

Årsredovisning
för
Brandon Company AB

556706-5213

Räkenskapsåret

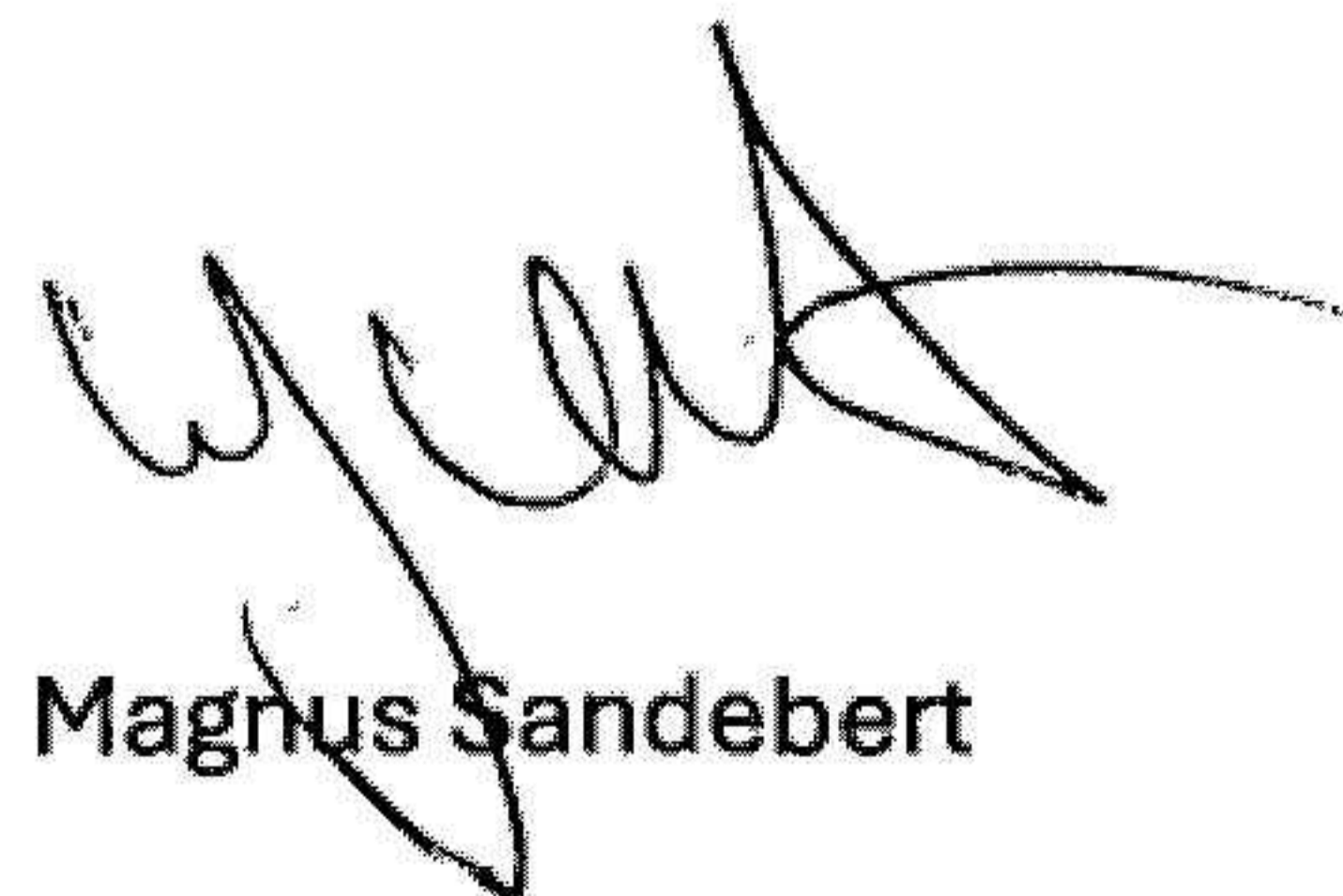
2024-01-01 - 2025-03-31

Undertecknad styrelseledamot i Brandon Company AB intygar härmed att
resultaträkningen och balansräkningen i Årsredovisningen fastställts på årsstämman den
2025 - 09-11.

Årsstämman beslöt att godkänna styrelsens förslag till vinstdisposition.

Jag intygar också att denna kopia av Årsredovisningen överensstämmer med originalet.

Jonsered 2025 - 09-29



Magnus Sandebert

Årsredovisning
för
Brandon Company AB
556706-5213
Räkenskapsåret
2024-01-01 - 2025-03-31

Styrelsen för Brandon Company AB avger följande årsredovisning för räkenskapsåret 2024-01-01 - 2025-03-31.

Årsredovisningen är upprättad i svenska kronor, SEK. Om inte annat särskilt anges, redovisas alla belopp i tusentals kronor (Tkr). Uppgifter inom parentes avser föregående år.

Förvaltningsberättelse

Information om verksamheten

Brandon Company AB är ett holdingbolag och bedriver endast för holdingbolag normal verksamhet. Bolaget är moderbolag till de helägda dotterbolagen Brandon AB med dotterbolaget Brandon USA Inc i USA och det nybildade Brandon Merchandising UK Ltd i UK, Brandon Hong Kong Ltd med dotterbolaget Brandon Trading (Shanghai) Ltd.

Brandon Company AB bedriver även ledningsfunktioner för Brandonkoncernen, inom vilken huvuddelen av verksamheten bedrivs inom Brandon AB.

Brandonkoncernen erbjuder varor och tjänster, företrädesvis konsumentprodukter inom området Merchandising samt produktion av olika kund- och varumärkesupplevelser, till företag och organisationer för att förstärka dess namn och varumärken. Koncernen levererar helhetslösningar där varumärkets roll i den övergripande kommunikationen värdesätts.

Brandon Company AB har inte haft några anställda under året.

Bolaget har sitt säte i Göteborg.

Väsentliga händelser under räkenskapsåret

Bolaget har under räkenskapsåret bytt ägare, och är sedan september 2024 ägt av den amerikanska branschkollegan Overture Promotions Inc. Den större koncernen får härigenom stark närvaro i både Europa och Nordamerika vilket kommer att innebära möjligheter att ge bättre helhetservice till stora globala företag både existerande kunder och framtida nya kunder.

En effekt av ägarbytet är också att bolaget därigenom byter räkenskapsår, och att årsbokslut numera görs 31 mars. Denna årsredovisning omfattar därmed perioden 1 januari 2024 - 31 mars 2025.

