its subsidiaries and the enterprises in the Group of Lyngdorf Familie Holding ApS are jointly taxed. The Group enterprises are jointly and severally liable for tax on the jointly taxed income etc of the Group. The total accrued corporation tax is disclosed in the Annual Report of Lyngdorf Familie Holding ApS, which is the management company under the joint taxation.

Additions, deductions and allowances relating to the on-account tax scheme are included in financial items.

Current tax on the net profit or loss for the year is recognised as an expense in the income statement together with any change in the provision for deferred tax. Tax on changes in other comprehensive income is taken directly on other comprehensive income.

Full provision is made for deferred tax on the basis of all temporary differences in accordance with the balance sheet liability method. Temporary differences arise between the tax base of assets and liabilities and their carrying amounts which are offset over time.

Deferred tax arising on initial recognition of assets or liabilities is not recognised if at the transaction date neither the accounting profit nor the taxable income is affected unless such differences occurred in a business combination. Deferred tax assets are recognised to the extent that it is probable that future positive taxable income will be generated, against which the temporary differences and tax losses can be offset. Deferred tax assets are measured at expected net realisable values.

Key accounting estimates and judgements

The recognition of deferred tax assets and uncertain tax positions requires an assessment by management. Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised if management estimates that the tax assets can be utilised within a foreseeable future by offsetting against future positive taxable income. The assessment is made annually on the basis of budgets and business plans for the following years, including any scheduled business measures and the joint taxation impact.

As the Group conducts business internationally, transfer pricing disputes may arise with tax authorities in respect of settlement prices etc. Management applies a probability-weighted assessment to determine obligations in connection with any transfer pricing disputes. All tax assets are for current financial year expected to be utilized and recognized in the balance sheet.

Note 8 - Tax on profit for the year and deferred tax asset, continued

1 May - 30 April

DKK 1,000	2023/24	2024/25
Specification of tax on profit for the year		
Current tax on profit for the year	-3,698	-10,640
Change in deferred tax on profit for the year	-12	991
Tax on profit from ordinary activities for the year	-3,710	-9,649
Adjustment of tax relating to prior years	-488	-1,025
Tax on profit for the year	-4,198	-10,674
Tax on equity and other comprehensive income entries, income	-205	237
Reconciliation of tax rate differences		
Danish tax rate	22.0%	22.0%
Effect of change of tax rates		
Adjustment of tax relating to prior years	3.0%	2.6%
Deviation in foreign subsidiaries' tax percentage	2.0%	0.2%
Non-taxable income and non-deductible expenses	0.4%	0.1%
Other taxes and other adjustments, net	-2.0%	2.5%
Effective tax rate	25.4%	27.4%

DKK 1,000	2024	2025
Deferred tax asset at 1 May, net	1,144	871
Exchange adjustments	-2	-97
Other changes in deferred tax – charged to income statement	-66	991
Change in deferred tax - charged to other comprehensive income	-205	237
Deferred tax asset at 30 April, net	871	2,002

DKK 1,000	2024	2025
Recognised in the balance sheet as follows		
Deferred tax assets	3,519	6,604
Provision for deferred tax	-2,648	-4,602
Deferred tax asset at 30 April, net	871	2,002
Deferred tax relates to the following items		
Intangible assets	-5,085	-5,277
Property, plant and equipment	892	806
IFRS 16 Right-of-use assets	-32,112	-32,668
Unrealised gain from intra-group sale of goods	1,465	1,456
Borrowing costs	0	4
Provisions	-460	-457
Tax losses carried forward	3,519	4,122
IFRS 16 liabilities	33,018	34,146
Hedging instrument	-366	-131
Deferred tax asset at 30 April, net	871	2,002

Note 9 - Intangible assets

Accounting Policies:

Intangible assets with a finite life are measured at cost less accumulated amortisation and impairment losses. Borrowing costs are recognised as part of cost. Amortisation is made on a straight-line basis over the expected useful lives of the assets, which are:

Development Projects: 3 - 5 years

Acquired patents, licences etc.: 3 - 5 years

The amortisation period is determined on the basis of Management's best estimate of the expected economic lives of the assets. The expected economic lives are assessed at least annually, and the amortisation period is determined based on the latest assessment. For purposes of calculating amortisation, the residual value of the assets is nil, unless a third party has committed to purchasing the asset after its use or there is an active market for the asset. All intangible assets have a finite life.

Development projects

Costs associated with research are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique products controlled by the group are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the product so that it will be available for use
- management intends to complete the product and use or sell it
- there is an ability to use or sell the product
- it can be demonstrated how the product will generate probable future economic benefits
- adequate technical, financial and other resources to complete the development and to use or sell the product are available, and
- the expenditure attributable to the product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of a development project include employee costs and an appropriate portion of relevant overheads. Capitalised development costs are amortised from the point at which the asset is ready for use.

Gains or losses on the disposal of intangible assets are stated as the difference between the selling price less costs to sell and the carrying amount at the date of disposal and are included in the income statement under other operating income or other operating expenses, respectively.

At 30 April

DKK 1,000	Development Project	Acquired patents, licences etc,	Prepayments and intangible assets in progress	Total Intangible Assets
2024/25				
Cost at 1 May	57,083	14,121	802	72,006
Exchange adjustment	0	11	0	11
Transfers	802	0	-802	0
Additions and improvements during the year	5,394	726	0	6,120
Cost at 30 April	63,279	14,858	0	78,137
Amortisation at 1 May	-30,631	-12,730	0	-43,361
Exchange adjustment	0	-5	0	-5
Amortisation for the year	-8,671	-601	0	-9,272
Amortisation at 30 April	-39,302	-13,336	0	-52,638
Carrying amount at 30 April	23,977	1,522	0	25,499

Note 9 - Intangible assets, continued

DKK 1,000	Development Project	Acquired patents, licences etc,	Prepayments and intangible assets in progress	Total Intangible Assets
2023/24				
Cost at 1 May	54,285	13,389	350	68,024
Exchange adjustment	0	-6	0	-6
Additions and improvements during the year	2,956	1,177	452	4,585
Disposals during the year	-158	-439	0	-597
Cost at 30 April	57,083	14,121	802	72,006
Amortisation at 1 May	-22,775	-12,553	0	-35,328
Exchange adjustment	0	3	0	3
Amortisation for the year	-8,014	-532	0	-8,546
Amortisation reversed on disposals during the year	158	352	0	510
Amortisation at 30 April	-30,631	-12,730	0	-43,361
Carrying amount at 30 April	26,452	1,391	802	28,645

Development Projects relates to ERP systems and commercial products. Prepayments and intangible assets in progress mainly relates to the development of a new ERP system. The project progress according to plan with the resources allocated by Management to the development.

