ank=20250709-20250710049548

Årsredovisning för

Packsize AB

556647-3384

Räkenskapsåret
2024-01-01 - 2024-12-31

Innehållsförteckning: **Sida**

Förvaltningsberättelse	1
Resultaträkning	3
Balansräkning	4
Noter	6
Underskrifter	11

Fastställelseintyg

Undertecknad styrelseledamot i Packsize AB intygar härmed dels att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med orginalen och dels att resultat- och balansräkningen fastställts på årsstämma 2025-06-30. Stämman beslutade att godkänna styrelsens förslag till resultatdisposition.

ENKÖPING 30/ 6 2025

Joshua Ellis

k=20250709-20250710049549

Årsredovisning för

Packsize AB

556647-3384

Räkenskapsåret
2024-01-01 - 2024-12-31

Innehållsförteckning: **Sida**

Förvaltningsberättelse	1
Resultaträkning	3
Balansräkning	4
Noter	6
Underskrifter	11

k=20250709-20250710049550

Förvaltningsberättelse

Styrelsen och verkställande direktören för Packsize AB, 556647-3384, med säte i Enköping, får härmed avge årsredovisning för räkenskapsåret 2024-01-01 - 2024-12-31.

Redovisningsvaluta är svenska kronor.

Allmänt om verksamheten

Packsize AB:s huvudsakliga affärssyfte är att hantera den nordiska marknaden vad gäller försäljnings, service- och administrationsaktiviteter på uppdrag av Packsizegruppen. Packsize AB kommer att fortsätta agera som Holding för Packsize Europe.

Under räkenskapsåret 2024 redovisade Packsize AB en total omsättning på 6 700 TSEK varav övervägande del avser I/Co-intäkter som är ett resultat av serviceavtalet mellan Packsize AB och Packsize GmbH, där det sistnämnda ger Packsize AB i uppdrag att sköta den nordiska marknadsrelaterade försäljnings-, ingenjörs- och administrationsverksamheten, för vilken de i sin tur erhåller en serviceavgift som täcker administration, servicerelaterad kostnad plus ett påslag.

Väsentliga händelser under räkenskapsåret

Det har inte framkommit några viktiga externa faktorer under räkenskapsåret 2024 som väsentligen har påverkat företagets ställning.

Organisation

Företaget har sitt säte i Enköping. Packsize AB är ett helägd dotterbolag till den amerikanska koncernen Packsize International LLC, 27-0166644. Packsize AB äger i sin tur Packsize Technologies AB, Packsize GmbH, Packsize Ltd, Packsize SAS, Packsize Polska Sp.z.o.o, Packsize B.V. och Packsize Pty Ltd.

I enlighet med 7 kap. 2§ ÅRL upprättas ingen koncernredovisning. Koncernredovisning där Packsize AB ingår upprättas av moderbolaget Packsize International LLC och kan erhållas genom Packsize AB, Gesällgatan 2, 745 39 Enköping, Sverige.

Flerårsöversikt (Tkr)

Belopp i Tkr

	2024-12-31	*2023-12-31*	*2022-12-31*	*2021-12-31*	*2020-12-31*
Nettoomsättning	6 700	5 950	5 990	6 675	5 127
Resultat efter finansiella poster	-1 721	739	-789	-1 843	818
Balansomslutning	65 195	75 301	74 109	71 331	70 190
Soliditet %	61	55	55,1	58,2	61,2

Definitioner: se not

k=20250709-20250710049551

Förändring av eget kapital

	Aktie-kapital	Balanserat resultat	Årets resultat	Totalt
Belopp vid årets ingång enligt fastställd balansräkning	100 000	35 193 981	2 381 423	37 675 404
Disposition enligt beslut av årets stämma		2 381 423	-2 381 423	-
Årets resultat			881 094	881 094
Vid årets utgång	**100 000**	**37 575 404**	**881 094**	**38 556 498**

Förslag till disposition av företagets vinst eller förlust

Styrelsen föreslår att till förfogande stående vinstmedel, kronor 38 456 498, disponeras enligt följande:

	Belopp i kr
balanserad vinst	37 575 404
årets resultat	881 094
	38 456 498
disponeras så att	
i ny räkning överföres	38 456 498

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning med noter. Samtliga belopp anges i kr om inget annat anges.

k=20250709-20250710049552

Resultaträkning

Belopp i kr	*Not*	*2024-01-01-2024-12-31*	*2023-01-01-2023-12-31*
Nettoomsättning		6 700 242	5 949 805
Övriga rörelseintäkter	*2*	1 208 684	1 072 017
		7 908 926	7 021 822
Rörelsens kostnader			
Övriga externa kostnader	*3*	-893 901	-853 662
Personalkostnader	*4*	-5 498 727	-4 759 166
Av- och nedskrivningar av materiella och immateriella anläggningstillgångar	*6*	-8 656	-15 365
Övriga rörelsekostnader	*5*	-2 709 552	-53 763
Rörelseresultat		-1 201 910	1 339 866
Resultat från finansiella poster			
Ränteintäkter och liknande resultatposter		1 131 888	1 133 354
Räntekostnader och liknande resultatposter		-1 651 261	-1 733 759
Resultat efter finansiella poster		-1 721 283	739 461
Bokslutsdispositioner	*7*	2 899 466	2 329 466
Resultat före skatt		1 178 183	3 068 927
Skatt på årets resultat	*8*	-297 089	-687 504
Årets resultat		**881 094**	**2 381 423**

k=20250709-20250710049553

Balansräkning

Belopp i kr	*Not*	*2024-12-31*	*2023-12-31*
TILLGÅNGAR			
Anläggningstillgångar			
Materiella anläggningstillgångar			
Inventarier, verktyg och installationer	*6*	1 546	10 202
		1 546	10 202
Finansiella anläggningstillgångar			
Andelar i koncernföretag	*9*	19 760 584	19 760 584
Fordringar hos koncernföretag	*10*	17 372 904	16 851 566
		37 133 488	36 612 150
Summa anläggningstillgångar		37 135 034	36 622 352
Omsättningstillgångar			
Kortfristiga fordringar			
Fordringar hos koncernföretag		17 229 710	27 270 774
Aktuell skattefordran		5 868 957	5 864 679
Övriga fordringar		-	264
Förutbetalda kostnader och upplupna intäkter		-	30 778
		23 098 667	33 166 495
Kassa och bank		4 961 425	5 512 003
Summa omsättningstillgångar		28 060 092	38 678 498
SUMMA TILLGÅNGAR		65 195 126	75 300 850

ink=20250709-20250710049554

Balansräkning

Belopp i kr	*Not*	*2024-12-31*	*2023-12-31*
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital		100 000	100 000
		100 000	100 000
Fritt eget kapital			
Vinst eller förlust föregående år		37 575 404	35 193 981
Årets resultat		881 094	2 381 423
		38 456 498	37 575 404
Summa eget kapital		38 556 498	37 675 404
Obeskattade reserver			
Periodiseringsfonder	*12*	1 774 453	4 673 919
		1 774 453	4 673 919
Långfristiga skulder	*13*		
Skulder till koncernföretag		13 541 931	12 396 678
Övriga långfristiga skulder		-	10 606 708
		13 541 931	23 003 386
Kortfristiga skulder			
Leverantörsskulder		38 318	38 527
Skulder till koncernföretag		8 795 834	7 312 232
Skatteskulder		727 496	1 113 633
Övriga kortfristiga skulder		315 938	228 928
Upplupna kostnader och förutbetalda intäkter	*14*	1 444 658	1 254 821
		11 322 244	9 948 141
SUMMA EGET KAPITAL OCH SKULDER		65 195 126	75 300 850

k=20250709-20250710049555

Noter

Not 1 Redovisnings- och värderingsprinciper

Allmänna upplysningar
Årsredovisningen har upprättats i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Fordringar och skulder i utländsk valuta har värderats till balansdagens kurs. Kursvinster och kursförluster på rörelsefordringar och rörelseskulder redovisas i rörelseresultatet medan kursvinster och kursförluster på finansiella fordringar och skulder redovisas som finansiella poster.

Redovisningsprinciperna är oförändrade jämfört med föregående år.

Intäktsredovisning
Intäkter har tagits upp till verkligt värde av vad som erhållits eller kommer att erhållas och redovisas i den omfattning det är sannolikt att de ekonomiska fördelarna kommer att tillgodogöras bolaget och intäkterna kan beräknas på ett tillförlitligt sätt.

Anläggningstillgångar
Materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar enligt plan och eventuella nedskrivningar. I anskaffningsvärdet ingår utgifter som är direkt hänförliga till förvärvet av tillgången. När en komponent i en anläggningstillgång byts ut, utrangeras eventuell kvarvarande del av den gamla komponenten och den nya komponentens anskaffningsvärde aktiveras. Tillkommande utgifter som avser tillgångar som inte delas upp i komponenter läggs till anskaffningsvärdet om de beräknas ge företaget framtida ekonomiska fördelar, till den del tillgångens prestanda ökar i förhållande till tillgångens värde vid anskaffningstidpunkten. Utgifter för löpande reparation och underhåll redovisas som kostnader.

Realisationsvinst repektive realisationsförlust vid avyttring av en anläggningstillgång redovisas som Övrig rörelseintäkt respektive Övrig rörelsekostnad.

Avskrivning sker linjärt över den förväntade nyttjandeperioden med hänsyn till väsentligt restvärde. Följande avskrivningsprocent tillämpas:

Materiella anläggningstillgångar	**%**
Inventarier, verktyg och installationer	20

Finansiella instrument

Kundfordringar/kortfristiga fordringar
Kundfordringar och kortfristiga fordringar redovisas som omsättningstillgångar till det belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra fordringar.