Förväntad framtida utveckling

Koncernens ledning ser, trots oroligheterna i världsekonomin, positivt på framtiden. Vi bedömer att vårt samarbete med flera av de viktigaste kunderna kommer att fördjupas, och att vi därigenom kan dra nytta av den tillväxtpotential som finns i vår nuvarande kundstock.

Den varumärkesportfölj koncernen nu arbetar med är av hög internationell klass, och står i de allra flesta fall mycket starka inom sina respektive branscher. Detta gör koncernen, tillsammans med sina nya ägare, attraktiv som framtida samarbetspartner för andra stora internationella varumärken.

Styrelsens bedömning är därför att det finns goda förutsättningar för att koncernens lönsamhet de närmaste åren kommer att utvecklas i positiv riktning.

Ägarförhållanden

Brandon Company är ett helägt dotterbolag till Brandon Acquisition Company AB, som i sin tur är ett helägt dotterbolag till Overture Promotions Inc (org nr 85-3204725) med säte i Chicago, USA, där koncernredovisning upprättas.

Flerårsöversikt (Tkr)	2024/25 (15 mån)	2023	2022	2021	2020
Nettoomsättning	0	0	0	0	0
Resultat efter finansiella poster	215	19 155	-79	-140	-19
Balansomslutning	24 191	27 452	25 083	25 062	25 495
Soliditet (%)	96,2	84,0	18,2	18,6	18,7

För definitioner av nyckeltal, se Redovisnings- och värderingsprinciper.

Förändringar i eget kapital (Tkr)

	Aktie- kapital	Fri överkurs- fond	Balanserat resultat	Årets resultat	Totalt
Belopp vid årets ingång	325	52 443	-52 256	22 541	23 053
Disposition enligt beslut av årsstämman:					
Balanseras i ny räkning			22 541	-22 541	0
Årets resultat				215	215
Belopp vid årets utgång	325	52 443	-29 715	215	23 268

Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

fri överkursfond	52 443 025
ansamlad förlust	-29 715 459
årets vinst	214 763
	22 942 329
disponeras så att i ny räkning överföres	22 942 329
	22 942 329

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning med noter.

Resultaträkning

Tkr

	Not	2024-01-01 -2025-03-31 (15 mån)	2023-01-01 -2023-12-31
Rörelsens intäkter			
Övriga rörelseintäkter		221	0
		221	0
Rörelsens kostnader			
Övriga externa kostnader		-6	-4
Övriga rörelsekostnader		0	-70
		-6	-74
Rörelseresultat		215	-74
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	2	0	19 229
		0	19 229
Resultat efter finansiella poster		215	19 155
Bokslutsdispositioner	3	0	4 300
Resultat före skatt		215	23 455
Skatt på årets resultat	4	0	-914
Årets resultat		215	22 541

Balansräkning

Tkr

Not

2025-03-31

2023-12-31

TILLGÅNGAR

Anläggningstillgångar

Finansiella anläggningstillgångar

Andelar i koncernföretag

5, 6

24 065

24 065

24 065

24 065

Summa anläggningstillgångar

24 065

24 065

Omsättningstillgångar

Kortfristiga fordringar

Fordringar hos koncernföretag

119

3 384

Övriga kortfristiga fordringar

2

2

121

3 386

Kassa och bank

5

1

Summa omsättningstillgångar

126

3 387

SUMMA TILLGÅNGAR

24 191

27 452

Balansräkning

Not

2025-03-31

2023-12-31

Tkr

EGET KAPITAL OCH SKULDER

Eget kapital

Bundet eget kapital

Aktiekapital

325

325

325

325

Fritt eget kapital

Överkursfond

52 443

52 443

Balanserat resultat

-29 715

-52 256

Årets resultat

215

22 541

22 943

22 728

Summa eget kapital

23 268

23 053

Kortfristiga skulder

Skulder till koncernföretag

923

4 399

Summa kortfristiga skulder

923

4 399

SUMMA EGET KAPITAL OCH SKULDER

24 191

27 452

Noter

Tkr

Not 1 Redovisnings- och värderingsprinciper

Allmänna upplysningar

Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Redovisningsprinciperna är oförändrade jämfört med föregående år.

Utländska valutor

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.

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.

Finansiella instrument

Finansiella instrument värderas utifrån anskaffningsvärdet. Instrumentet redovisas i balansräkningen när bolaget blir part i instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten. Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

Andelar i dotterföretag

Andelar i dotterföretag redovisas till anskaffningsvärde efter avdrag för eventuella nedskrivningar. I anskaffningsvärdet ingår köpeskillingen som erlagts för aktierna samt förvärvskostnader. Eventuella kapitaltillskott läggs till anskaffningsvärdet när de uppkommer.

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. Skiljer sig det redovisade beloppet från det belopp som ska återbetalas vid förfallotidpunkten periodiseras mellanskillnaden som räntekostnad över lånets löptid med hjälp av instrumentets effektivränta. Härigenom överensstämmer vid förfallotidpunkten det redovisade beloppet och det belopp som ska återbetalas.

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 samt då en reglering med ett nettobelopp avses ske eller då en samtida avyttring av tillgången och reglering av skulden avses ske.

Nedskrivningsprövning av finansiella anläggningstillgångar

Vid varje balansdag bedöms om det finns indikationer på nedskrivningsbehov av någon av de finansiella anläggningstillgångarna. Nedskrivning sker om värdenedgången bedöms vara bestående och prövas individuellt.

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.

Uppskjuten skatt

Uppskjuten skatt är inkomstskatt som avser framtida räkenskapsår till följd av tidigare händelser. Redovisning sker enligt balansräkningsmetoden. Enligt denna metod redovisas uppskjutna skatteskulder och uppskjutna skattefordringar på temporära skillnader som uppstår mellan bokförda respektive skattemässiga värden för tillgångar och skulder samt för övriga skattemässiga avdrag eller underskott.

Uppskjutna skattefordringar nettoredovisas mot uppskjutna skatteskulder endast om de kan betalas med ett nettobelopp. Uppskjuten skatt beräknas utifrån gällande skattesats på balansdagen. Effekter av förändringar i gällande skattesatser resultatförs i den period förändringen lagstadsats. Uppskjuten skattefordran redovisas som finansiell anläggningstillgång och uppskjuten skatteskuld som avsättning.

Uppskjuten skattefordran avseende underskottsavdrag eller andra framtida skattemässiga avdrag redovisas i den omfattning det är sannolikt att avdragen kan avräknas mot framtida skattemässiga överskott.