Note 10 - Property, plant and equipment

Accounting Policies:

Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses. Cost comprises the cost of acquisition and expenses directly attributable to an acquisition until the asset is ready for use. In case of assets manufactured by the company, cost comprises materials, components, sub-supplier services, direct labour and costs directly attributable to the manufactured asset. In addition, borrowing costs are recognised as part of cost.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are:

Land:	not depreciated
Buildings:	10 – 30 years
Other fixtures and fittings, tools and equipment:	5 – 10 years
Leasehold improvements:	3 - 5 years

At the balance sheet date, the residual values, remaining useful lives and depreciation pattern of the assets are reassessed. Any changes are treated as changes to accounting estimates. Gains and losses on the sale or scrapping of an item of property, plant and equipment are recognised in the income statement as other operating income and other operating expenses, respectively.

Note 10 - Property, plant and equipment, continued

DKK 1,000	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Property, plant and equipment in progress	Total tangible assets
2024/25					
Cost at 1 May	1,948	31,901	76,922	0	110,771
Exchange adjustment	0	35	153	0	188
Additions and improvements during the year	15,924	3,695	7,730	3,567	30,916
Disposals during the year	0	-284	-1,383	0	-1,667
Cost at 30 April	17,872	35,347	83,422	3,567	140,208
Depreciation at 1 May	-1,948	-25,393	-61,194	0	-88,535
Exchange adjustment	0	-23	-120	0	-144
Depreciation for the year	-51	-2,536	-5,870	0	-8,457
Depreciation on disposals during the year	0	129	547	0	676
Depreciation at 30 April	-1,999	-27,823	-66,637	0	-96,459
Carrying amount at 30 April	15,873	7,524	16,785	3,567	43,749

DKK 1,000	Land and buildings	Other fixtures and fittings, tools and equipment	Leasehold improvements	Property, plant and equipment in progress	Total tangible assets
2023/24					
Cost at 1 May	1,948	28,676	78,714	0	109,338
Exchange adjustment	0	-87	-748	0	-835
Transfers	0	1,460	-1,460	0	0
Additions and improvements during the year	0	2,659	8,656	0	11,315
Disposals during the year	0	-807	-8,240	0	-9,047
Cost at 30 April	1,948	31,901	76,922	0	110,771
Depreciation at 1 May	-1,948	-23,448	-64,754	0	-90,150
Exchange adjustment	0	76	529	0	605
Transfers	0	-580	580	0	0
Depreciation for the year	0	-2,241	-4,943	0	-7,184
Depreciation on disposals during the year	0	800	7,394	0	8,194
Depreciation at 30 April	-1,948	-25,393	-61,194	0	-88,535
Carrying amount at 30 April	0	6,508	15,728	0	22,236

Note 11 - Leases

Accounting Policies:

At the commencement date, when a leased asset is made available for use, a right-of-use asset and a corresponding lease liability is recognised on the balance sheet. Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made prior to the commencement date and any initial direct costs. Subsequently, the right-of-use asset is measured at cost less depreciation and impairment losses and adjusted for the remeasurement of the lease liability. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the right-of-use asset.

Options to extend the initial leasing period are only included in the initial measurement if it is reasonably certain that the option will be utilised. Lease liabilities are initially measured at the present value of future lease payments. The lease payments are discounted using the implicit rate of the lease contract or, if not readily determinable, the incremental borrowing rate of AudioNord Group for loans with similar term and security. The lease liabilities are subsequently reduced by the portion of lease payments which is regarded as repayment of those lease liabilities. Lease liabilities are remeasured following a change in a price index determining the lease payment and in the event of a lease modification or a reassessment of the lease term. A corresponding adjustment is made to the carrying value of the right-of-use assets. The lease term is reassessed when a significant event or change, which is within the control of AudioNord Group, affects the prior assessment.

Short-term leases and leases of low-value assets are exempted from the above accounting model. Consequently, lease payments associated with such lease contracts are recognised as an operating expense on either a straight-line basis over the lease term or another systematic basis which is more representative of the pattern of the benefit of the leased assets.

The majority of the Group's right-of-use assets comprise stores, office space, warehouses and cars. Leasing arrangements are preferred for certain types of assets as it stabilises cash flows and reduces capital invested in non-current assets.

In certain situations, the leasing contracts include a right for AudioNord Group to extend the leasing period but this is only reflected in the cost of the right-of-use assets, and the corresponding lease liability, if it is reasonably certain that the option will be utilised. Variable lease payments, which are not included in the measurement of the lease liability, are expensed directly in profit or loss. These payments are mainly related to consumption-based charges, e.g. revenue-based rent payments and extra mileage in leased cars.

The Group enters into new lease contracts continually, e.g. to replace an old right-of-use asset which is returned to lessor. The new contracts are usually entered prior to commencing the leasing period when a right-of-use assets is available for use. Consequently, the Group may have committed to lease contracts, which are insignificant from an individual perspective, at the balance sheet date which are not yet recognised on the balance sheet date.

The extent of residual value guarantees for right-of-use assets is limited and expected payments are included in the initial amount of the lease liability.

Key accounting estimates and judgements

The measurement of right-of use assets, could be materially affected by significant changes in the judgements of reasonably certainty of future right-of-use lease usage and lease extensions These changes can impact the assets and related lease liabilities.