Låneskulder och leverantörsskulder
Låneskulder och leverantörsskulder redovisas initialt till anskaffningsvärde efter avdrag för transaktionskostnader.

Kvittning av finansiell fordran och finansiell skuld
En finansiell tillgång och en finansiell skuld kvittas och redovisas med ett nettobelopp i balansräkningen endast då legal kvittningsrätt föreligger.

id=20250709-20250710049556

Inkomstskatter

Total skatt utgörs av aktuell skatt och uppskjuten skatt. Skatter redovisas i resultaträkningen, utom då underliggande transaktion redovisas direkt mot eget kapital varvid tillhörande skatteeffekter redovisas i eget kapital.

Aktuell skatt

Aktuell skatt avser inkomstskatt för innevarande räkenskapsår samt den del av tidigare räkenskapsårs inkomstskatt som ännu inte redovisats. Aktuell skatt beräknas utifrån den skattesats som gäller per balansdagen. Fordringar och skulder nettoredovisas endast när det finns legal rätt till kvittning.

Uppskjuten skatt

På grund av sambandet mellan redovisning och beskattning särredovisas inte den uppskjutna skatteskulden som är hänförlig till obeskattade reserver.

Obeskattade reserver

Obeskattade reserver redovisas som bruttobelopp i balansräkningen, inklusive den uppskjutna skatteskuld som är hänförlig till reserverna.

Bokslutsdispositioner

Förändringar av obeskattade reserver redovisas som bokslutsdispositioner i resultaträkningen. Koncernbidrag redoovisas enligt 35 kap. inkomstskattelagen (1999;1229) som bokslutsdispositioner.

Ersättningar till anställda

Ersättningar till anställda avser alla former av ersättningar som företaget lämnar till de anställda. Företagets ersättningar innefattar bland annat löner, betald semester, betald frånvaro, bonus och ersättningar efter avslutad anställning (pension). Redovisningen sker i takt med intjänandet. Ersättningar till anställda efter avslutad anställning avser avgiftsbestämda pensionsplaner.

I företaget finns endast avgiftsbestämda pensionsplaner. Som avgiftsbestämda planer klassificeras planer där fastställda avgifter betalas och det inte finns förpliktelser att betala något ytterligare, utöver dessa avgifter.

Utgifter för avgiftbestämda planer redovisas som en kostnad under den period de anställda utför de tjänster som ligger till grund för förpliktelsen.

Nyckeltalsdefinitioner

Nettoomsättning
Rörelsens huvudintäkter

Resultat efter finansiella poster
Resultat efter finansiella intäkter och kostnader men före bokslutsdispositioner och skatter.

Balansomslutning
Företagets samlade tillgångar

Soliditet %
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutning.

Uppskattningar och bedömningar

Styrelsen anser inte att det har gjorts några bedömningar eller uppskattningar som väsentligt påverkar den finansiella ställningen.

d=20250710049557

Not 2 Övriga rörelseintäkter

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Valutakursvinster	1 208 684	1 072 017
Summa	**1 208 684**	**1 072 017**

Not 3 Leasingavtal

Företaget har inga väsentliga leasingåtaganden.

Not 4 Medelantalet anställda

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Medelantalet anställda	3	3
Totalt	**3**	**3**

Not 5 Övriga rörelsekostnader

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Valutakursförluster	-2 709 552	-53 763
Summa	**-2 709 552**	**-53 763**

Not 6 Inventarier, verktyg och installationer

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden		
-Vid årets början	138 865	135 591
-Nyanskaffningar	-	3 274
Utgående ackumulerade anskaffningsvärden	**138 865**	**138 865**
Ackumulerade avskrivningar		
-Vid årets början	-128 663	-113 298
-Årets avskrivning	-8 656	-15 365
	-137 319	-128 663
Redovisat värde vid årets slut	**1 546**	**10 202**

Not 7 Bokslutsdispositioner

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Periodiseringsfond, årets avsättning	-480 000	-1 050 000
Periodiseringsfond, årets återföring	3 379 466	3 379 466
Summa	**2 899 466**	**2 329 466**

Not 8 Aktuell och uppskjuten skatt

Skatt på årets resultat	*2024-01-01-2024-12-31*	*2023-01-01-2023-12-31*
Aktuell skatt	-297 089	-687 504
Totalt redovisad skatt	**-297 089**	**-687 504**

k=20250709-20250710049358

Avstämning av effektiv skatt

	2024-01-01-2024-12-31	Procent	*2023-01-01-2023-12-31*
Redovisat resultat före skatt	1 178 183		3 068 927
Skatt enligt gällande skattesats	-242 706	20,60	-632 199
Ej avdragsgilla kostnader	-4 213		-4 110
Ej skattepliktiga intäkter	16 827		18 563
Skatteeffekt schablonintäkt periodiseringsfond	-25 226		-27 988
Övrigt	-41 771		-41 770
Redovisad effektiv skatt	**-297 089**		**-687 504**

Not 9 Andelar i koncernföretag

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden:		
-Vid årets början	19 760 584	19 760 584
Utgående ackumulerade askaffningsvärden	**19 760 584**	**19 760 584**
Utgående redovisat värde	**19 760 584**	**19 760 584**

Specifikation av moderföretagets innehav av aktier och andelar i koncernföretag

Namn	*Kapital-andel*	*Rösträtts-andel*	*Antal andelar*	*Bokfört värde*
Packsize Technologies AB	100%	100%	10 456	3 830 862
Packsize GmbH	100%	100%	1	15 743 187
Packsize Ltd	100%	100%	1	103
Packsize SAS	100%	100%	1	174 528
Packsize Polska SP.z.o.o	100%	100%	1	11 284
Packsize Pty Ltd	100%	100%	1	620
Packsize B.V	100%	100%	1	-
				19 760 584

Not 10 Fordringar hos koncernföretag

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden:		
-Vid årets början	16 851 566	16 875 653
-Tillkommande fordringar	521 338	-
-Reglerade fordringar	-	-24 087
Utgående ackumulerade anskaffningsvärden	**17 372 904**	**16 851 566**
Redovisat värde vid årets slut	**17 372 904**	**16 851 566**

Packsize AB
556647-3384

ak=20250709;20250710049559

Not 11 Ställda säkerheter

Ställda säkerheter

	2024-12-31	*2023-12-31*
För egna skulder och avsättningar		
Företagsinteckningar	22 771 000	22 771 000
Summa ställda säkerheter	**22 771 000**	**22 771 000**

Not 12 Obeskattade reserver

	2024-12-31	*2023-12-31*
Periodiseringsfond, avsatt vid beskattningsår 2018	-	3 379 466
Periodiseringsfond, avsatt vid beskattningsår 2020	244 453	244 453
Periodiseringsfond, avsatt vid beskattningsår 2023	1 050 000	1 050 000
Periodiseringsfond, avsatt vid beskattningsår 2024	480 000	-
	1 774 453	**4 673 919**

Not 13 Långfristiga skulder

	2024-12-31	*2023-12-31*
Skulder som förfaller senare än fem år från balansdagen		
Skulder till koncernföretag	13 541 931	12 396 678
Övriga externa lån	-	10 606 708
	13 541 931	**23 003 386**

Not 14 Upplupna kostnader och förutbetalda intäkter

	2024-12-31	*2023-12-31*
Upplupna räntekostnader	-	78 119
Upplupna ersättningar	477 998	218 803
Upplupna semesterlöner	500 607	499 727
Upplupna sociala avgifter	236 181	242 465
Övriga poster	229 872	215 707
	1 444 658	**1 254 821**

Not 15 Väsentliga händelser efter räkenskapsårets slut

Under 2025 meddelade bolaget att ett förvärv skulle göras i Nederländerna.

I samband med ett annat företagsförvärv inom koncernen har företaget erhållit en utdelning på 10 300 000 EUR från dotterföretaget Packsize Technologies AB daterad 14 maj 2025.

k=20250709-20250710049560

Underskrifter

Hanko Kiessner
Styrelseledamot
18/6/25
Datum

Joshua Ellis
Styrelseledamot
13/6/25
Datum

Stephen Larsen
Verkställande direktör
12/6/25
Datum

Brent Cowan
Styrelseledamot
10/6/25
Datum

Jessica Tennhagen
Styrelseledamot
23/6/25
Datum

Vår revisionsberättelse har lämnats 30/6 2025

Ernst & Young AB

Annika Engström
Auktoriserad revisor

k=20250709-20250710049561

Building a better working world

Revisionsberättelse

Till bolagsstämman i Packsize AB, org.nr 556647-3384

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Packsize AB för räkenskapsåret 2024.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Packsize ABs finansiella ställning per den 31 december 2024 och av dess finansiella resultat för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Packsize AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

=20250709-20250710049562

Building a better working world

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning av Packsize AB för räkenskapsåret 2024 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Packsize AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Stockholm den 30/6 2025

Ernst & Young AB

Annika Engström
Auktoriserad revisor

k=20250709;20250710049563

CONSOLIDATED FINANCIAL STATEMENTS

PACKSIZE INTERNATIONAL, LLC
Years Ended December 31, 2024 and 2023
With Report of Independent Auditors

PACKSIZE®
ON DEMAND PACKAGING

ak=20250709-20250710049564

PACKSIZE INTERNATIONAL, LLC

Consolidated Financial Statements

Years Ended December 31, 2024 and 2023

Contents

Report of Independent Auditors.....1

Consolidated Financial Statements

Consolidated Balance Sheets.....3
Consolidated Statements of Operations and Comprehensive Income.....4
Consolidated Statements of Members' Equity.....5
Consolidated Statements of Cash Flows.....6
Notes to Consolidated Financial Statements.....8