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

Koncernbidrag

Erhållna och lämnade koncernbidrag redovisas som bokslutsdispositioner.

Koncernförhållanden

Företaget är moderföretag men med hänvisning till undantagsreglerna i årsredovisningslagen 7 kap 2§ upprättas ingen egen koncernredovisning. Det överordnade moderföretaget Overture Promotions Inc, organisationsnummer 85-3204725 med säte i Chicago upprättar koncernredovisning.

Nyckeltalsdefinitioner

Soliditet (%)

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

Not 2 Resultat från andelar i koncernföretag

	2024-01-01 -2025-03-31	2023
Erhållna utdelningar	0	18 914
Realisationsresultat vid likvidation	0	315
	0	19 229

Not 3 Bokslutsdispositioner

	2024-01-01 -2025-03-31	2023
Erhållna koncernbidrag	0	4 300
	0	4 300

Not 4 Aktuell och uppskjuten skatt

	2024-01-01 -2025-03-31	2023
Uppskjuten skatt	0	-914
Skatt på årets resultat	0	-914

Not 5 Andelar i koncernföretag

	2025-03-31	2023-12-31
Ingående anskaffningsvärden	134 999	135 097
Likvidation av Brandon Italia Srl	0	-98
Utgående ackumulerade anskaffningsvärden	134 999	134 999
Ingående nedskrivningar	-110 934	-110 934
Utgående ackumulerade nedskrivningar	-110 934	-110 934
Utgående redovisat värde	24 065	24 065

Not 6 Specifikation andelar i koncernföretag

Namn	Kapital- andel	Rösträtts- andel	Antal andelar	Bokfört	Bokfört
				värde 25-03-31	värde 23-12-31
Brandon AB	100	100	5 000	24 057	24 057
Brandon Hong Kong Ltd	100	100	1 000	8	8
				24 065	24 065
	Org.nr	Säte			
Brandon AB	556447-0390	Göteborg			
Brandon Hong Kong Ltd	1812337	Hong Kong			

Not 7 Eventualförpliktelser

	2025-03-31	2023-12-31
Borgensåtagande för andra koncernföretag	500	500
	500	500

Not 8 Uppgifter om moderföretag

Moderföretag i den största och minsta koncern där företaget ingår och som upprättar koncernredovisning är Overture Promotions Inc med organisationsnummer 85-3204725 med säte i Chicago.

Årsredovisningen färdigställdes för underskrift den 19 juni 2025.

Göteborg den dag som framgår av respektive befattningshavares elektroniska underskrift

Stuart E Schwartz

Stuart E Schwartz (Jun 23, 2025 08:13 CDT)

Stuart Schwartz
Ordförande

A

Amanda Wyatt (Jun 19, 2025 12:06 GMT+2)

Amanda Wyatt

Magnus Sandebert

Magnus Sandebert

JoAnn Sager Gilley

JoAnn Sager Gilley (Jun 19, 2025 09:26 CDT)

JoAnn Sager Gilley

Vår revisionsberättelse har lämnats den dag som framgår av min elektroniska underskrift

Öhrlings PricewaterhouseCoopers AB

M

Magnus Fjellman (Jun 23, 2025 21:48 GMT+2)

Magnus Fjellman
Auktoriserad revisor












Annual Statutory report Brandon Company AB

Final Audit Report


2025-06-23

Created:	2025-06-19
By:	Magnus Sandebert (magnus.sandebert@brandoncompany.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAA2zIDcUkdxYOh7wWfUZpiQ6P12I7n4eSk

"Annual Statutory report Brandon Company AB" History

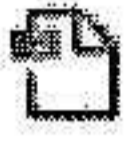
-  Document created by Magnus Sandebert (magnus.sandebert@brandoncompany.com)
2025-06-19 - 10:02:17 AM GMT- IP address: 62.20.23.242
-  Document emailed to Magnus Sandebert (magnus.sandebert@brandoncompany.com) for signature
2025-06-19 - 10:04:16 AM GMT
-  Document e-signed by Magnus Sandebert (magnus.sandebert@brandoncompany.com)
Signature Date: 2025-06-19 - 10:04:37 AM GMT - Time Source: server- IP address: 62.20.23.242
-  Document emailed to Amanda Wyattt (amanda.wyatt@brandoncompany.com) for signature
2025-06-19 - 10:04:39 AM GMT
-  Email viewed by Amanda Wyattt (amanda.wyatt@brandoncompany.com)
2025-06-19 - 10:06:00 AM GMT- IP address: 172.225.210.201
-  Document e-signed by Amanda Wyattt (amanda.wyatt@brandoncompany.com)
Signature Date: 2025-06-19 - 10:06:33 AM GMT - Time Source: server- IP address: 62.20.23.242
-  Document emailed to jog@overturepromo.com for signature
2025-06-19 - 10:06:35 AM GMT
-  Email viewed by jog@overturepromo.com
2025-06-19 - 10:28:10 AM GMT- IP address: 140.248.30.1
-  Signer jog@overturepromo.com entered name at signing as JoAnn Sager Gilley
2025-06-19 - 2:26:46 PM GMT- IP address: 76.141.199.96
-  Document e-signed by JoAnn Sager Gilley (jog@overturepromo.com)
Signature Date: 2025-06-19 - 2:26:48 PM GMT - Time Source: server- IP address: 76.141.199.96
-  Document emailed to stuarts@westbridgecapital.ca for signature
2025-06-19 - 2:26:50 PM GMT


 Email viewed by stuart@westbridgecapital.ca
2025-06-23 - 1:12:49 PM GMT- IP address: 104.47.75.190

 Signer stuart@westbridgecapital.ca entered name at signing as Stuart E Schwartz
2025-06-23 - 1:13:12 PM GMT- IP address: 23.124.236.122


 Document e-signed by Stuart E Schwartz (stuart@westbridgecapital.ca)
Signature Date: 2025-06-23 - 1:13:14 PM GMT - Time Source: server- IP address: 23.124.236.122

 Document emailed to magnus.fjellman@pwc.com for signature
2025-06-23 - 1:13:15 PM GMT

 Email viewed by magnus.fjellman@pwc.com
2025-06-23 - 1:13:45 PM GMT- IP address: 54.235.176.252

 Signer magnus.fjellman@pwc.com entered name at signing as Magnus Fjellman
2025-06-23 - 7:47:58 PM GMT- IP address: 84.17.219.58

 Document e-signed by Magnus Fjellman (magnus.fjellman@pwc.com)
Signature Date: 2025-06-23 - 7:48:00 PM GMT - Time Source: server- IP address: 84.17.219.58

 Agreement completed.
2025-06-23 - 7:48:00 PM GMT

Revisionsberättelse

Till bolagsstämman i Brandon Company AB, org.nr 556706-5213

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Brandon Company AB för räkenskapsåret 1 januari 2024 till 31 mars 2025.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Brandon Company ABs finansiella ställning per den 31 mars 2025 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 för Brandon Company AB.