Note 11 - Leases, continued

DKK 1,000	Land and buildings	Other tools and equipment	Total right of use assets
2024/25			
Cost at 1 May	303,498	4,213	307,710
Exchange adjustments	4,076	26	4,102
Remeasurements and other adjustments	25,104	-49	25,055
Additions and improvements during the year	22,426	839	23,265
Disposals during the year	-7,345	-1,291	-8,636
Cost at 30 April	347,759	3,738	351,497
Amortisation at 1 May	-158,651	-3,094	-161,745
Exchange adjustments	-2,102	-22	-2,124
Amortisation for the year	-46,741	-1,026	-47,767
Amortisation reversed on disposals during the year	7,345	1,286	8,631
Amortisation at 30 April	-200,149	-2,856	-203,005
Carrying amount at 30 April	147,610	882	148,492
Lease Liabilities			
Non-current			104,190
Current			51,019
Total Lease liabilities			155,209

DKK 1,000	Land and buildings	Other tools and equipment	Total right of use assets
2023/24			
Cost at 1 May	234,927	4,009	238,936
Exchange adjustments	-2,208	-16	-2,224
Remeasurements and other adjustments	47,612	390	48,002
Additions and improvements during the year	25,327	0	25,327
Disposals during the year	-2,160	-170	-2,330
Cost at 30 April	303,498	4,213	307,711
Amortisation at 1 May	-117,141	-2,093	-119,234
Exchange adjustments	1,190	15	1,205
Other adjustments	70	-63	7
Amortisation for the year	-44,930	-1,123	-46,053
Amortisation reversed on disposals during the year	2,160	170	2,330
Amortisation at 30 April	-158,651	-3,094	-161,745
Carrying amount at 30 April	144,847	1,119	145,966
Lease Liabilities			
Non-current			103,395
Current			46,689
Total Lease liabilities			150,084

Note 11 - Leases, continued

DKK 1,000	2023/24	2024/25
The following amounts have been recognised in the statement of comprehensive income regarding the recognised assets:		
Depreciations	-46,053	-47,767
Interest expenses	-2,079	-6,326
Income from subleases	11,911	11,529
Recognised in the statement of comprehensive income regarding:		
Short-term leases and leases of low-value assets	0	0
Lease liability		
Total cash outflow for leases	48,789	50,678
Right-of-use assets extension options		
<p>Many contracts are evergreen contracts as defined in the Danish Business Rent Act or similar regulated in other jurisdictions. Evergreen contracts have been estimated extended for a period of maximum 5 years based on judgement of most certain future usage.</p> <p>For some contract the extensions options are for periods of 2 to 5 years. If extension options are used for all contracts the annualized cost will be in the range of above stated figures for the period 2024/25.</p>		
Undiscounted lease payments for subleases to be received		
Store leases, maximum of 12 months firm period	11,187	11,003
Contingent liability at April 30		
Short-term store leases	0	0

Note 12 - Deposits

Accounting Policies:

Consist of rent deposits which are measured at amortised cost.

DKK 1,000	Other receivables
Cost at 1 May 2024	11,061
Exchange adjustment	-11
Additions and improvements during the year	968
Cost at 30 April 2025	12,018

DKK 1,000	Other receivables
Cost at 1 May 2023	10,399
Exchange adjustment	-9
Additions and improvements during the year	802
Disposals during the year	-131
Cost at 30 April 2024	11,061

Note 13 - Inventories

Accounting Policies:

Inventories are measured at the lower of cost and net realisable value. The cost of goods for resale equals landed cost and is determined using the FIFO principle. The net realisable value of inventories is calculated as the sales amount less costs necessary to make the sale and is determined taking into account marketability, obsolescence and developments in the expected sales price.

Key accounting estimates and judgements

The assessment of net realisable value takes into account the future sales potential of the products. Net realisable value can be impacted by changes in consumer behaviour, purchase patterns and other relevant factors that impacts market prices. A drop in prices and/or purchase patterns could affect the overall valuation of inventories. The applied principles are unchanged compared to the prior year.

DKK 1,000	2024	2025
Finished goods and goods for resale	180,657	205,939
Prepayments for goods	6,690	4,475
Inventories at 30 April	187,347	210,414
Write-downs at 1 May	17,504	14,586
Write-downs realised during the year	-2,217	-1,053
Write-downs and reversals during the year	-701	158
Write-downs at 30 April	14,586	13,691

Note 14 - Trade receivables

Accounting Policies:

Trade receivables are initially measured at fair value and are classified as financial assets at amortised cost, as the contractual cash flows represent solely principal and interest and as the Group expects to collect the contractual cash flows. The Group assesses on a forward-looking basis the expected credit losses associated with these receivables. The loss allowance reflects the 12 months expected credit losses unless there has been a significant increase in credit risk, refer to note 20 for further details.

DKK 1,000	2024	2025
Aging of trade receivables		
Not overdue	18,739	22,005
Up until 30 days	5,051	7,120
Between 30 and 90 days	1,167	1,686
More than 90 days	2,269	4,214
Trade receivables at 30 April, gross	27,226	35,025
Loss allowance at 30 April	-1,111	-1,039
Trade receivables at 30 April, net	26,115	33,986
Loss allowance at 1 May	-3,078	-1,111
Exchange rate adjustment	36	-25
Loss allowance for the year	-1,111	-527
Reverse	2,930	0
Realised during the year	112	625
Loss allowance at 30 April	-1,111	-1,039

Note 15 - Provisions

Accounting Policies:

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation, and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 2-6 years. Provisions are measured and recognised based on experience with warranty work.

Provisions are measured as Management's best estimate of the amount which is expected to be required to settle the liability.

On measurement of provisions, the costs required to settle the liability are discounted if the effect is material to the measurement of the liability.

Provisions for the reinstatement of leased premises are measured at the present value of the expected future liability at the date of the statement of financial position. Timing in expected utilization of reestablishment provisions follows the expected timing of lease termination. The provision is determined based on current legislation and estimated future costs. Any specific risks that are believed to apply to the provision are recognised in estimated costs. Liabilities are recognised as they arise and are adjusted on a regular basis to reflect changes in requirements, price levels, etc.

Key accounting estimates and judgements

Management makes assessments of provisions and contingent liabilities, including the probable outcome of product performance which is inherently subject to uncertain future events. Based on information available, Management believes that adequate provisions have been made for warranties and reestablishment liabilities.