1=20250709:20250710049565

Ernst & Young LLP
Suite 1800
15 W. South Temple
Salt Lake City, UT 84101

Tel: +1 801 350 3300
Fax: +1 801 350 3456
ey.com

Building a better working world

Report of Independent Auditors

Management and Members of
Packsize International, LLC

Opinion

We have audited the consolidated financial statements of Packsize International, LLC (the Company), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive income, members' equity and cash flows for the years then ended, and the related notes (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

A member firm of Ernst & Young Global Limited

k=20250709;20250710495565

Building a better working world

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 of 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Ernst & Young LLP

May 2, 2025

A member firm of Ernst & Young Global Limited

id=20250709-20250711049567

PACKSIZE INTERNATIONAL, LLC

Consolidated Balance Sheets

	December 31 2024	December 31 2023
Current assets		
Cash and cash equivalents	$ 4,971,521	$ 10,461,114
Accounts receivable, net	92,140,914	82,458,943
Inventory	33,041,855	28,834,973
Current portion of finance leases receivable	412,304	1,001,421
Prepaid and other current assets	13,738,421	14,601,822
Total current assets	144,305,015	137,358,273
Property and equipment, net	260,473,287	262,529,061
Definite-lived intangible assets, net	10,177,923	11,309,528
Cost method investment	1,000,000	1,000,000
Finance leases receivable, net of current portion	182,567	631,095
Right-of-use asset	16,735,636	7,429,918
Other long-term assets	8,948,477	9,233,770
Total assets	$ 441,822,905	$ 429,491,645
Current liabilities		
Accounts payable	$ 31,392,431	$ 34,728,838
Accrued and other liabilities	35,523,708	34,661,072
Current portion of lease liabilities	3,238,838	2,631,134
Current portion of finance lease obligations	999,255	400,387
Total current liabilities	71,154,232	72,421,431
Non current liabilities		
Lines of credit	200,489,545	181,783,209
Notes payable	–	1,054,587
Lease liabilities, net of current portion	16,542,119	4,823,569
Finance lease obligations, net of current portion	2,604,503	1,440,106
Other long-term liabilities	10,683,857	15,297,498
Deferred tax liabilities	1,143,828	1,169,028
Total liabilities	302,618,084	277,989,428
Members' equity:		
Preferred units, no par value, 2,320,000 units Series A authorized; 2,177,385 and 2,177,385 units Series A outstanding as of December 31, 2024 and 2023; 1,568,998 units Series C authorized and outstanding as of December 31, 2024 and 2023	14,697,149	14,697,149
Common units, no par value, 13,219,369 units authorized; 8,251,256 units and 8,175,711 units outstanding as of December 31, 2024 and December 31, 2023, respectively.	76,564,202	76,564,202
Additional paid-in capital	7,496,914	1,070,799
Accumulated other comprehensive loss	(3,552,919)	(997,994)
Retained earnings	43,999,475	60,168,061
Total members' equity	139,204,821	151,502,217
Total liabilities and members' equity	$ 441,822,905	$ 429,491,645

See accompanying notes to consolidated financial statements.

ak=20250709-20250710049568

PACKSIZE INTERNATIONAL, LLC

Consolidated Statements of Operations and Comprehensive Income

	Year Ended December 31	
	2024	2023
Sales	$ 663,462,067	$ 591,144,477
Cost of sales	486,382,749	432,830,033
Gross profit	177,079,318	158,314,444
Operating expenses	152,535,388	104,836,383
Income from operations	24,543,930	53,478,061
Other income (expense):		
Interest expense	(12,466,184)	(10,444,565)
Other, net	(2,285,265)	286,279
Other expense, net	(14,751,449)	(10,158,286)
Income before income taxes	9,792,481	43,319,775
Income tax provision	(1,737,024)	(2,547,792)
Net income	8,055,457	40,771,983
Other comprehensive income (loss):		
Foreign currency translation adjustments	(2,554,925)	912,927
Total other comprehensive income (loss)	(2,554,925)	912,927
Comprehensive income	$ 5,500,532	$ 41,684,910

See accompanying notes to consolidated financial statements.

PACKSIZE INTERNATIONAL, LLC

Consolidated Statements of Members' Equity

	Preferred Units		Common Units		Additional Paid-In Capital	Accumulated Other Comprehensive (Loss) Income	Retained Earnings	Total Members' Equity
	Units	Amount	Units	Amount				
Balance at December 31, 2022	3,812,091	$ 14,884,452	8,124,558	$ 2,603,009	$ 837,370	$ (1,910,921)	$ 98,104,054	$ 114,517,964
Net income	–	–	–	–	–	–	40,771,983	40,771,983
Other comprehensive income	–	–	–	–	–	912,927	–	912,927
Member distributions	–	–	–	–	–	–	(5,826,117)	(5,826,117)
Profits interest compensatory units repurchased	–	–	(194,210)	–	(892,031)	–	(11,408,739)	(12,300,770)
Repurchase of preferred and common units	(65,708)	(187,303)	(841,187)	(868,718)	–	–	(61,473,120)	(62,529,141)
Issued common units	–	–	1,085,300	74,829,911	–	–	–	74,829,911
Vested profits interest compensatory units and related compensation expense	–	–	1,250	–	1,125,460	–	–	1,125,460
Balance at December 31, 2023	3,746,383	14,697,149	8,175,711	76,564,202	1,070,799	(997,994)	60,168,061	151,502,217
Net income	–	–	–	–	–	–	8,055,457	8,055,457
Other comprehensive income	–	–	–	–	–	(2,554,925)	–	(2,554,925)
Member distributions	–	–	–	–	–	–	(24,067,914)	(24,067,914)
Shares repurchased in excess of par value	–	–	(2,730)	–	(13,049)	–	(156,129)	(169,178)
Vested profits interest compensatory units and related compensation expense	–	–	78,275	–	6,439,164	–	–	6,439,164
Balance at December 31, 2024	3,746,383	$ 14,697,149	8,251,256	$ 76,564,202	$ 7,496,914	$ (3,552,919)	$ 43,999,475	$ 139,204,821

See accompanying notes to consolidated financial statements.

709-20250710049570
1-2025

PACKSIZE INTERNATIONAL, LLC

Consolidated Statements of Cash Flows

	Year Ended December 31 2024	2023
Operating activities		
Net income	$ 8,055,457	$ 40,771,983
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	51,416,980	43,445,822
Inventory reserve and write-off	5,417,117	–
Unrealized (gain) loss on interest rate swap	(1,314,055)	535,214
Amortization of deferred financing costs	229,195	248,810
Deferred tax expense (benefit)	210,837	(284,434)
Bad debt expense (benefit)	279,159	(208,419)
Profits interest compensatory common unit-based compensation expense	6,439,164	1,125,460
Non-cash operating lease expense	3,122,497	2,919,476
Unrealized foreign currency transaction loss (benefit)	956,450	(1,129,051)
Loss (gain) on sale of property and equipment	(72,367)	(182,705)
Changes in:		
Accounts receivable	(9,792,633)	(9,185,490)
Inventory	(11,461,940)	(7,579,085)
Other assets	2,524,457	(3,322,130)
Accounts payable	(4,905,592)	(8,526,740)
Lease liabilities	(3,325,994)	(3,126,285)
Accrued and other liabilities	(2,222,373)	13,602,814
Net cash provided by operating activities	45,556,359	69,105,240
Investing activities		
Purchase of property and equipment	(45,163,426)	(72,192,223)
Purchase of definite-lived intangible assets	(932,393)	(1,400,463)
Capitalized software development	–	(3,746,187)
Proceeds from sale of property and equipment	3,121,625	5,638,945
Net cash used in investing activities	(42,974,194)	(71,699,928)
Financing activities		
Drawdowns on line of credit	490,644,310	366,419,444
Payments on line of credit	(470,396,746)	(350,162,026)
Amounts paid for financing costs on the issuance of the line of credit	(1,444,972)	–
Principle payments on related party notes payable	(1,033,861)	–
Principal payments on finance lease obligations	(908,482)	(354,382)
Repurchase of profits interest compensatory common units	(169,178)	(12,300,770)
Repurchase of preferred and common units	–	(62,529,141)
Proceeds from issuance of common units	–	74,829,911
Member distributions	(24,067,914)	(5,826,117)
Net cash (used in) provided by financing activities	(7,376,843)	10,076,919
Effect of foreign currency exchange rates on cash and cash equivalents	(694,915)	91,086
Net increase (decrease) in cash and cash equivalents	(5,489,593)	7,573,317
Cash and cash equivalents, beginning of period	10,461,114	2,887,797
Cash and cash equivalents, end of period	$ 4,971,521	$ 10,461,114

k=20250709-20250710049571

PACKSIZE INTERNATIONAL, LLC

Consolidated Statements of Cash Flows

	Year Ended December 31	
	2024	2023
Supplemental disclosures of cash flow information		
Cash paid during the period for:		
Interest	$ 13,489,208	$ 9,733,919
Income taxes	$ 2,366,622	$ 2,346,159
Non-cash investing and financing activities		
Property and equipment costs financed through accounts payable and finance lease obligations	$ 3,846,062	$ 8,855,275
Right-of-use assets obtained in exchange for lease obligations	$ 15,725,605	$ 1,792,204

k=20250709:20250710049572

PACKSIZE INTERNATIONAL, LLC

Notes to Consolidated Financial Statements

December 31, 2024

1. Organization and Nature of Operations

Packsize International, LLC (the Company or Packsize) provides packaging solutions, services, hardware, software, and consumables in the on-demand packaging market. The Company primarily sells, under supply agreements, corrugated cardboard (z-fold) and packaging solutions to customers that use the Company's machines, under lease arrangements, to make custom boxes.