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 Brandon Company 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 ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen 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 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 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 huruvida 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 revisionsmed 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.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning för Brandon Company AB för räkenskapsåret 1 januari 2024 till 31 mars 2025 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 revisions sed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till Brandon Company AB enligt god revisors sed 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 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.

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 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 revisions sed 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.

En ytterligare beskrivning av vårt ansvar för revisionen av förvaltningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Göteborg den dag som framgår av vår elektroniska signatur

Öhrlings PricewaterhouseCoopers AB

Magnus Fjellman
Auktoriserad revisor

Deltagare

ÖHRLINGS PRICEWATERHOUSECOOPERS AB 556029-6740 Sverige

Signerat med Svenskt BankID

2025-06-23 19:44:24 UTC

Undertecknare

Datum

Namn returnerat från Svenskt BankID: MAGNUS FJELLMAN

Magnus Fjellman

Auktoriserad revisor

Leveranskanal: E-post

2025100202400

2025091802218

Overture Promotions Inc.

Consolidated financial statements
March 31, 2025



**Shape the future
with confidence**

Independent auditor's report

To the Board of Directors of
Overture Promotions Inc.

Opinion

We have audited the consolidated financial statements of **Overture Promotions Inc.** [the "Group"], which comprise the consolidated balance sheet as at March 31, 2025, and the consolidated statement of comprehensive income, consolidated statement of shareholders' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at March 31, 2025, and the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with United States generally accepted accounting principles.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises:

- Supplementary Information

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained the Supplemental Information prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with United States generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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



Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work performed for the purposes of the group audit. We remain solely responsible for our audit opinion

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Calgary, Canada
July 16, 2025

Ernst & Young LLP

Chartered Professional Accountants



Overture Promotions Inc.

Consolidated balance sheet

As at March 31

	2025	2024
	\$	\$
Assets		
Current		
Cash	1,141,150	2,936,665
Accounts receivable, net <i>[note 4]</i>	21,396,554	15,263,563
Accrued revenue	4,871,993	6,160,670
Inventories, net <i>[note 5]</i>	15,329,316	9,585,592
Prepaid expenses and other current assets	2,952,536	1,521,122
Total current assets	45,691,549	35,467,612
Security deposit	349,342	78,678
Deferred tax asset <i>[note 9]</i>	24,287	—
Property and equipment <i>[notes 6 and 11]</i>	3,440,989	2,681,441
Right of use lease asset <i>[note 11]</i>	9,397,777	7,316,599
Intangible assets <i>[notes 3 and 7]</i>	5,628,021	1,567,862
Goodwill	4,114,581	2,490,003
	68,646,546	49,602,195
Liabilities and shareholders' equity		
Current		
Accounts payable and accrued liabilities	20,680,419	17,895,949
Unearned revenue	2,288,052	2,679,758
Current portion of long-term debt <i>[note 8]</i>	2,793,752	220,278
Current portion of obligations under operating leases <i>[note 11]</i>	1,546,862	989,927
Current portion of contingent consideration <i>[note 3]</i>	804,072	1,708,886
Total current liabilities	28,113,157	23,494,798
Obligations under operating leases <i>[note 11]</i>	8,148,741	6,533,415
Long-term debt <i>[note 8]</i>	22,024,146	12,645,631
Deferred tax liability <i>[note 9]</i>	—	90,684
Total liabilities	58,286,044	42,764,528
Shareholders' equity		
Share capital <i>[note 12]</i>	100	100
Additional paid-in capital <i>[note 13]</i>	481,550	—
Accumulated other comprehensive loss	(68,425)	—
Retained earnings	9,947,277	6,837,567
Total shareholders' equity	10,360,502	6,837,667
Total liabilities and shareholders' equity	68,646,546	49,602,195

See accompanying notes

Overture Promotions Inc.

Consolidated statement of comprehensive income

Year ended March 31

	2025	2024
	\$	\$
Revenue <i>[note 10]</i>	147,416,362	121,829,047
Cost of sales	105,899,740	86,589,430
Gross profit	41,516,622	35,239,617
Operating expenses		
Selling expenses	11,555,873	11,735,940
General and administrative	20,213,916	14,708,624
	31,769,789	26,444,564
Operating income	9,746,833	8,795,053
Other income (expense)		
Other income	5,099	148,268
Depreciation and amortization	(1,033,270)	(879,259)
Interest expense <i>[note 16]</i>	(1,949,296)	(2,152,664)
Management bonus compensation	(237,945)	(87,986)
Transaction expenses	(1,646,359)	(629,036)
Stock-based compensation	(481,550)	—
Realized foreign exchange loss	(130,278)	(144,981)
Unrealized foreign exchange gain (loss)	319,512	(11,713)
	(5,154,087)	(3,757,371)
Income before income taxes	4,592,746	5,037,682
Income tax expense (benefit) <i>[note 9]</i>		
Current	1,484,843	1,456,446
Deferred	(1,807)	(194,342)
Net income for the year	3,109,710	3,775,578
Cumulative translation adjustments	(68,425)	—
Comprehensive income	3,041,285	3,775,578

See accompanying notes

Overture Promotions Inc.

Consolidated statement of shareholders' equity

Year ended March 31

	2025	2024
	\$	\$
Common shares [note 12]		
Balance, beginning of year	100	100
Balance, end of year	<u>100</u>	<u>100</u>
Retained earnings		
Balance, beginning of year	6,837,567	3,061,989
Net income for the year	3,109,710	3,775,578
Balance, end of year	<u>9,947,277</u>	<u>6,837,567</u>
Additional paid-in capital [note 13]		
Balance, beginning of year	—	—
Stock-based compensation expense	481,550	—
Balance, end of year	<u>481,550</u>	<u>—</u>
Accumulated other comprehensive income		
Balance, beginning of year	—	—
Cumulative translation adjustments	(68,425)	—
Balance, end of year	<u>(68,425)</u>	<u>—</u>
Total shareholders' equity	<u>10,360,502</u>	<u>6,837,667</u>

See accompanying notes

2025091802223

Overture Promotions Inc.