DKK 1,000	Warranties	Reestablishment liabilities	2025
Provisions at 1 May	13,432	10,247	23,679
Exchange adjustment	173	0	173
Provisions used during the year	-7,858	-263	-8,121
Additional provisions	9,230	665	9,895
Provisions at 30 April	14,977	10,649	25,626
Expected maturities			
Within one year			8,477
Between 1 and 5 years			7,719
Past 5 years			9,430
Provisions at 30 April			25,626

Note 16 - Prepayments & other payables

Prepayments

Relates to prepayments from customers and performance obligations regarding issued gift vouchers. The major part of the outstanding balance relates to issued gift vouchers. Prepayments relating to gift vouchers are recognised at the date of issue.

Other Payables

DKK 1,000	2024	2025
VAT payable	11,748	8,136
Holiday pay obligation etc,	17,290	17,980
Pay-related liabilities	9,784	15,733
Other creditors	8,275	9,333
Other Payables at 30 April	47,097	51,182

Note 17 - Credit institutions

Accounting Policies:

Borrowings from credit institutions are recognised at fair value less expenses incurred and subsequently at amortised cost using the effective interest method.

DKK 1,000	Maturity	2024	2025
Borrowings from credit institutions	on demand	34,015	54,425
Mortgage debt	See note 19 Financial risks'	0	9,132
Bank loans	on demand	0	5,157
Borrowing from credit institutions at 30 April		34,015	68,714
Lease Liability	See note 11 'Right-of-use assets'	150,084	155,209
Bank balances	Available for withdrawal	-19,780	-23,112
Net interest-bearing debt at 30 April		164,319	200,811

Borrowings from credit institutions consists of short-term bank credit facilities. The borrowings from credit institutions consisting of short-term bank credit facilities are presented as current liabilities due to its nature as instruments for liquidity management.

Details of the group's exposure to risks arising from current and non-current borrowings are set out in note 19.

Note 18 - Financial instruments

Accounting Policies:

Financial instruments are measured at either amortised cost or fair value. Those financial instruments, which are measured at fair value, can be categorised according to the fair value measurement hierarchy below:

Level 1: Observable prices in active markets for identical instruments.

Level 2: Valuation models primarily based on observable prices or traded prices of comparable instruments.

Level 3: Valuation models primarily based on non-observable prices.

AudioNord Group has designated certain derivative financial instruments as cash flow hedges as defined under IFRS 9. Hedge accounting is classified as a cash flow hedge when the hedges of a particular risk is associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions. The fair value of derivative financial instruments is recognised under other receivables or other financial liabilities, respectively, in the statement of financial position. The effective portion of changes in the value of derivative financial instruments designated to hedge highly probable future transactions is recognised in other comprehensive income until the hedged transactions are realised. When realised, the accumulated gains/losses are transferred to the items under which the hedged transactions are recognised.

Derivative financial instruments are used by the Group for hedging of currency exposure. The fair value of forward exchange contracts and other derivative financial instruments are considered a level 2 fair value measurement as the fair value is determined directly based on the published exchange rates and quoted forward exchange rates at balance sheet dates. The fair value of derivative financial instruments is calculated on the basis of current market data. For financial assets and liabilities of short-term nature, such as trade receivables and trade payables, the carrying amount approximates their fair value. For borrowings, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is close to current market rates. The principals are unchanged from prior years.

Note 18 - Financial instruments, continued

Specification of derivative financial instruments held at the balance sheet date 30 April:

DKK 1,000	Contract amount at year-end ¹⁾	Fair value of contract at year-end ²⁾	Average exchange rate per the hedging contracts	Expiry periode of contracts
2025				
EUR	-14,931	0	7.45	Aug 25 - Nov 25
SEK	17,260	270	68.8	Aug 25 - Dec 25
NOK	7,245	324	65.0	Nov 25 - Nov 25
	9,574	594		

DKK 1,000	Contract amount at year-end ¹⁾	Fair value of contract at year-end ²⁾	Average exchange rate per the hedging contracts	Expiry periode of contracts
2024				
EUR	-37,220	6	7.45	May 24 - Nov 24
USD	-27,812	484	684.01	Jun 24 - Dec 24
SEK	28,054	572	64.9	May 24 - Oct 24
NOK	28,229	607	63.93	Jul 24 - Dec 24
	-8,749	1,669		

¹⁾ Amount is translated to DKK thousands using the exchange rates per the hedging contracts. Positive amounts indicate a forecasted sale of the currency in question; negative amounts indicate a forecasted purchase of currency in question.

²⁾ Positive amounts indicate that the net fair value of the hedging contracts is an asset. Negative amounts indicate that the net fair value of the hedging contracts is a liability.

The group holds the following financial instruments:

DKK 1,000	2024	2025
<u>Financial assets at amortized cost</u>		
Deposits	11,061	12,018
Trade receivables	26,115	33,986
Receivables from group enterprises	13,444	8,296
Cash and cash equivalents	19,780	23,112
<u>Financial assets at fair value</u>		
Other receivables, derivatives hereof	1,669	594
Financial assets	72,069	78,006
<u>Financial liabilities at amortized cost</u>		
Credit institutions	34,015	68,714
Trade payables	77,215	59,777
Payables to group enterprises	5,062	5,822
Lease liability, current and non-current	150,084	155,209
<u>Financial liabilities at fair value</u>		
Other debt, derivatives hereof	0	0
Financial liabilities	266,376	289,522

Note 19 - Financial risks

Risk management policy

Financial risks are managed centrally and, accordingly, all derivative instruments are managed and controlled by the AudioNord Group. The framework is determined by the financial policy approved annually by the Board of Directors. The financial policy comprises policies for foreign exchange, funding, liquidity and financial counterparts. The core principle is for financial risk to be managed with a view to reducing significant risk.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of a balance sheet exposure will fluctuate because of changes in foreign exchange rates.

The foreign exchange risk related to financial instruments is concentrated in receivables, payables cash positions and borrowings from credit institutions denominated in foreign currencies. In addition to this, the fair value of the Group's hedging instruments is significantly exposed to changes in foreign exchange rates primarily related to USD in respect of product purchase, sales in Norway (NOK) and Sweden (SEK).