With operations in North America, Europe, and Australia, Packsize serves a diversified customer base including eCommerce and fulfillment, printing, manufacturing, furniture, and cabinetry.

2. Summary of Significant Accounting Policies

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Such estimates include determination of the transaction price for revenue recognition; collectability of accounts receivable; realizable value of inventories; the estimated useful lives and assessments of impairment for property and equipment; intangible assets and other long-lived assets; fair value of derivative instruments and hedging activities; fair value and expected unit-price volatility of unit-based compensation expense, income taxes and related valuation allowance; incremental borrowing rate for leases, and others. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the economic environment, which management believes to be reasonable under the circumstances. Management adjusts such estimates and assumptions when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ from those estimates.

Principles of Consolidation

The consolidated financial statements include the accounts of Packsize International, LLC and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

Cash and Cash Equivalents

The Company considers all cash on deposit, money market accounts, highly-liquid debt, and equity instruments purchased with original maturities of less than three months to be cash and cash equivalents. The carrying amount reported on the consolidated balance sheet for cash and cash equivalents are valued at cost, which approximates the fair value. As of December 31, 2024, cash and cash equivalents consisted of deposits at banks and cash on hand.

ak=20250709;20250710495 73

Foreign Currency Translation and Transactions

The functional currency of certain of the Company's subsidiaries is the Euro (EUR), the Swedish Krona (SEK), the Australian Dollar (AUD), the British Pound (GBP), the Polish Zloty (PLN), and the Mexican Peso (MXN). Accordingly, assets and liabilities are translated into U.S. dollars using period-end exchange rates. Sales and expenses are translated at the average exchange rates in effect during the period. The resulting translation gains or losses are recorded as a component of accumulated other comprehensive income in the consolidated statements of changes in members' equity and the consolidated statements of income and comprehensive income. Net gains (losses) resulting from foreign currency remeasurements, transactions and translations are included in income as a component of other, net in the consolidated statements of income and totaled ($1,759,450) and $252,163 for the year ended December 31, 2024, and 2023, respectively.

Accounts Receivable and Allowance for Credit Losses

Accounts receivable are recorded at the contractually obligated amount. The Company performs credit evaluations of its customers and adjusts credit limits based upon payment history and the customer's current creditworthiness. The Company maintains an allowance for expected credit losses over the lifetime of accounts receivables. The allowance is based on an analysis of aging of our accounts receivable, customer risk characteristics, historical write-off experience, current economic and market trends, expectations of future economic conditions, and specific identification of customer payment capability. Customers with balances over 90 days old and other higher risk accounts are reviewed individually for collectability. Accounts receivable are written off when the probability of collection becomes remote. Recoveries of accounts receivable previously written off are recorded when cash is received.

The allowance for credit losses was $1,156,943 and $912,422 as of December 31, 2024, and 2023, respectively.

Inventories

Inventories are stated at lower of cost (determined on a first-in, first-out and weighted average basis) or net realizable value and consist of packaging materials and spare parts. Spare parts consist of interchangeable parts used for the repair or replacement of components in the machines the Company places with its customers to make custom boxes. On average, spare parts have a historical turnover of approximately one year. For this reason, the Company has classified the spare parts inventory as a current asset within the consolidated balance sheets. Spare parts may also be included in the machines which the Company capitalizes as property and equipment and depreciates over their expected useful life.

Assessments to value the inventory at the lower of the actual cost to purchase and/or manufacture the inventory, or the current estimated net realizable value of the inventory, are based upon assumptions about future demand and market conditions. As a result of the Company's assessments, when the net realizable value of inventory is less than the carrying value, the inventory cost is written down to the net realizable value and the write down is recorded as a charge to cost of sales if it is an ordinary item. When inventories are written down to their net realizable value outside the normal course of business, such write-downs are recognized as operating expenses in the period in which the impairment is identified.

k=20250709-20250710049574

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization. Costs for machines and attachments that are leased to customers includes the related costs to place the equipment at the customers' locations and prepare it for its intended use, including capitalized interest for the period prior to the equipment being made ready for use. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the related assets as follows:

	Useful Life
Machines and attachments	7 Years
Furniture and fixtures	7 Years
Vehicles	5 Years

Major additions and improvements are capitalized while minor replacements, maintenance, and repairs which do not increase the useful lives of the assets are expensed as incurred. Major additions and improvements include refurbishing used machines which increases the useful life. Gains and losses on sales of property and equipment are presented in other, net within our consolidated statements of income and comprehensive income. Leasehold improvements are included in furniture and fixtures and are depreciated over the lesser of the lease term or life of the asset.

Definite-Lived Intangible Assets

Intangible assets consist of intellectual property, patents, trademarks, internal-use software, and software to be sold or leased. The Company capitalizes legal costs that are incurred to acquire patents when the costs and related patents are specifically identifiable.

Amortization is computed using the straight-line method over the estimated useful lives of the related assets, or the remaining life of the asset if less, as follows:

	Useful Life
Patents	15 Years
Intellectual property	15 Years
Trademarks	10 Years
Internal-use software	3 Years
Software to be sold or leased	3 Years

Impairment of Long-Lived Assets

The Company reviews its long-lived tangible assets, including property and equipment, assets held for sale, and definite-lived intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying amounts of the assets exceed the estimated future undiscounted net cash flows related to those assets. In those circumstances, the carrying values of the assets are compared to their fair values and if greater than the fair values, an impairment loss is recognized. Impairment losses are reflected in operations.

0009-20250709-20250710049575

In 2024 and 2023, the Company did not record any impairment losses.

Revenue Recognition

The Company follows Accounting Standard Update 2014-09, "Revenue from Contracts with Customers" ("Topic 606").

The Company primarily enters into equipment usage and supply agreements to provide equipment and related z-fold corrugated to customers. The Company's sales of z-fold corrugated fall within the scope of Topic 606. The Company recognizes revenue when persuasive evidence of a contract with a customer exists and as the identified performance obligation is satisfied as the customer obtains control of the goods. Revenue is measured based on the amount of consideration that is expected to be received for providing the good to the customer.

Under Topic 606, the Company determines if any components of its contracts with customers fall within the scope of other accounting literature. The Company has identified that some components of its contracts with customers, shipping and installation of equipment and use of the equipment and software, fall under the accounting guidance in ASC Topic 842, "Leases" ("Topic 842"). Accordingly, the Company recognizes revenue for those elements in accordance with ASC Topic 842, which results in total minimum lease payments to be received being recognized over the term of the contract. Lease payments that are contingent upon the sale of z-fold corrugated are recognized at the time the control of the z-fold corrugated is transferred to the customer.

Revenue is recognized net of any taxes collected from customers and subsequently remitted to governmental authorities.

The Company records contract liabilities to deferred revenue when cash payments are received or due in advance of performance. For majority of the customers, the Company invoices the customer monthly. Certain customers pay an upfront annual payment. Deferred revenue primarily relates to the advance consideration received from customers that pay an upfront payment. Deferred revenue is recognized as revenue when the related performance obligations are satisfied. Deferred revenue that will be recognized during the succeeding twelve-month period is recorded as a current liability and the remaining portion is recorded as a noncurrent liability. As of December 31, 2024, the Company has a deferred revenue balance of $25,023,710 of which $16,372,329 is recorded within accrued and other liabilities $8,651,381 is recorded within other long-term liabilities on the Company's consolidated balance sheet.

Leases

The Company determines if an arrangement is a lease or contains a lease at inception by determining if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases are classified at commencement as either operating or finance leases.

Right-of-use assets ("ROU") represent the Company's right to use an underlying asset for the lease term and the corresponding lease liabilities represent its obligation to make lease payments arising from the lease. Lease ROU assets and lease liabilities are recognized based on the present value of the future minimum lease

k=20250709;20250710049576

payments over the lease term at commencement date. The lease ROU asset is reduced for tenant incentives and excludes any initial direct costs incurred. As the Company's leases do not provide an implicit rate, the net present value of future minimum lease payments is determined using the Company's incremental borrowing rate. The Company's incremental borrowing rate is estimated to approximate the interest rate on a collateralized basis with similar terms and payments, that the Company would be able to secure as of the lease commencement date. The Company's lease terms may include options to extend or terminate the lease. These options are reflected in the ROU asset and lease liability when it is reasonably certain that the Company will exercise the option. The Company utilizes certain practical expedients and policy elections available under the lease accounting standard. Leases with a term of one year or less are not recognized on the Company's consolidated balance sheet and the associated lease payments are recognized in the consolidated statements of operations and comprehensive loss on a straight-line basis over the lease term. Additionally, the Company has lease agreements with both lease and non-lease components. The Company has elected to combine lease and non-lease components as a single lease component for all classes of underlying assets for the purpose of calculating lease ROU assets and liabilities, to the extent they are fixed. Non-lease components that are not fixed are expensed as incurred as variable lease payments.

ROU assets are subject to evaluation for impairment or disposal on a basis consistent with other long-lived assets. During the years ended December 31, 2024 and 2023, there was no impairment related to the ROU assets.