Consolidated statement of cash flows

Year ended March 31

	2025	2024
	\$	\$
Operating activities		
Net income for the year	3,109,710	3,775,578
Add (deduct) items not involving cash:		
Depreciation and amortization	1,033,270	879,259
Deferred income tax benefit	(1,807)	(194,342)
Accretion expense and remeasurement loss on contingent consideration liability	(24,714)	170,139
Unrealized foreign exchange (gain) loss	(319,512)	11,713
Gain on sale of property and equipment	(1,970)	(54,318)
Stock-based compensation expense [note 13]	481,550	—
Non-cash lease expense	91,673	89,502
Change in expected credit loss	—	88,185
(Increase) decrease in assets:		
Accounts receivable, net	(4,178,549)	3,547,260
Accrued revenue	1,288,677	(306,574)
Inventories	(770,557)	693,317
Prepaid expenses and other current assets	(184,471)	(114,973)
Security deposit	(25,048)	—
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	(1,110,983)	2,489,777
Unearned revenue	(393,369)	(372,812)
Cash (used in) provided by operating activities	(1,006,100)	10,701,711
Investing activities		
Business acquisition, net of cash acquired [note 3]	(9,940,156)	—
Purchase of property and equipment	(1,199,831)	(552,483)
Proceeds on disposal of property and equipment	—	140,000
Cash used in investing activities	(11,139,987)	(412,483)
Financing activities		
Proceeds from long-term debt	19,334,289	—
Payment of long-term debt	(7,257,617)	(4,847,965)
Payment of contingent consideration	(1,726,100)	(3,231,139)
Cash provided by (used in) financing activities	10,350,572	(8,079,104)
Net change in cash	(1,795,515)	2,210,124
Cash, beginning of year	2,936,665	726,541
Cash, end of year	1,141,150	2,936,665
Supplemental disclosure of cash flow information		
Cash paid for interest	1,949,296	2,152,664
Cash paid for taxes	1,627,553	1,398,470
Non-cash recognition of new leases	1,084,628	—

See accompanying notes

Overture Promotions Inc.**Notes to consolidated financial statements**

March 31, 2025

1. Nature of operations

Overture Promotions Inc. [the "Company"] was incorporated on July 21, 2020 in the state of Delaware as a Corporation. Operations commenced on March 1, 2021. The Company provides promotional marketing merchandise and services to a range of large to small domestic and international customers. Merchandise is purchased from domestic and international suppliers and services such as design, production and warehousing are provided primarily from its Waukegan, Illinois location.

2. Summary of significant accounting policies**Basis of presentation**

The consolidated financial statements of the Company are expressed in U.S. dollars and were prepared in conformity with accounting principles generally accepted in the United States. In connection with the preparation of the consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries:

- Brandon Acquisition Company AB (Sweden)
- Brandon Company AB (Sweden)
- Brandon AB (Sweden)
- Brandon Hong Kong Ltd. (Hong Kong)
- Brandon Trading (Shanghai) Ltd. (China)
- Brandon USA Inc. (USA)
- Brandon Merchandising UK Ltd. (UK)

All intercompany balances and transactions have been eliminated on consolidation.

Revenue recognition

Revenue is recognized upon transfer of control of promised products and services to customers in an amount that reflects the consideration the Company expects to receive for those products and services. Revenue is recorded net of taxes collected from customers that are remitted to governmental authorities, with the collected taxes recorded as current liabilities until remitted to the relevant governmental authority.

The Company may enter into contracts that can include various combinations of products. These contracts are reviewed by management to determine which products and services are capable of being distinct and accounted for as separate performance obligations, which may require significant judgment.

Overture Promotions Inc.**Notes to consolidated financial statements**

March 31, 2025

The performance obligation for the Company's sale of promotional marketing merchandise, whether it be through drop shipments, one-time special orders, or through webstores, is satisfied at the point in time in which the products are shipped, or in some limited cases when the products are produced [and become Customer Owned products that the client has obtained control over] and the Client requests Overture to warehouse the goods on their behalf. The Company has determined that the customer obtains control upon shipment of the product based on the shipping terms, generally when it ships from the Company's facility, or the vendor's factory in the case of drop shipments, and recognizes revenue accordingly. Once a product has shipped [or the customer has obtained control of the products], the customer is able to direct the use of and obtain substantially all of the remaining benefits from the goods. The Company has no revenues that are recognized over time. The Company has recorded contract assets in the form of unbilled receivables aggregating approximately \$4,871,993 at March 31, 2025 [2024 – \$6,160,670], which represents revenue recognized in which customers have yet to be invoiced awaiting final invoices from vendors and freight carriers.

The Company also provides rebates to certain customers which are generally paid or credited to the customer, and are estimated based upon sales volume, as defined in a customer sales agreement. Variable consideration is estimated at the point in time revenue is recognized and recorded at the most likely amount that is expected to be earned, based on prior experience with the customer and current sales data. Management reviews its estimates at least monthly. Rebates paid or accrued to customers aggregated approximately \$1,885,475 for the year ended March 31, 2025 [2024 – \$1,370,935] and are reflected as cost of sales on the consolidated statement of comprehensive income. Total variable consideration due to customers aggregated approximately \$1,764,728 at March 31, 2025 [2024 – \$2,277,213] and is included in accounts payable and accrued liabilities on the accompanying balance sheet.

Unearned revenue is the contract liability amount billed to and collected from customers for which performance obligations are to be satisfied in future periods. Unearned revenue, which primarily represents customer deposits for future goods, aggregated approximately \$2,288,052 at March 31, 2025 [2024 – \$2,679,758] and is expected to be recognized as revenue upon satisfaction of the related performance obligations.

Accounts receivable, net of expected credit losses

Accounts receivable are uncollateralized customer obligations due under normal trade terms typically requiring payment within thirty to sixty days from the invoice date. Accounts receivable are stated at the amounts billed to the customers. Customer balances with invoices dated over ninety days past the original due date are considered delinquent. No interest or late fees are charged to these accounts. Payments of accounts receivable are allocated to specific invoices identified on the customer's remittance advice or as otherwise specified by the customer.

Expected credit losses are calculated based on historical experiences, customer credit risk, and application of the specific identification method.

Overture Promotions Inc.**Notes to consolidated financial statements**

March 31, 2025

Inventories

Inventories are valued at the lower of cost or replacement cost for raw materials, and the lower of cost or net realizable value for finished goods, with expense estimates made for obsolescence or unsaleable inventory. Cost is determined using the weighted average and first-in, first-out method. Cost of work in progress and finished goods includes raw materials and costs of conversion. The costs of conversion include inbound freight, direct labor plus the applicable share of overhead using a standard costing method. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Inventory provisions are recorded to reduce inventory to the lower of cost or net realizable value for obsolete or slow-moving inventory based on assumptions about future demand and marketability of products. Any adjustments to reduce the cost of inventories to their net realizable value are recognized in earnings in the current period.