While EUR is a key currency for the Group, the foreign exchange risk is regarded as low due to fixed exchange rate policy of the central bank of Denmark.

It is the group's policy not to hedge its exposure from currency risks fully. A reasonable possible change in the DKK/SEK, DKK/NOK and DKK/USD exchange rate of 5% compared to the exchange rate at the end of the reporting period will have the following hypothetical impact on profit after tax and equity:

DKK 1,000	2023/24	2024/25
Impact on profit after tax and equity		
DKK/NOK – change of 5 %	537	259
DKK/SEK – change of 5 %	767	54
DKK/USD – change of 5 %	35	297

The analysis includes the impact from monetary items denominated in foreign currencies as outstanding at the end of the respective reporting period incl. eliminated intercompany balances as per 30 April.

Interest rate risk

Interest rate risk includes the risk of changes in the fair value of a financial instrument or in future cash flows due to changes in market interest rates. The exposure to interest rate risks is consider limited as the Group's net interest-bearing debt remains an minor part of the Groups capital structure (excl. right-of-use assets). The credit facilities are at floating interest rate. The duration as per balance sheet date was less than a year.

As of 30 April 2025, the carrying amount of the Group's net interest-bearing debt carrying a floating rate amounts to DKK 45,602 thousands (2024: DKK 14,235 thousands). It is AudioNord Group's policy not to hedge its exposure from changes in market rates of interest.

A reasonably possible change in the market interest rate compared to the interest rates as of the end of the reporting period will have the following hypothetical impact on profit after tax and equity:

DKK 1,000	2023/24	2024/25
Impact on profit after tax and equity		
Interest rate – increase of 100 basis points	370	228
Interest rate – decrease of 100 basis points	-370	-228

The sensitivity analysis is based on the assumption that all other variables and exposures remain constant. The sensitivity analysis does not consider impact from repayments and other changes in borrowings made during the year.

Note 19 - Financial risks, continued

Liquidity risk

The exposure to liquidity risks is considered low. In addition to cash available for withdrawal, the Group's cash reserves includes committed credit facilities to ensure an adequate level of funding for the Group's activities, even in periods of operational uncertainty. Except for leases all liabilities matures within one year.

As per 30 April 2025 the committed credit facilities for AudioNord Group totals DKK 155,157 thousands (2024: DKK 100,000 thousands).

The Board of Directors generally intends to distribute excess cash to the shareholders by way of dividends. However, distribution of dividend will always be made with due consideration for the Group's liquidity requirements and plans. The Company regularly assesses the need for adjustment of the capital structure. The capital is managed for the Group as a whole.

The capital management objective of the Group is to raise new debt only for acquisition purposes or for other special purposes.

The Group assesses the capital on the basis of the solvency ratio, which is calculated in accordance with the guidelines issued by the Danish Society of Financial Analysts.

Maturities of financial liabilities

The amounts disclosed in the following table are the contractual undiscounted cash flows.

DKK 1,000	< 1 year	1 - 5 years	>5 years	Total Contractual cash flows	Carrying amount
Trade payables	59,777	0	0	59,777	59,777
Credit facilities	54,425	0	0	54,425	54,425
Bank loans	5,157	0	0	5,157	5,157
Mortgage debt	346	1,764	7,022	9,132	9,132
Payables to group enterprises	5,822	0	0	5,822	5,822
Lease liabilities	52,960	94,460	28,758	176,178	155,209
At 30 April 2025	178,487	96,224	35,780	310,491	289,522
Trade payables	77,215	0	0	77,215	77,215
Credit institutions	34,015	0	0	34,015	34,015
Payables to group enterprises	5,062	0	0	5,062	5,062
Lease liabilities	46,845	108,280	14,310	169,435	150,084
At 30 April 2024	163,137	108,280	14,310	285,727	266,376

The maturity analysis is based on the following assumptions:

- The amounts disclosed in the table are the contractual undiscounted cash flows (including interest payments). Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. Interest payments are estimated based on current market conditions.
- Payments for lease liabilities includes only lease agreements which have commenced before the end of the reporting period.
- As there is no upper limit to the contingent consideration, the amount disclosed reflects the most likely amount to be paid and is presented within the time-band it is due for payment according to the agreement.
- Credit institutions constitute Credit facilities, Bank loans and Mortgage debt.

Note 19 - Financial risks, continued

Credit risk

The Group's credit risk relates to the possibility that the counterparties of its financial assets are not able to meet their obligations as they fall due. The carrying amount of the financial assets represents the maximum credit risk exposure. The Group's policy for managing credit risks involves an ongoing credit assessment of major customers and other key business partners.

The credit risk exposure relates to (i) receivables, (ii) bank deposits, as well as (iii) derivative financial instruments (forward exchange contracts) with a positive fair value at the balance sheet date.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses on trade receivables which uses a lifetime expected loss allowance. The loss allowance is determined on an individual basis considering credit characteristics and days past due. The credit risk relating to trade receivables is diversified over a large number of customers. Historically the Group has not realized any significant losses on its trade receivables and Management does not expect an increase in credit risk on its current outstanding receivables. For this reason, the credit risk is regarded as insignificant. As at 30 April 2025 the loss allowance amounts to DKK 1,039 thousands (2024: DKK 1,111 thousands). See also note 14.

- The credit risk relating to group receivables is related to a few related companies within the Lyngdorf Familie Group. The loss allowance is limited to 12 months' expected losses, as the credit risk due to the high solidity of the Lyngdorf Familie Group, is regarded as insignificant. In addition, the Group has historically not recognised any losses on those receivables. Consequently, as at 30 April 2025, no significant loss allowance has been recognised for receivables from group enterprises (2024: DKK 0 thousands)
- The credit risk relating to bank deposits is, pursuant to the Group's counterparty policy, managed and mitigated by making money market deposits only with selected financial institutions holding a satisfactory credit rating. In addition, the maximum deposit limits have been defined for each financial counterparty.
- The credit risk relating to derivative financial instruments is aligned with the credit risk for bank deposits as derivative contracts are only entered with selected financial institutions with a satisfactory credit rating

Note 20 - Specifications of cash flow from operating and financing activities

Accounting Policies:

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year. Cash flows from operating activities are calculated using the indirect method based on operating profit (EBIT) adjusted for non-cash operating items, changes in net working capital, financial items and taxes paid. Working capital comprises current assets less short-term debt, excluding items included in cash and cash equivalents. The cash flow statement cannot be derived directly from the balance sheet and income statement. Cash flows from investing activities comprise cash flows from acquisitions and disposals of businesses and non-current assets. Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt and principal element on lease payments as well as payments to and from shareholders. Cash and cash equivalents comprises cash and bank balances.