Finance Leases (Sales-type Lease)

Certain of the Company's contracts with customers are classified as sales-type finance leases for financial accounting purposes. The Company reports the discounted present value of (i) future minimum lease payments (including the bargain purchase option) and (ii) any residual value not subject to a bargain purchase option as a finance lease receivable on its consolidated balance sheets and accrues interest on the balance of the finance lease receivable based on the interest rate implied in the applicable lease over the term of the lease. For sales-type finance leases, the Company removes the asset from its balance sheet on commencement of the lease and recognizes the difference between the net book value of the machine and the net investment in sales-type finance leases as sales on the consolidated statements of income and comprehensive income, less any initial direct costs and lease incentives. The Company applies an allowance for credit losses utilizing a loss-rate method. Under this method, credit allowance is calculated using an estimated loss rate and multiplying it by the asset's amortized cost at the balance sheet date.

Income Taxes

As a limited liability company, the Company's taxable income or loss is the responsibility of its members. Therefore, no provision or liability for federal and certain state income taxes has been included in the accompanying financial statements for the parent Company and its subsidiary in the United States, which is also a limited liability company. Certain states tax the Company instead of its members and such state tax liability has been included in income tax expense in the consolidated statements of income and comprehensive income.

The Company has various foreign subsidiaries that are corporations, and, therefore, are taxable in the countries in which they reside, which taxes are payable by the Company. For these foreign subsidiaries, deferred income

ak=20250709-20250711049577

tax assets or liabilities are recorded for the future tax consequences attributable to differences between the financial statement carrying amounts of assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled or realized. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. Deferred income tax assets are reviewed for recoverability, and the Company records a valuation allowance to reduce its deferred income tax assets when it is more likely than not that all or some portion of the deferred income tax assets will not be realized.

As of December 31, 2024 and 2023, the Company had no uncertain tax positions that qualify for either recognition or disclosure in the financial statements. The Company's 2024, 2023, 2022, 2021, and 2020 tax years are open to federal and state income tax examination. To the extent interest and penalties would be assessed by taxing authorities of any underpayment of income taxes, such amounts are accrued and classified as a component of income tax expense on the Company's consolidated statements of income and comprehensive income.

Costs of Sales

Costs of sales consist of the cost of providing the Company's hardware and software subscription to customers and consists of third-party hosting and data transmission fees, the depreciation and maintenance costs associated with the Company's capitalized fleet and third-party vendor costs to fulfill contracts with customers. It also includes employee-related expenses and allocated overhead for the Company's operations and customer support. These employee related costs include salaries, payroll taxes, fringe benefits, bonuses, and stock-based compensation.

Shipping and Handling

Shipping and handling costs billed to customers are included in sales revenue. Shipping and handling expenses are included in the cost of sales. Depending on the nature of the transaction, certain shipping and handling expenses and their associated revenue may be deferred and recognized over the life of the customer contract.

Advertising Costs

Advertising costs are expensed as incurred. Advertising expenses totaling $225,991 and $257,462 are included in operating expenses for the years ended December 31, 2024 and 2023, respectively.

Research and Development Costs

Research and development costs are expensed as incurred and consist primarily of salaries, including payroll taxes, fringe benefits, bonuses, and stock-based compensation, and contractor expenses related to the design, coding, and testing of new software features and services, enhancement of the Company's existing cloud computing services and related hardware, amortization of internally developed software cost, and the integration of acquired technologies. Research and development expenses totaling $25,658,981 and $18,401,792 are included in operating expenses for the years ended December 31, 2024 and 2023, respectively.

k=20250709-20250710049578

Concentrations of Credit Risk and Suppliers

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of accounts receivable and finance lease (sales-type lease) receivables. In the normal course of business, the Company extends credit to its customers, which are in diverse end markets. Many customers to which the Company extends credit are located outside the United States. The Company performs ongoing credit evaluations of customers, generally does not require collateral, and considers the credit risk profile of the entity from which the receivable is due in further evaluating collection risk. In addition, the Company has the right to extract machines for non-payment. No customer accounted for 10% or more of revenue for the years ended December 31, 2024 and 2023. Accounts receivable from one customer accounted for 20.4% of total receivable as of December 31, 2024. No customers accounted for greater than 10% of receivables as of December 31, 2023.

The Company, at times, maintains money market instruments that are not federally insured in the United States or elsewhere. The Company has not experienced any material losses in these instruments and believes it is not exposed to any significant risk with respect to cash and cash equivalents.

Purchases from one supplier accounted for 54.4% and 49.0% of total purchases during the years ended December 31, 2024 and 2023. As of December 31, 2024 and 2023, the Company had $11,642,046 and $7,762,591, respectively, of accounts payable to this supplier. This supplier also holds a controlling interest in the Company's cost method investment. No other supplier accounted for 10% or more of purchases for the years ended December 31, 2024 and 2023.

The Company has 40 employees in its Swedish manufacturing subsidiary who belong to labor organizations, with whom the Company negotiates collective bargaining agreements. Less than 10 percent of the Company's total employees are covered by collective bargaining agreements, and none of these agreements expire within one year from December 31, 2024.

Fair Value of Financial Instruments

The Company measures at fair value certain of its financial and non-financial assets and liabilities by using a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, essentially an exit price, based on the highest and best use of the asset or liability. The levels of the fair value hierarchy are:

Level 1 — Quoted market prices in active markets for identical assets or liabilities;

Level 2 — Significant other observable inputs (e.g., quoted prices for similar items in active markets, quoted prices for identical or similar items in markets that are not active, inputs other than quoted prices that are observable, such as interest rate and yield curves, and market-corroborated inputs); and

Level 3 — Unobservable inputs in which there is little or no market data, which require the reporting unit to develop its own assumptions.

k=20250709:20250710049579

The Company's financial instruments consist of cash and cash equivalents, receivables, payables, debt, deferred compensation related assets, deferred compensation related liabilities, and derivative instruments. The carrying amount of cash and cash equivalents, receivables, payables and variable rate debt approximates fair value because of the short-term nature of these instruments or because, in the case of variable rate debt, the interest rate approximates a market interest rate. The carrying amount of the Company's fixed rate debt may not represent fair value. The fair value of deferred compensation related assets and liabilities are determined using quoted market prices from daily exchange traded markets on the closing price as of the balance sheet date and are classified as Level 1.

Derivative financial instruments are recognized as either assets or liabilities in the consolidated balance sheets at their respective fair values. As a matter of policy, the Company uses derivatives for risk management purposes as hedges for changes in interest rates. The Company does not use derivatives for speculative purposes.

Fair value of the derivative instruments is determined using pricing models developed based on the underlying swap interest rate and other observable market data as appropriate. The values are also adjusted to reflect nonperformance risk of the counterparty and the Company, as necessary, and are classified as Level 2. Changes in the fair value of derivatives that are not designated as hedges are recorded in other income (expense) each period. Deferred compensation assets and deferred compensation liabilities are presented within the consolidated balance sheets in prepaid and other current assets, other long-term assets, accrued and other liabilities, and other long-term liabilities, respectively.

As of December 31, 2024 and 2023, the Company's assets and liabilities measured at fair value on a recurring basis and their level are as shown:

		Fair Value Measurements Using		
	December 31, 2024	**Level 1 Inputs**	**Level 2 Inputs**	**Level 3 Inputs**
Deferred compensation assets	$ 2,854,488	$ 2,854,488	$ –	$ –
Interest rate swap derivative assets	1,232,020	–	1,232,020	–
Deferred compensation liabilities	2,854,488	2,854,488	–	–

		Fair Value Measurements Using		
	December 31, 2023	**Level 1 Inputs**	**Level 2 Inputs**	**Level 3 Inputs**
Deferred compensation assets	$ 3,521,601	$ 3,521,601	$ –	$ –
Interest rate swap derivative assets	632,278	–	632,278	–
Deferred compensation liabilities	3,484,352	3,484,352	–	–
Interest rate swap derivative liabilities	714,313	–	714,313	–

Refer to Note 11 for further disclosure regarding the Company's derivatives.

Comprehensive Income

k=20250709-20250710049580

Comprehensive income includes changes to equity accounts that were not the result of transactions with members. Comprehensive income is comprised of net income and changes in the cumulative foreign currency translation adjustments.

Recent Accounting Pronouncements

No new accounting pronouncement issued or effective during the fiscal year had, or is expected to have, a material impact on our consolidated financial statements.

3. Revenue

Performance Obligations

The Company provides customers packaging solutions. The Company has the performance obligations to 1) deliver the z-fold corrugated and 2) provide the machine including the software as part of their customer packaging solution. The Company concluded the delivery of the z-fold corrugated is a non-lease component of the contract and the lease of the machine including the software is a lease component of the contract. A significant portion of the Company's revenue is derived from the sales of z-fold corrugated.

Revenue Recognition

When determining the transaction price or, in other words, the amount of revenue to be recognized, the transaction price reflects the amount of consideration to which the Company expects to be entitled in exchange for the goods and services it transfers to customers. The Company typically determines the transaction price of its contracts by noting any fees specifically identified in the contract, typically an installation fee, minimum lease fees, and adding an estimated amount of z-fold corrugated material that will be ordered over the life of the contract.

The total transaction price, including both fixed and variable considerations, of a contract is allocated on a relative standalone selling price basis to 1) sales of z-fold corrugated (non-lease component) and 2) the use of the Company's machine and software including service and support (lease-component). The Company determines the standalone selling price of the machine based on standalone sales prices or by using market prices, depending on the type of corrugated material. The Company determines the standalone selling price of the machine including the software based on the expected cost plus margin approach, unless actual standalone selling prices are available for a particular type of machine.