Property and equipment

Property and equipment are recorded at cost less accumulated depreciation. Minor additions, maintenance and repairs are expensed in the year incurred.

Depreciation is calculated using the straight-line method over estimated service lives as follows:

Warehouse equipment	5–10 years
Office equipment	5 years
Computers	3–5 years
Furniture and fixtures	5–7 years

Leasehold improvements are depreciated over 15 years.

Upon retirement or disposal, the cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the consolidated statement of comprehensive income. Gains and losses on the disposal of equipment are included in general and administrative expenses.

Property and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized in the amount by which the carrying amount of the asset exceeds the fair value of the asset. For the period ended March 31, 2025, no asset impairment was recognized.

Leases

The Company is the lessee of office and warehousing space. The right-of-use assets and lease liabilities reflect the present value of the Company's estimated future minimum lease payments over the lease term, which includes renewal options that are reasonably assured of being exercised. The Company, as a non-public entity, has elected to use the risk-free rate to discount the lease payments on commencement when the rate implicit in the lease is not readily determinable. Leases with an initial term of 12 months or less are not included in the right-of-use assets or lease liabilities and are recognized in the consolidated statement of comprehensive income on a straight-line basis over the lease term. The right-of-use assets are depreciated over the lease term.

Overture Promotions Inc.**Notes to consolidated financial statements**

March 31, 2025

Goodwill and intangible assets

Goodwill represents the excess of the purchase price and related costs over the fair value assigned to the net assets of the business acquired. The Company amortizes customer-related intangible assets and brand using the straight-line method over ten and three years, respectively.

Accounting standards also require that intangible assets with estimable useful lives be amortized over their respective estimated useful lives to the estimated residual values. Goodwill and intangible assets are reviewed for impairment upon a triggering event and has elected to perform this test at the Company level. If events or circumstances are present that may indicate the fair value of the Company is less than its carrying value, the estimated fair value of the Company is compared to its carrying amount and an impairment loss is recognized for the excess of the carrying amount over fair value, if any, not to exceed the carrying amount of goodwill. No impairment losses were recorded, or deemed necessary, as of March 31, 2025 and March 31, 2024.

Advertising

The Company expenses costs associated with advertising and promotion as the costs are incurred. Expenses for the year ended March 31, 2025 were approximately \$260,537 [2024 – \$248,675] and are included in selling expenses.

Shipping and handling

Shipping and handling charges to customers are included in revenue. Shipping and handling expenses for the year ended March 31, 2025 were approximately \$30,327,383 [2024 – \$25,949,673] and are included in cost of sales.

Income taxes

The Company utilizes the asset and liability method of accounting for income taxes. This method requires recognition of deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the consolidated financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The Company evaluates its ability to benefit from all deferred tax assets and establishes valuation allowances for amounts it believes may not be realizable.

Under the uncertain tax position guidance contained in ASC 740-10, *Income Taxes*, the Company recognizes the consolidated financial statement benefit of an income tax position only after determining that the relevant taxing authority would more-likely-than-not sustain the position following audit. For tax positions meeting the more-likely-than-not threshold, the amount recognized in the consolidated financial statements is the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authority. The Company recognizes interest accrued related to unrecognized tax benefits and penalties in the provision for income taxes. The Company had no uncertain tax positions during the years presented.

Foreign currency conversion

The Company's reporting currency is the U.S. dollar. The Company maintains certain foreign currency denominated cash, liabilities, and debt and at the balance sheet date. Gains and losses resulting from translation to the U.S. dollar are reported within unrealized foreign exchange gain (loss) on the consolidated statement of comprehensive income.

Overture Promotions Inc.**Notes to consolidated financial statements**

March 31, 2025

For the Company's subsidiaries with a functional and reporting currency other than the US dollar, assets and liabilities are translated into the reporting currency using the exchange rates in effect on the consolidated balance sheet date. Equity accounts are translated at historical rates, except for the change in retained earnings during the period, which is the result of the income statement translation process. Revenue and expense accounts are translated using the weighted average exchange rate during the period. The cumulative translation adjustments associated with the net assets of foreign entities are recorded in accumulated other comprehensive income/loss.

Fair value of financial instruments

The carrying amounts of financial instruments, including cash, accounts receivable, accrued revenue and accounts payable and accrued liabilities approximate fair value due to the short maturity of these instruments. When drawn, the carrying amount of the revolving credit facility within long-term debt approximates fair value because the interest rate fluctuates with market interest rates.

Stock based compensation

The Company records and measures stock-based compensation expense based on the fair value of the awards as determined at the time of grant. The Company recognizes stock-based compensation expense over the vesting period and uses the straight line method. Forfeitures are recorded as they occur. The Company uses the Black-Scholes-Merton ["Black-Scholes"] option-pricing model to determine the fair value of stock awards which requires the use of assumptions to determine the fair value of share-based awards. These include the expected volatility, the expected term of the option and the risk-free rate. An independent valuation is performed on the Company's common stock to form the basis for which options are issued and is a significant input in compensation expense. The Company calculates the fair value of options granted by using the Black Scholes option-pricing model with the following assumptions:

Expected volatility

The Company estimated volatility for option grants by evaluating the average historical volatility of a peer group of companies for a 5-year lookback period preceding the option grant.

Expected term

The expected term of the Company's options represents the period that the stock based awards are expected to be outstanding. The Company has elected to use the average of the stock options vesting term and contractual expiration period to compute the expected term, as the Company does not have sufficient historical information to develop reasonable expectations about future exercise patterns and post-vesting employment termination behavior.

Risk-free interest rate

The risk-free interest rate is based on the implied yield currently available on US Treasury zero-coupon issues with a term that is equal to the option's expected term at the grant date.

Overture Promotions Inc.

Notes to consolidated financial statements

March 31, 2025

Significant changes in accounting standards applicable in future years

ASU 2023-09, *Income taxes (Topic 740): Improvements to Income Tax Disclosures*

In December 2023, the FASB issued ASU 2023-09. The pronouncement expands the disclosure requirements for income taxes, specifically related to the rate reconciliation and income taxes paid. ASU 2023-09 is effective for fiscal years beginning on or after December 15, 2024. The Company is evaluating the impact the ASU 2023-09 will have on the Company's consolidated financial statements.