DKK 1,000	2023/24	2024/25
Change in other provisions	-829	1,947
Other non-cash operating items, net	-347	2,201
Adjustment for other non-cash operating items	-1,175	4,148
Inventories	-2,509	-23,962
Trade receivables	22,219	-7,799
Other receivables	-5,962	5,628
Trade and other payables etc.	34,142	-12,125
Changes in working capital	47,890	-38,259

DKK 1,000	2023/24			2024/25		
	Lease liability	Credit facilities	Total	Lease liability	Credit facilities	Total
Balance at 1 May	125,291	74,183	199,474	150,084	34,015	184,098
Additions during the year	25,327	0	25,327	23,139	0	23,139
Cashflows	-48,966	-40,168	-89,134	-52,085	34,699	-17,386
Remeasurements	47,356	0	47,356	25,667	0	25,667
Interests	2,079	0	2,079	6,326	0	6,326
Exchange and other adjustments	-1,003	0	-1,003	2,079	0	2,079
Balance at 30 April	150,084	34,015	184,099	155,209	68,714	223,924

Note 21 - Cash and cash equivalents

Accounting Policies:

Cash and cash equivalents, recognised under current assets, comprise bank deposits and cash at hand and are measured at amortised cost.

DKK 1,000	2024	2025
Balance at 30 April		
Bank deposits, short term	19,780	23,112
Cash and cash equivalents	19,780	23,112

Note 22 - Contingent liabilities and security

As part of the normal course of business, AudioNord Group is involved in pending litigations, claims and investigations. Provisions for probable losses have been made for those matters Management has assessed as needed, but there are uncertainties associated with these estimates.

DKK 1,000	2024	2025
30-apr		
Bank Guarantee of payment to certain suppliers	486	0

The Group enterprises are jointly and severally liable for tax on the jointly taxed income etc. of the Group. The total accrued corporation tax is disclosed in the Annual Report of Lyngdorf Familie Holding ApS, which is the management company under the joint taxation. Moreover, the group enterprises are jointly and severally liable for Danish withholding taxes by way of dividend tax, royalty tax and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

As part of the Group's financing arrangement, the property located at Tilst Søndervej 136, which is recognised under Property, Plant and Equipment (PPE), has been pledged as security for both current and non-current borrowings.

As of 30 April 2025, the carrying amount of the pledged property is DKK 15,873 thousand. The outstanding loan balance secured by the property amounts to DKK 9,132 thousand as of the same date.

No additional assets have been pledged as collateral.

Note 23 - Events occurring after the balance sheet date

No events have occurred after the balance sheet date which are deemed to have a material impact on the financial results or equity at 30 April 2025.

Note 24 - Related parties

AudioNord Group's related parties with significant influence comprise the companies' boards of directors and executive boards and their related family members. Further, related parties comprise companies in which the above mentioned persons have significant interests as well as associates.

The Company is included in the Group Annual Report of the ultimate Parent Company Lyngdorf Familie Holding ApS. Board Member Johan Peter Lyngdorf is the primary shareholder in the ultimate parent company.

The Group Annual Report of Lyngdorf Familie Holding ApS, CVR No 38 64 09 09 may be obtained at the Danish commerce agency.

The total accrued corporation tax is disclosed in the Annual Report of Lyngdorf Familie Holding ApS, which is the management company under the joint taxation. The Group enterprises are jointly and severally liable for tax on the jointly taxed income etc. of the Group.

Immediate parent company is ANI Holding A/S, CVR No 56 03 99 10.

AudioNord Group has had the following material transactions and balances with related parties:

DKK 1,000	2023/24	2024/25
Transactions with parent companies		
Dividend	0	10,000
Financial income	170	0
Joint taxation contribution, paid	-6,538	-3,791
Balance end of year	9,093	2,389
Transactions with other related parties		
Purchase of goods	61,592	91,523
Rental cost	2,394	3,139
Consulting cost	272	173
Deposits (Other receivables)	2,432	2,505
Lease liability end of year	-10,994	-7,307
Balance end of year	-712	86

Note 24 - Related parties (continued)

In addition to the disclosures provided in this note, more details on the remuneration of Executive Management and Directors are provided in note 5.

Note 25 - Group Overview

The AudioNord Group consists of a number of independent public limited companies. In the case of internal trading, which has a significant scope, or when a company performs work for another company, settlement takes place on market-based terms or on a cost-covering basis. The trading conditions are documented by written agreements, unless these are immaterial transactions.

The group consists of the following companies:

AudioNord Group A/S, Denmark	HiFi Klubben International A/S, Denmark	100%
	- HiFi Klubben Danmark A/S, Denmark	100%
	- Hi-Fi Klubben Sverige AB, Sweden	100%
	- Hi-Fi Klubben AS, Norway	100%
	- Hi-Fi Klubben Netherlands B.V., the Netherlands	100%
	- Hi-Fi Klubben Deutschland GmbH, Germany	100%
	- HiFi Klubben Finland Oy, Finland	100%
	Nordic Hi-Fi A/S, Denmark	100%

Note 26 - Definition of key ratios

The ratios are calculated and applied in accordance with Recommendations & Financial Ratios issued by the Danish Society of Financial Analysts. Key ratios are shown on page 1.