The fixed considerations allocated to lease component is recognized on a straight-line bases over the contract term in accordance with ASC Topic 842 Leases. The fixed considerations allocated to non-lease component is recognized based on corrugated sold during the period proportionate to total forecasted corrugated to be sold over the contract term in accordance with ASC Topic 606 Revenue. The variable consideration allocated to lease and non-lease component is recognized when corrugated is transferred to the customer in accordance with ASC Topic 842 Lease and ASC Topic 606 Revenue, respectively.

The payment terms for the Company's customers vary by customer. Payment terms typically range from 30 to 90 days.

ID=2025071049581

Disaggregation of Revenue from Contracts with Customers

The following table disaggregates revenue from contracts with customers:

	2024	2023
Z-fold corrugated	$ 396,749,289	$ 411,100,576
Use of equipment, software, service and support	230,884,844	141,613,354
Consumable and accessory	17,107,979	19,065,022
Machine sales	13,274,308	14,927,420
Other	5,445,647	4,438,105
	$ 663,462,067	$ 591,144,477

The Company's customers are located in North America, Europe, and Australia, within industries such as eCommerce and fulfillment, printing, manufacturing, furniture, and cabinetry.

The Company recognizes the cost for shipping and handling as a fulfilment activity. Shipping and handling costs are included in cost of sales.

4. Inventories

As of December 31, 2024 and December 31, 2023, the Company's inventory, net of reserve balances were $33,041,855 and $28,834,973, respectively. The inventory primarily comprises spare parts utilized in the maintenance and support of machinery. The Company maintained inventory reserves of $3,707,177 and $266,906 for the years ended December 31, 2024 and 2023, respectively, which largely consist of excess spare parts inventory identified based on current consumption metrics.

During the year, the Company recorded a write-off of $2,355,419 related to inventory associated with a discontinued platform for a machine. This write-off was necessary as the inventory could not be utilized in the current platform for the machine, reflecting the Company's decision to focus resources on updated technology and other machine platforms.

5. Finance Leases (Sales-type Lease) Receivable

On December 31, 2024 and 2023, the net investment included in sales-type finance leases receivable were as follows:

	2024	2023
Gross minimum lease payments receivable	$ 631,984	$ 1,747,773
Less unearned interest	(37,113)	(115,257)
Total finance leases receivable	594,871	1,632,516
Less current portion of finance leases receivable	(412,304)	(1,001,421)
Finance lease receivable, net of current portion	$ 182,567	$ 631,095

k=20250709-20250710049582

As of December 31, 2024, minimum future lease revenue payments under sales-type finance leases were as follows:

Years Ending December 31:	
2025	$ 469,214
2026	159,694
2027	3,076
	$ 631,984

6. Property and Equipment

Property and equipment consisted of the following as of December 31:

	2024	2023
Machines	$ 472,024,576	$ 458,307,191
Furniture and fixtures	31,316,799	17,157,932
Vehicles	5,267,192	3,753,496
	508,608,567	479,218,619
Less accumulated depreciation	(248,135,280)	(216,689,558)
Property and equipment, net	$ 260,473,287	$ 262,529,061

Depreciation expense related to property and equipment, including those under finance leases, recognized for the years ended December 31, 2024 and 2023, was $49,714,749 and $42,627,130, respectively. The Company capitalized interest expense of $421,027 and $298,344 during the years ended December 31, 2024 and 2023, respectively.

7. Definite-Lived Intangible Assets

Beginning in 2023, the Company capitalized some software costs for software to be sold or leased to customers. Research and development costs incurred for software products are expensed until technological feasibility has been established for the product. Once technological feasibility is established, software costs are capitalized until the product is available for general release to customers. Judgment is required in determining when technological feasibility of a product is established. The amortization of these costs will be included in cost of sales over the estimated life of the asset.

During fiscal years 2024 and 2023, the Company capitalized $0 and $3,746,187 of software development costs, respectively. The amortization expense for capitalized software costs was $1,248,729 and $416,243 for the years ended December 31, 2024 and 2023, respectively. The amortization expense is presented within the consolidated statements of income and comprehensive income in cost of sales. The unamortized amount of capitalized software costs presented in the consolidated balance sheets was $2,081,215 and $3,329,944 as of December 31, 2024 and 2023, respectively.

Definite-lived intangible assets consisted of the following as of December 31:

ark=20250709-20250710049583

	2024	2023
Patents	$ 6,331,663	$ 5,278,285
Patents pending	2,866,713	3,338,345
Internal-use software	497,771	497,771
Software to be sold or leased	3,746,187	3,746,187
Intellectual property	51,370	48,500
Trademarks	834,446	913,714
	14,328,150	13,822,802
Less accumulated amortization	(4,150,227)	(2,513,274)
Intangibles, net	$ 10,177,923	$ 11,309,528

The weighted average amortization period of the Company's definite-lived intangible assets is approximately eleven years. Amortization expense related to intangible assets totalled $1,702,231 and $818,692 for the years ended December 31, 2024 and 2023, respectively.

The estimated aggregate amortization expense for the next five years and thereafter is as follows:

Years Ending December 31:	
2025	$ 1,762,247
2026	1,333,761
2027	495,455
2028	489,850
2029	474,673
Thereafter	5,621,937
	$ 10,177,923

8. Cost Method Investment

In March of 2015, the Company entered into a Limited Liability Company Agreement with other investors in a paper mill (Paper Mill) to produce corrugated medium grade paper. The Company's initial capital contribution of $1,000,000 resulted in an ownership interest of one-hundred units or ten percent (10%) and has been included within the consolidated balance sheets as a non-current asset.

The carrying amount of the cost method investment is $1,000,000 as of December 31, 2024 and December 31, 2023. The fair value of the investment is not estimated as the Company has not identified any events or changes in circumstances that may have a significant adverse effect on the fair value of the investment. Moreover, the Company has determined that it is not practicable to obtain a valuation to estimate the fair value of the investment, considering the materiality of the investment to the Company as a whole.

The Company has also assessed the cost method investment for other-than-temporary impairment under the provisions of ASC 320, Investments – Debt and Equity Securities, noting no required adjustments to the value as of December 31, 2024.

k=20250709-20250710049584

9. Accrued and Other Liabilities

Accrued liabilities consisted of the following as of December 31:

	2024	2023
Accrued payroll	$ 10,814,138	$ 13,251,007
Deferred revenue	16,372,329	9,597,988
Income and other taxes payable	1,659,358	2,838,454
Other	6,677,883	8,973,623
	$35,523,708	$34,661,072

10. Notes Payable

During the year ended December 31, 2024, the Company fully repaid a note payable, including accrued interest, to a related party amounting to $1,033,861. The note bore interest at a rate of 8.75% per annum and had a maturity date of July 2025.

All transactions with related parties were conducted on terms equivalent to those prevailing in arm's length transactions.

11. Financial Instruments

Derivatives

The Company's business is exposed to interest rate risk resulting from fluctuations of the variable interest rate for the Company's line of credit. Increases in the variable rate would increase interest expense relating to the line of credit and would increase the cost of debt. Fluctuations in interest rates can also lead to significant fluctuations in the fair value of the line of credit.

On July 5, 2022, the Company entered into a pay-fixed, receive floating, interest rate swap arrangement with an initial notional amount of $20,000,000, for the period beginning July 19, 2022 and ending on July 19, 2027. Under the terms of the interest rate swap, the Company pays a fixed rate of 2.7% plus the applicable rate of 1.75% and receives floating SOFR during the swap period. The Company has not designated this interest rate swap as a cash flow hedge.

On November 14, 2022, the Company entered into a pay-fixed, receive floating, interest rate swap arrangement with an initial notional amount of $30,000,000, for the period beginning November 16, 2022 and ending on November 16, 2027. Under the terms of the interest rate swap, the Company pays a fixed rate of 3.86% plus the applicable rate of 1.75% and receives floating SOFR during the swap period. The Company has not designated this interest rate swap as a cash flow hedge.

On November 14, 2022, the Company entered into a pay-fixed, receive floating, interest rate swap arrangement with an initial notional amount of $30,000,000, for the period beginning November 21, 2022 and ending on July 19, 2027. Under the terms of the interest rate swap, the Company pays a fixed rate of 3.87% plus the

0250709-20250711049585

applicable rate of 1.75% and receives floating SOFR during the swap period. The Company has not designated this interest rate swap as a cash flow hedge.

On February 8, 2023, the Company entered into a pay-fixed, receive floating, interest rate swap arrangement with an initial notional amount of $30,000,000, for the period beginning February 16, 2023 and ending on November 16, 2027. Under the terms of the interest rate swap, the Company pays a fixed rate of 3.73% plus the applicable rate of 1.75% and receives floating SOFR during the swap period.

On February 8, 2023, the Company entered into a pay-fixed, receive floating, interest rate swap arrangement with an initial notional amount of $10,000,000, for the period beginning February 21, 2023 and ending on July 19, 2027. Under the terms of the interest rate swap, the Company pays a fixed rate of 3.75% plus the applicable rate of 1.75% and receives floating SOFR during the swap period.

At inception, the fair value of the interest rate swaps were zero. As of December 31, 2024 the fair value of the swaps were recorded as an asset of $1,232,020 in other long-term assets with no related liability due to all swaps being in an asset position. As of December 31, 2023 the fair value of the swaps were recorded as an asset of $632,278 and a liability of $714,313 in other long-term assets and other long-term liabilities, respectively. The change in the fair value of these interest rate swaps is recorded as a component of other expense, net in the Company's statements of income and comprehensive income. For the years ended December 31, 2024 and 2023, interest rate swaps impacted other expense, resulting in a decrease of $1,314,055 and an increase of $535,214, respectively.