3. Business combinations and contingent consideration

Brandon Acquisition

On September 3, 2024 Brandon Acquisition Company AB, a limited liability company that was incorporated under the laws of Sweden, and wholly owned by the Company, acquired the shares of Brandon Company AB, a limited liability company incorporated under the laws of Sweden, and all affiliates. The acquisition was accounted for as a business combination under ASC 805, *Business Combinations*. Acquisition related costs are expensed in the consolidated statement of comprehensive income as transaction expenses.

The following table outlines the consideration paid for the acquisition:

	\$
Cash consideration paid at closing	7,157,457
Working capital adjustments	(18,893)
Total cash paid	7,138,564
Contingent consideration	596,000
Purchase price	<u>7,734,564</u>

The fair values of the assets acquired, and liabilities assumed as part of the acquisition were as follows:

	\$
Cash	241,378
Accounts receivable	1,954,442
Inventories	4,973,167
Prepaid expenses and other current assets	1,492,559
Property and equipment	79,843
Right-of-use lease asset	2,430,713
Deferred tax asset	113,164
Intangible assets	2,934,000
Goodwill	166,674
Accounts payable and accrued liabilities	(3,897,114)
Other long-term liabilities	(323,549)
Obligations under operating leases	(2,430,713)
	<u>7,734,564</u>

Overture Promotions Inc.**Notes to consolidated financial statements**

March 31, 2025

[a] As part of the purchase agreement, contingent consideration was agreed for additional cash payments to the previous owners of up to a maximum amount of SEK 20,000,000 [\$1,991,200 USD as at March 31, 2025]. The contingent consideration is based on meeting EBITDA targets and can be earned and paid annually starting 12 months from the acquisition date up to September 4, 2027.

As of the acquisition date, the fair value of the contingent consideration was estimated to be \$596,000 using an option pricing model. As of March 31, 2025, the earnout was remeasured to \$572,997.

Eco Promo acquisition

On February 3, 2025, the Company acquired all of the assets and certain liabilities of Eco Promotional Products, Inc. The acquisition was accounted for as a business combination under ASC 805, *Business Combinations*. Acquisition related costs are expensed in the consolidated statement of comprehensive income as transaction expenses.

The following table outlines the consideration paid for the acquisition:

	\$
Cash consideration paid at closing	3,000,000
Working capital adjustments	42,970
Total cash paid	<u>3,042,970</u>
Contingent consideration	250,000
Purchase price	<u>3,292,970</u>

The fair values of the assets acquired, and liabilities assumed as part of the acquisition were as follows:

	\$
Accounts receivable	258,133
Property and equipment	12,151
Intangible assets	1,637,334
Goodwill	1,457,904
Accounts payable and accrued liabilities	(72,552)
	<u>3,292,970</u>

The goodwill of \$1,457,904 comprises the value of expected synergies arising from the acquisition. The goodwill is deductible for tax purposes.

As part of the purchase agreement, contingent consideration was agreed for additional cash payments to the previous owners of \$500,000 if the purchased business generates certain EBITDA targets for the 12 months post-acquisition. As of the acquisition date, the fair value of the contingent consideration was estimated to be \$250,000 using an option pricing model. As of March 31, 2025 the earnout was remeasured to \$231,075.

Overture Promotions Inc.

Notes to consolidated financial statements

March 31, 2025

4. Accounts receivable

	2025 \$	2024 \$
Trade receivables	21,647,002	15,447,921
Other receivables	5,415	762
Less expected credit loss and returns	(255,863)	(185,120)
	<u>21,396,554</u>	<u>15,263,563</u>

5. Inventories

	2025 \$	2024 \$
House owned inventory	14,907,473	8,632,840
Special order customer specific merchandise	827,396	952,656
Raw materials	70,096	70,096
Less reserve for slow moving and obsolete inventory	(475,649)	(70,000)
	<u>15,329,316</u>	<u>9,585,592</u>

6. Property and equipment

The carrying amount of property and equipment is as follows:

	2025 \$	2024 \$
Warehouse equipment	2,323,519	1,886,577
Office equipment	53,571	51,048
Computers	948,382	564,216
Furniture and fixtures	322,102	281,712
Leasehold improvements	1,662,971	1,245,349
Less accumulated depreciation	(1,869,556)	(1,347,461)
	<u>3,440,989</u>	<u>2,681,441</u>

7. Intangible assets

The carrying amount of intangible assets is as follows:

	2025 \$	2024 \$
Customer relationships	5,560,375	2,142,584
Brand	1,853,543	700,000
Less accumulated amortization	(1,785,897)	(1,274,722)
	<u>5,628,021</u>	<u>1,567,862</u>

Overture Promotions Inc.

Notes to consolidated financial statements

March 31, 2025

8. Long-term debt

	2025 \$	2024 \$
[a] \$22,500,000 revolving credit facility, bearing interest at the Daily SOFR rate of 4.32% at March 31, 2025 plus 1.75%. The revolving credit facility has a maturity date of August 28, 2029.	11,623,657	—
[b] \$6,525,000 term loan, bearing interest at the Daily SOFR rate of 4.32% plus 3:00% repayable in quarterly principal installments of \$375,000. The term loan matures on August 28, 2029.	6,525,000	—
[c] 5-year, non-revolving mezzanine term loan with Westbridge Capital Partners Limited Partnership ["WCPLP"], bearing interest at 14.75%, payable monthly. Principal is due in full at maturity on February 28, 2030. Denominated in Canadian dollars [\$14,500,000 CAD]. \$9,525,000 CAD was paid down during the year, the balance remaining at March 31, 2025 was CAD \$4,975,000.	3,466,221	10,707,250
[d] 5-year, non-revolving mezzanine term loan with Westbridge Capital Partners Limited Partnership, bearing interest at 14.75%, payable monthly. Principal is due in full at maturity on February 28, 2030. Denominated in Canadian dollars [\$2,625,000 CAD].	1,828,912	1,938,381
[e] Term Loan, bearing interest at the Swedish Riksbank rate of 2.25% plus 2.35% repayable in monthly principal installments \$9,010. Denominated in Swedish Krona.	188,476	—
[f] \$2,423,813 credit facility bearing interest at 2.36% as at March 31, 2025 plus 2.5% country base rate. Denominated in Swedish Krona.	1,185,632	—
[g] Note payable to the sellers of Overture LLC in connection with the payment of the final working capital adjustment arising from the acquisition. This note was paid in full during the year.	—	220,278
	<u>24,817,898</u>	<u>12,865,909</u>
Less current portion of long-term debt	<u>(2,793,752)</u>	<u>(220,278)</u>
	<u>22,024,146</u>	<u>12,645,631</u>

Under the revolving credit facility, the Company is also subject to certain restrictive covenants and borrowing base restrictions. All long-term debt obligations denominated in Canadian dollars are revalued using the foreign exchange rate at the balance sheet date. The revolving credit facility was collateralized by all real and personal property of the Company and the mezzanine term loans are collateralized by general security over all assets of the Company. As at March 31, 2025, the Company had outstanding letters of credit of \$100,168 [2024 – \$100,168].