Key figures and ratios	Definition
Retail revenue	The Group's total retail revenue is defined as sales from both the physical shops and online of AudioNord Group irrespective of whether sales are affected from own chain shops or from franchise shops.
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortization
EBIT margin, %	EBIT as a percentage of revenues
Return on equity, %	Profit for the year attributable to AudioNord Group as a percentage of equity before minority interests (average)
Equity ratio, %	Equity at year-end as a percentage of total assets at year-end

**PARENT
COMPANY
FINANCIAL
STATEMENT**

AUDIONORD GROUP A/S

PARENT COMPANY FINANCIAL STATEMENTS - AUDIONORD GROUP A/S

PARENT COMPANY INCOME STATEMENT

1 May - 30 April

DKK 1,000	Note	2023/24	2024/25
Other external costs		-533	-649
Depreciation of property, plant and equipment		0	-53
Operating Profit (EBIT)		-533	-702
Profit from investments in subsidiaries		33,000	20,000
Financial income	4	102	0
Financial expenses	4	-32	-677
Profit before tax		32,537	18,621
Tax on profit for the year	5	102	293
Profit for the year		32,639	18,914

PARENT COMPANY ASSETS AT 30 APRIL

DKK 1,000	Note	2024	2025
Property plant and equipment	6	0	15,950
Investments in subsidiaries	7	166,897	166,897
Deferred tax asset		0	10
Non-current assets		166,897	182,857
Receivables from group enterprises		113,854	101,850
Other receivables		202	581
Income tax		102	1,199
Current assets		114,158	103,630
Assets		281,055	286,487

PARENT COMPANY EQUITY AND LIABILITIES AT 30 APRIL

DKK 1,000	Note	2024	2025
Share capital		50,000	50,000
Retained earnings		149,401	138,315
Proposed dividend		10,000	30,000
Equity		209,401	218,315
Credit institutions	8	0	8,786
Non-current liabilities		0	8,786
Payables to group enterprises		37,062	23,975
Credit institutions	8	34,015	34,576
Trade payables		528	349
Other payables		0	486
Income tax		49	0
Current liabilities		71,654	59,386
Equity and liabilities		281,055	286,487

Note

- 1 Accounting policies
- 2 Accounting estimates and judgements
- 3 Staff costs
- 8 Credit Institutions
- 9 Contingent liabilities and security
- 10 Related party disclosures
- 11 Remuneration to executive board and board of directors
- 12 Recommended appropriation of profit

STATEMENT OF CHANGES IN EQUITY

2024/25

DKK 1,000	Share capital	Proposed dividend	Retained earnings	Total
Equity at 1 May	50,000	10,000	149,401	209,401
Net profit for the year	0	30,000	-11,086	18,914
Dividend paid during the year	0	-10,000	0	-10,000
Equity at 30 April 2025	50,000	30,000	138,315	218,315

2023/24

DKK 1,000	Share capital	Proposed dividend	Retained earnings	Total
Equity at 1 May	50,000	0	126,762	176,762
Net profit for the year	0	10,000	22,639	32,639
Equity at 30 April 2024	50,000	10,000	149,401	209,401

Share capital

The nominal value of the share capital is DKK 50,000k divided into shares of DKK 10, equivalent to 5,000,000 shares and 5,000,000 votes. The shares are not divided into share classes.

Capital structure

The Company regularly assesses the need for adjustment of the capital structure. The capital is managed for the Group as a whole. The ratio of equity to total equity and liabilities was 76.2% at 30 April 2025 (30 April 2024: 74.5%).

NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Accounting policies

The financial statements of the parent company are prepared in accordance with the Danish Financial Statements Act.

Description of accounting policies

Basis of preparation

The Parent company financial statements for 2024/25 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large enterprises of reporting class C.

The accounting policies of the parent Company are unchanged from 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.

Fee to auditors appointed at the general meeting

With reference to section 96(3) of the Danish Financial Statements Act and to the note to the Consolidated Financial Statements of AudioNord Group A/S on the fee to the auditors appointed at the annual general meeting, the Company has omitted to prepare disclosure in the notes of fee to the auditor appointed by the general meeting.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000). Figures are rounded to the nearest DKK thousand, unless otherwise stated.

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.

Income statement

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration etc.

Profit from investments in subsidiaries

The item includes dividends from investments in subsidiaries. Dividend distributions that either exceed the profit for the year or where the carrying amount of the investments exceeds the consolidated carrying amounts of the subsidiary's net assets will indicate impairment for which reason an impairment test will have to be conducted.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance payment of tax scheme, etc.

Note 1 - Accounting policies, continued

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 group entities are jointly taxed. The total income tax charge is allocated between profit/loss making 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

Property plant and equipment

Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses. Cost comprises the cost of acquisition and expenses directly attributable to an acquisition until the asset is ready for use. In case of assets manufactured by the company, cost comprises materials, components, sub-supplier services, direct labour and costs directly attributable to the manufactured asset. In addition, borrowing costs are recognised as part of cost.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are:

Land: not depreciated

Buildings: 10 – 30 years

Other fixtures and fittings, tools and equipment: 5 – 10 years

At the balance sheet date, the residual values, remaining useful lives and depreciation pattern of the assets are reassessed. Any changes are treated as changes to accounting estimates. Gains and losses on the sale or scrapping of an item of property, plant and equipment are recognised in the income statement as other operating income and other operating expenses, respectively.

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Investments in subsidiaries

Investments in subsidiaries and associates are measured at cost. If there is evidence of impairment, an impairment test is conducted. Where the carrying amount exceeds the recoverable amount, a write down is made to such lower value.

Impairment testing of non-current assets

The carrying amount of investments in subsidiaries 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.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

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

Treasury shares Purchases and sales of treasury shares are taken directly to equity under "Retained earnings".

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. 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. 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. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

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 capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Credit institutions

Loans from credit institutions are recognised at the time of borrowing at the proceeds received less transaction and borrowing costs incurred. In subsequent periods, the loans are measured at amortised cost, so that the difference between the proceeds and the nominal value is recognised in the income statement as an interest expense over the loan period.

Mortgage debt is thus measured at amortised cost. For bond loans, amortised cost corresponds to a residual debt calculated as the underlying cash value of the loan at the time of borrowing adjusted by amortisation of the value adjustment of the loan at the time of borrowing over the repayment period.