12. Lines of Credit

Revolving Loan

During October 2017, the Company exchanged its revolving line of credit for a line of credit with the same lenders plus one new lender, increasing the total amount available under the line of credit from $70,000,000 to $125,000,000 and extending the term to October 2022. In July 2020, the Company entered into an amendment that extended the term to July 2025. In January 2022, the Company entered into an amendment that increased the total amount available under the line of credit from $125,000,000 to $175,000,000 and changed to a variable interest rate equal to SOFR plus an applicable rate based on the Company's leverage ratio. In October 2022, the Company entered into an amendment that increased the total amount available under the line of credit from $175,000,000 to $225,000,000. In August 2024, the Company entered into an amendment of its line of credit with the same lenders plus one new lender, increasing the total amount available from $225,000,000 to $325,000,000, and extending the term to August 2029. In addition, the amended line of credit includes the right to increase the available amount by $100,000,000 from one or more lenders or another lending institution with approval from the lenders. The commitment fees on the unused portion, the interest rate on advances and the fees for letters of credit are generally consistent with those in the prior revolving credit facility amendments.

As of December 31, 2024 and 2023, the Company had drawn down $202,057,094 and $182,134,981 on the line of credit, respectively. The line of credit, which is secured by essentially all of the Company's assets, accrues interest quarterly at a variable interest rate equal to SOFR plus an applicable rate based on the Company's leverage ratio (6.21% as of December 31, 2024) and is due on August 19, 2029. As of

0709-202507104958 6
k=2025

December 31, 2024 and 2023, the balance of unamortized prepaid loan fees netted against the noncurrent line of credit is $1,567,549 and $351,772, respectively.

Other Lines of Credit

Additionally, the Company is party to revolving loan credit facilities with lenders in both Sweden and Germany. In Germany, the Company has one distinct line of credit. The amount that can be borrowed under the line of credit is $1,379,550 (1.25 million EUR). As of December 31, 2024 and 2023, the Company had not drawn on this line of credit. The credit is unsecured, and the loan has no fixed maturity. The interest rate is 9.99% and is paid monthly.

In Sweden, the amount that can be borrowed under the line of credit is $793,761 (8 million Swedish Krona). As of December 31, 2024 and 2023, the Company had nothing drawn on this line of credit which is included in lines of credit on the consolidated balance sheets. The credit is secured by the assets of the Swedish subsidiary. The loan has no fixed maturity and renews every twelve months upon review by the lending institution. The interest rate is 6.56% and is paid quarterly.

The lines of credit include a number of financial and non-financial debt covenants. Management has determined that the Company was in compliance with all financial and non-financial debt covenants as of December 31, 2024.

13. Income Taxes

The Company's income tax provision consists of the following for the years ended December 31, 2024 and 2023:

	2024	2023
Current:		
State	$ 268,205	$ 217,533
Foreign	1,258,019	2,595,575
Total current tax expense	1,526,224	2,813,108
Deferred:		
Foreign	(26,069)	(130,288)
Change in valuation allowance	236,869	(135,028)
Total deferred tax expense (benefit)	210,800	(265,316)
Income tax provision	$ 1,737,024	$ 2,547,792

The income tax provision differs from the amount computed at federal statutory rates for the years ended December 31, 2024 and 2023 as follows:

ak=20250709;20250710495587

	2024	2023
Federal income tax provision at statutory rates	$ 2,051,321	$ 9,097,153
Non-includible domestic income	(457,571)	(7,052,839)
Differences between U.S. and foreign tax rates	(42,305)	(182,682)
Current year valuation allowance movement	236,869	(135,028)
State taxes	268,205	217,533
Return to provision	(448,036)	–
Permanent and other	128,541	603,655
Income tax provision	$ 1,737,024	$ 2,547,792

Significant components of the Company's deferred income tax assets and (liabilities) are as follows as of December 31:

	2024	2023
Deferred income tax assets:		
Accruals and reserves	$ 715,038	$ 715,847
Other deferred tax assets	501,662	523,839
Lease liabilities	378,818	626,064
Net operating loss carryovers	2,163,368	2,215,921
Total deferred income tax assets	3,758,886	4,081,671
Valuation allowance	(2,594,625)	(2,356,269)
Net deferred income tax assets	1,164,261	1,725,402
Deferred income tax liabilities:		
Other deferred tax liabilities	(273,500)	(347,791)
Lease right-of-use-asset	(330,188)	(570,865)
Foreign tax reserves	(1,054,205)	(1,086,320)
Depreciation	(22,434)	(83,314)
Total deferred income tax liabilities:	(1,680,327)	(2,089,290)
Net deferred income tax liabilities	$ (516,066)	$ (363,888)

Net deferred tax asset (by jurisdiction) of $627,762 as of December 31, 2024 and net deferred tax assets (by jurisdiction) of $805,140 as of December 31, 2023 are included in other long-term assets on the consolidated balance sheets.

The Company has net operating loss (NOL) carryforwards of approximately $4,056,131 in the United Kingdom, $607,989 in France, $1,218,864 in Germany, $60,326 in Poland, and $2,643,227 in Australia. The United Kingdom, Germany, France, Poland, and Australia NOL carryforwards do not expire.

The Company has determined that a valuation allowance against its deferred tax assets related to certain of these net operating loss carryforwards is necessary as of December 31, 2024 and 2023 to reduce the deferred tax assets to an amount that is more likely than not to be realized.

709-202507104958

14. Capital Structure

The Company has authorized total membership units of 17,716,817 comprised of 13,827,819 common units and 3,888,998 preferred units. There are no liquidation, dividend, or conversion preferences associated with the voting common units.

As of December 31, 2024, 8,251,256 total common units comprised of 7,827,982 voting common units, 14,610 nonvoting common units, and 408,664 nonvoting vested profits interest compensatory common units were outstanding. As of December 31, 2023, 8,175,711 total common units comprised of 7,827,982 voting common units, 14,610 nonvoting common units, and 333,119 nonvoting vested profits interest compensatory common units were outstanding.

Profits interest compensatory common units may be issued to key members of management for services provided on behalf of the Company. Profits interest compensatory common units are nonvoting and vest over a requisite service period of four to five years (see Note 15). There are no liquidation, dividend, or conversion preferences associated with the profits interest compensatory common units. Under the 2009 Equity Incentive Plan, 13,000,000 common units were originally authorized. In October 2023, the Company adopted a new 2023 Equity Incentive Plan and reduced the 1,000,000 profits interest compensatory common units authorized under the 2009 plan to 334,369 profits interest compensatory common units and authorized 885,000 as the maximum number of additional profits interest compensatory common units. During 2024 the Company repurchase 2,730 profit interest compensatory common units and increased the total authorized profit interest units in the 2023 Equity Incentive Plan to 1,496,180. As of December 31, 2024 and 2023, there were 408,664 and 333,119, respectively, fully vested profits interest compensatory common units outstanding.

The 3,888,998 authorized preferred units are comprised of 2,320,000 designated as Series A preferred units and 1,568,998 designated as Series C preferred units. All of the Series B preferred units have been redeemed by the Company and retired. As of December 31, 2024, there were 2,177,385 Series A (of which 23,016 are non-voting), and 1,568,998 Series C preferred units outstanding, respectively.

The holders of the Series A and Series C preferred units are entitled to votes equal to the number of common units into which the member's aggregate number of preferred units are convertible (with the exception of the 23,016 non-voting series A units). Each Series A and Series C preferred unit is convertible at the option of the holder into common units determined by dividing the original issue price of the preferred unit by the conversion price of $3.20 and $5.29 for Series A and Series C preferred units, respectively.

In addition, each preferred unit shall be automatically converted into common units immediately prior to the closing of a firm commitment underwritten initial public offering provided that the offering pricing per share is not less than $5.29 and the aggregate gross proceeds to the Company are not less than $30,000,000. The conversion price of the preferred units is subject to adjustment under certain circumstances.

Upon liquidation, dissolution or winding up of the Company, holders of the Series A and Series C preferred units are entitled to a liquidation preference of $3.20 and $5.29 per preferred unit, respectively. The liquidation preference price is subject to adjustment for recapitalizations.

dk=20250709-20250710049589

During 2023, the Company helped facilitate a tender offer process wherein all Members were given the opportunity to tender their units for repurchase. Certain Members desired to increase their ownership of the Company. Concurrent and as part of the tender offer process, these Members raised secondary capital and used that capital to invest in the Company. The Company did not participate in this secondary capital raise. In exchange for the capital, the Company issued 1,085,300 new common voting units. The Company used this capital to purchase and retire 841,187 common units, 65,708 preferred units, and 194,210 profits interest compensatory common units. These repurchased units represent units that were tendered by Members desiring to sell all or a portion of their ownership. All issuances and repurchases were made at fair value. Because the profits interest compensatory common units were repurchased at fair value, the transaction did not result in additional compensation expense.

15. Unit-based Compensation

As discussed in Note 14 above, the Company issues profits interest compensatory common units to certain key members of management for services provided on behalf of the Company. Profits interest compensatory common units are nonvoting and vest over a requisite service period of four to five years. The Company recognizes expense based on the grant date fair value of the awards on a straight-line bases over the requisite service period that the awards vest. Profits interest compensatory common units are granted with their fair value estimated on the date of grant using an option-pricing model. Input assumptions used in calculating the fair value of the awards represents management's estimates and involve inherent uncertainties and the application of management's judgment. These input assumptions include the fair value of the underlying unit on the grant date, expected term of the awards, expected stock price volatility over the term of the awards, and risk-free interest rates. The fair value of the Company's common stock is determined by using a 409a valuation prepared by an external valuation company. The expected life of the awards represents management's estimate of the period that the awards will be outstanding. Expected volatility is based on an average of the historical volatility of the common stock of select comparable publicly-traded entities with characteristics similar to those of the Company. The risk-free rate is based on the U.S. Treasury rate on the date of grant corresponding to the expected life of the award. The Company accounts for forfeitures in the period in which they occur.

A summary of the status of the Company's profits interest compensatory common units as of December 31, 2024 and 2023, and changes during the years ended December 31, 2024 and 2023, is presented below:

	Profits Interest Compensatory Common Units	Weighted Average Grant Date Fair Value (Per unit)
Outstanding at December 31, 2022	528,579	$ 3.51
Granted	633,150	29.33
Forfeited	–	–
Repurchased by the Company	194,210	4.59
Outstanding at December 31, 2023	967,519	19.79
Granted	1,033,730	31.07
Forfeited	350,050	28.84
Repurchased by the Company	2,730	4.78
Outstanding at December 31, 2024	1,648,469	$ 24.98

0709-202507104959O

The Company has authorized up to 1,827,819 profits interest compensatory common units to be issued. As of December 31, 2024, there were 1,648,469 profits interest compensatory common units issued, of which 408,664 are fully vested and outstanding. The fair value of the original units granted and outstanding was estimated to be $41,170,597 on the dates of grant.

The total fair value of units vested, representing 78,275 units, during the year ended December 31, 2024 was $2,264,104. The total fair value of units vested, representing 1,250 units, during the year ended December 31, 2023 was $4,638. The amount expensed during the years ended December 31, 2024 and 2023 was $6,439,164 and $1,125,460, respectively and is included in operating expenses on the Company's consolidated statements of income and comprehensive income.

The remaining units will be expensed straight-line over the vesting period through 2028 as follows:

Years Ending December 31:	
2025	$ 10,002,991
2026	10,002,991
2027	10,002,991
2028	3,056,052
Total	$ 33,065,025

16. Commitments and Contingencies

Operating Leases

The Company leases various facilities and equipment under operating lease agreements. These operating lease agreements often contain renewal options that are included as part of the noncancelable period if the option is reasonably certain (or not) to be exercised. In addition, many of the rental agreements provide for regular increases to the base rental rate at specified intervals, which usually occur on an annual basis. The Company recognizes lease costs on a straight-line basis over the life of the lease agreement. The Company's lease agreements do not contain any material terms and conditions of residual value guarantees or material restrictive covenants.

Lease costs included in operating expenses on the consolidated statements of income and comprehensive income are as follows for the year ended December 31:

	2024	2023
Operating lease costs	$ 3,975,386	$ 3,084,716
Finance lease costs:		
Amortization of right of use assets	752,993	279,002
Interest on lease liabilities	249,848	48,739
Total finance lease costs	$ 1,002,841	$ 327,741
Variable lease costs	2,532,441	1,312,011
Short-term lease costs	101,294	118,643
Total lease costs	$ 7,611,961	$ 4,843,111

ck=20250709-20250710049591

Weighted average lease term and discount rate for operating leases are as follows:

	2024	2023
Weighted average remaining lease term	7.66 years	3.04 years
Weighted average discount rate	8.27%	3.46%

Maturities of operating lease liabilities as of December 31, 2024, are as follows:

Years Ending December 31:	
2025	$ 4,366,948
2026	3,975,451
2027	2,639,552
2028	2,166,500
2029	2,200,709
Thereafter	10,570,768
Total undiscounted lease payments	25,918,928
Less: Present value adjustment for minimum lease commitments	(6,137,971)
Net lease liabilities	$ 19,780,957

Supplemental cash flow information related to operating leases are as follows:

	2024	2023
Cash paid for amounts included in the measurement of operating lease liabilities:		
Cash paid for operating leases included in operating activities	$ 4,055,726	$ 3,076,225

Finance Leases

Finance lease obligations consist primarily of vehicle and equipment leases with periods expiring at various dates through 2029. Finance lease obligations were $3,603,757 and $1,840,493 at December 31, 2024 and 2023, respectively. The Company acquired $2,883,670 and $1,435,834 of new finance leases at December 31, 2024 and 2023, respectively, primarily consisting of vehicles and equipment.

The following table presents assets subject to finance lease which are included in property and equipment as of December 31, 2024 and 2023:

	2024	2023
Vehicles	$ 4,164,855	$ 1,871,329
Equipment	231,415	220,598
	4,396,270	2,091,927
Less accumulated depreciation	(704,290)	(281,765)
Property and equipment, net	$ 3,691,980	$ 1,810,162

250709-20250710049592

Weighted average lease term and discount rate for finance leases are as follows:

	2024	2023
Weighted average remaining lease term	3.36 years	3.63 years
Weighted average discount rate	6.62%	9.53%

Maturities of finance lease liabilities as of December 31, 2024, are as follows:

Years Ending December 31:	
2025	$ 1,285,812
2026	1,161,256
2027	1,000,509
2028	506,929
2029	4,690
Thereafter	–
Total undiscounted lease payments	3,959,196
Less: Present value adjustment for minimum lease commitments	(355,438)
Net lease liabilities	$ 3,603,758

Supplemental cash flow information related to finance leases are as follows:

	2024	2023
Cash paid for amounts included in the measurement of finance lease liabilities:		
Cash paid for finance leases included in financing activities	$ 716,400	$ 151,326

Unit Appreciation Rights

As of January 1, 2019, the Company adopted a Unit Appreciation Rights Plan (the Plan) to provide incentive compensation to select employees. Through the Plan the Company can award unit appreciation rights (UARs) to reward and provide additional incentive to valued employees. Awards of UARs under the Plan are essentially a promise by the Company to pay cash in the future, contingent on certain payment events occurring and at the Company's discretion, in an amount that corresponds with the appreciation or value of a predesignated number of Common Units. The award agreement associated with an award of UARs may also impose a vesting schedule, which requires continued employment for a specified period of time, before the individual is able to fully benefit from the UARs. The maximum number of UARs that may be awarded under this Plan will not exceed 500,000. If any UARs awarded under this Plan are forfeited or cancelled, such UARs may again be awarded under this Plan.

During the years ended December 31, 2024 and 2023, 152,075 and 202,700, respectively, of these units have been awarded. The Company has determined that as of December 31, 2024, the contingent payment events are not probable. Therefore, no liability or expense has been recognized in the consolidated financial statements. However, upon occurrence of a contingent payment event, at its discretion, the Company would pay to the

ark=20250709:20250710049593

holders of vested UARs a total of $13,191,557 based on the fair value of the common units as December 31, 2024.

Volume Commitments

An agreement reached in 2019 with the Company's primary corrugated supplier requires a certain volume commitment be reached and maintained each time a new corrugated plant is built. This commitment is only applicable to each new plant individually. As of December 31, 2024, there are three plants that this is applicable to. The Company has maintained the required volume and believes it will continue to do so based on current business conditions.

Legal Matters

The Company is subject to investigations, claims or lawsuits arising out of the conduct of its business. As of December 31, 2024 and 2023, the Company accrued $1,008,914 and $2,758,914, respectively, related to potential legal settlements. Management is not aware of any other contingencies which it believes will have a material effect on its financial position, results of operations or liquidity.

17. Related-Party Transactions

The Company had notes payable to members of management and immediate family members of management (see Note 9). Interest on these notes is paid on a monthly, quarterly or semi-annual basis. Total accrued interest payable related to these notes as of December 31, 2024 and 2023 was $0 and $16,699, respectively.

The Company entered into a lease agreement with a related party on January 1, 2017, for commercial office and warehouse space. The lease term of ten years began on the rent commencement date of April 1, 2017, with annual rent payments totalling $606,234.

18. Employee Retirement Plan

The Company has a 401(k) defined contribution plan which permits participating employees to defer a portion of their compensation, subject to limitations established by the Internal Revenue Code. The Company matches 100% of the first 3% and 50% of the second 2% of each qualified participant's contributions to the plan subject to IRS limits. During the years ended December 31, 2024 and 2023, the Company contributed $2,694,979 and $2,150,552 in matching contributions, respectively.

19. Long Term Incentive Plan

In May 2021, the board approved a long-term incentive plan (LTIP). Under the LTIP, certain executives of the Company receive cash bonuses after meeting certain performance targets. In 2023, certain executives waived their rights to future cash bonus payments with respect to future hurdles for profits interest compensatory common units. For the years ended December 31, 2024 and 2023, the Company recorded $518,340 and $1,237,310 in operating expenses related to this plan, respectively.

ck=20250709-20250710049594

20. Restructuring

Throughout the year, the Company implemented significant strategic changes, leading to several one-time non-recurring expenses. These expenses largely stemmed from termination costs linked to leadership and other employees involved in specific strategic initiatives, the discontinuation of an enterprise resource planning software project, and the substantial write-off of components related to a discontinued machine platform. These actions were non-recurring and aimed at enhancing the Company's long-term operational efficiency and realigned strategic priorities. The total cost of the restructuring for the year amounted to $15,395,604.

21. Subsequent Events

Management has evaluated events and transactions for potential recognition or disclosure through May 2, 2025, which is the day the financial statements were available to be issued.

In 2025, the Company announced plans to restructure its Swedish manufacturing facility, which will include a full shutdown of the facility, and to relocate its European headquarters from Germany to Amsterdam, Netherlands. The total cost of these restructuring activities for 2025 is not yet determined.