Other borrowings from credit institutions are recognised at fair value less expenses incurred and subsequently at amortised cost using the effective interest method.

Note 2 - Accounting estimates and judgements

Estimation uncertainty

The determination of the carrying amount of certain assets and liabilities requires estimates as to how future events will affect the value of such assets and liabilities at the date of the statement of financial position. Estimates material to the parent company's financial reporting are made, inter alia, by reviewing investments in subsidiaries for impairment.

The estimates used are based on assumptions which Management believes to be reliable, but which are inherently subject to uncertainty. Such assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. Furthermore, the Company is subject to risks and uncertainties that may cause the actual results to differ from these estimates. The financial risks affecting the AudioNord Group are described in note 19 to the consolidated financial statements.

The notes to the financial statements comprise disclosures on assumptions of future events and other estimation uncertainties at the date of the statement of financial position involving a considerable risk of changes that could lead to a material adjustment of the carrying amount of assets or liabilities in the coming financial year.

Note 3 - Staff costs

Average number of employees: 0 FTEs in 2024/25 (2023/24: 0 FTE)

Note 4 - Financial income and expenses

DKK 1,000	2023/24	2024/25
Financial income		
Interest income, group entities	102	0
Total	102	0
Financial expenses		
Interest expenses	-14	-618
Other financial expenses and fees	-18	-59
Total	-32	-677

Note 5 - Tax

DKK 1,000	2023/24	2024/25
Current tax on profit for the year	102	283
Change in deferred tax on profit for the year	0	10
Total	102	293

Note 6 - Property, plant and equipment

DKK 1,000	Land and buildings	Other tools and equipment	Total property, plant and equipment
2024/25			
Cost at 1 May	0	0	0
Additions and improvements during the year	15,924	79	16,003
Cost at 30 April	15,924	79	16,003
Amortisation at 1 May	0	0	0
Depreciation for the year	-51	-2	-53
Depreciation at 30 April	-51	-2	-53
Carrying amount at 30 April	15,873	77	15,950
Depreciation period	30 years	5 years	

The Group's property, plant and equipment primarily comprise buildings, technical installations, and other tools and equipment. The building recognized under property, plant and equipment was acquired in 2025, hence no comparative figures are presented.

Note 7 - Investments in subsidiaries

DKK 1,000	2024	2025
Cost at 1 May	166,897	166,897
Carrying amount at 30 April	166,897	166,897

The AudioNord Group consists of a number of independent public limited companies. In the case of internal trading, which has a significant scope, or when a company performs work for another company, settlement takes place on market-based terms or on a cost-covering basis. The trading conditions are documented by written agreements unless these are immaterial transactions.

The group consists of the following companies:

AudioNord Group A/S, Denmark	HiFi Klubben International A/S, Denmark	100%
	- HiFi Klubben Danmark A/S, Denmark	100%
	- Hi-Fi Klubben Sverige AB, Sweden	100%
	- Hi-Fi Klubben AS, Norway	100%
	- Hi-Fi Klubben Netherlands B.V., the Netherlands	100%
	- Hi-Fi Klubben Deutschland GmbH, Germany	100%
	- HiFi Klubben Finland Oy, Finland	100%
	Nordic Hi-Fi A/S, Denmark	100%

Note 8 - Credit institutions

Payments due within 1 year are included in current liabilities. Other liabilities are included in non-current liabilities.

DKK 1,000	2024	2025
< 1 year	34,015	34,576
1 – 5 years	0	1,764
> 5 years	0	7,022
Total	34,015	43,362

Note 9 - Contingent liabilities and security

The Group enterprises are jointly and severally liable for tax on the jointly international taxed income etc. of the Lyngdorf Familie Group. The total accrued corporation tax is disclosed in the Annual Report of Lyngdorf Familie Holding ApS, which is the management company under the joint taxation. Moreover, the group enterprises are jointly and severally liable for Danish withholding taxes by way of dividend tax, royalty tax and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

As part of the entity's financing arrangement, the property located at Tilst Søndervej 136, which is recognised under Property, Plant and Equipment (PPE), has been pledged as security for both current and non-current borrowings.

As of 30 April 2025, the carrying amount of the pledged property is DKK 15,873 thousand. The outstanding loan balance secured by the property amounts to DKK 9,132 thousand as of the same date.

No additional assets have been pledged as collateral.

Note 9 - Contingent liabilities (continued)

AudioNord Group A/S has provided a guarantee as security for credit facilities granted to its subsidiary, Nordic Hi-Fi A/S. The guarantee covers non-current borrowings under the facility agreement.

As of 30 April 2025, the total amount of credit facilities covered by the parent company's guarantee amounts to DKK 17,138 thousand.

Note 10 - Related party disclosures

ANI Holding A/S, Dali Alle 1, DK-9610 Nørager is the Parent Company of AudioNord Group A/S.

AudioNord Group A/S is included in the Group Annual Report of the ultimate Parent Company Lyngdorf Familie Holding ApS, CVR-nr. 38 64 09 09, Aarhus, Denmark. The Group Annual Report may be obtained at the following address: Lyngdorf Familie Holding ApS, Hørhavevej 66A, DK-8270 Højbjerg, Denmark.

Peter Lyngdorf is Primary shareholder through ownership in Lyngdorf Familie Holding ApS.

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act. No such transactions have occurred.

Note 11 - Remuneration to executive board and board of directors

AudioNord Group A/S, as the Parent Company, has no employees. The Board of Directors, Executive Management and other key employees are not employed by or receive remuneration from the Parent Company. Accordingly, no salary or remuneration expenses are recognized in the Parent Company's financial statements.

Refer to note 5 of the consolidated financial statements for disclosure of remuneration to Executive Management and Board of Directors.

Note 12 - Recommended appropriation of profit

DKK 1,000	2023/24	2024/25
Interim dividend paid out	0	10,000
Proposed dividend to be paid out	10,000	30,000
Retained earnings	22,639	-21,086
Total	32,639	18,914



AudioNord Group A/S

Tilst Søndervej 136, 8381 Tilst, Denmark, CVR-nr. 43 22 28 99