Overture Promotions Inc.**Notes to consolidated financial statements**

March 31, 2025

Principal repayments of long-term debt during the next five years are as follows:

	<u>\$</u>
2026	2,793,752
2027	1,580,356
2028	1,500,000
2029	1,500,000
2030	17,443,790
	<u>24,817,898</u>

9. Income taxes

The provision for income taxes consists of the following components:

	<u>2025</u>	<u>2024</u>
	\$	\$
Current expense		
Federal	1,131,298	919,200
State	294,291	237,066
International	66,677	—
True-up	(41,920)	280,777
Withholding	34,497	19,403
	<u>1,484,843</u>	<u>1,456,446</u>
Deferred expense (benefit)		
Federal	(93,726)	(158,430)
International	113,164	—
State	(21,245)	(35,912)
	<u>(1,807)</u>	<u>(194,342)</u>
Income tax expense	<u>1,483,036</u>	<u>1,262,104</u>

Overture Promotions Inc.

Notes to consolidated financial statements

March 31, 2025

Deferred income taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The components that comprised net deferred tax asset (liability) are as follows:

	2025 \$	2024 \$
Deferred tax assets		
Foreign exchange loss	—	3,017
Accrued liabilities	451,990	79,659
Leases	72,626	53,257
Inventories	96,191	62,890
Goodwill and intangible assets	130,820	170,630
Interest expense carryforward	—	151,362
Other	53,747	47,687
Gross deferred tax assets	<u>805,374</u>	<u>568,502</u>
Deferred tax liabilities		
Foreign exchange gain	(82,306)	—
Property and equipment	(698,781)	(659,186)
Gross deferred tax liabilities	<u>(781,087)</u>	<u>(659,186)</u>
Net deferred tax asset (liability)	<u>24,287</u>	<u>(90,684)</u>

The effective tax rate is different from the federal and state statutory rate of 25.76% [2024 – federal and state rate of 25.76%], because of permanent differences and foreign tax rate differential. The deferred tax assets and liabilities are measured using the enacted tax rates that will apply in the years in which the temporary differences are expected to be recovered or paid.

Management is required to determine whether a tax position of the Company is more likely than not to be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. For tax positions meeting the more likely than not threshold, the tax amount recognized in the consolidated financial statements is reduced by the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the relevant taxing authority. Management has determined that no reserves were required at March 31, 2025 and 2024.

Overture Promotions Inc.**Notes to consolidated financial statements**

March 31, 2025

10. Revenue

The Company primarily earns revenue from the sale of promotional marketing merchandise, which is accomplished through special-order distribution and webstore / program sales. The Company's sales, all recognized at a point in time, are as follows:

	2025	2024
	\$	\$
Drop ship and special-order sales	62,602,170	54,390,376
Webstore / Program sales	84,814,192	67,438,671
	<u>147,416,362</u>	<u>121,829,047</u>

11. Leases

The Company has an operating lease for the Company's headquarters and warehouse facility in Waukegan, Illinois. The lease requires monthly payments ranging from \$72,364 to \$83,920 through February 2027 with two five-year options to renew thereafter, with lease payment increasing by 2.5% each year. Under the lease, the Company is also responsible for additional costs such as real estate taxes and certain operating expenses, as defined in the lease agreement.

The Company has a lease for warehouse space in Gothenburg, Sweden with quarterly payments ranging from \$78,030 to \$86,152. The lease expires on December 31, 2026, and the Company has the option to renew for an additional 3 years prior to expiration. The renewal option has been included in the lease term.

The Company has a lease for office space in Gothenburg, Sweden with quarterly payments ranging from \$20,141 to \$29,586. The lease matures on September 30, 2029, with a Company option to renew the lease.

In May 2024 the Company entered into a lease agreement for an expansion to the current warehouse in Waukegan, Illinois. The lease requires monthly payments ranging from \$18,156 to \$21,060 through July 2029. Under the lease, the Company is also responsible for additional costs such as real estate taxes and operating expenses, as defined in the lease agreement.

For the year ended March 31, 2025, the US leases weighted-average discount rate to calculate the present value of lease payments was 2.62% [2024 – 2.41%]. The Sweden leases weighted average rate has been calculated at 1.67%. A renewal option for additional 5 years has been included in the lease term for the Company's headquarters in Waukegan as it is reasonably certain that option will be exercised. For the year ended March 31, 2025, the weighted average of the remaining operating lease term was 6.25 years for Waukegan, 4.25 years for the expansion lease in Waukegan and 7.75 years for the Sweden location. [2024 – 7.25 years].

Overture Promotions Inc.

Notes to consolidated financial statements

March 31, 2025

The following table presents components of lease cost recorded in the consolidated statement of comprehensive income for the year ended March 31, 2025:

Operating lease cost	Classification	2025 \$	2024 \$
Lease costs	General and administrative ["G&A"]	1,629,786	1,348,118
Short term lease costs	G&A	28,320	28,668
Total lease costs		1,658,106	1,376,786

Variable lease costs for the year ended March 31, 2025 was \$703,662 [2024 – \$584,228].

Future minimum lease payments required under lease obligations having initial or remaining noncancelable lease terms in excess of one year are as follows:

	Operating leases \$
2026	1,620,963
2027	1,661,985
2028	1,714,490
2029	1,755,705
2030	1,540,010
Thereafter	2,381,663
	10,674,816
Less imputed interest	(979,213)
Present value of lease payments	9,695,603

Some of the Company's leases include abatement periods and escalating rents. For financial reporting purposes, lease expense is recognized on a straight-line basis over the term of the lease. The excess of straight-line expense over cash paid is recorded as deferred rent in the right of use asset.

12. Shareholders' equity

The Company is authorized to issue 5,000 voting common shares.

As at March 31, 2025, there were 3,600 [2024 – 3,600] voting common shares issued and outstanding.

Overture Promotions Inc.

Notes to consolidated financial statements

March 31, 2025

13. Stock option plan

On June 26, 2024 the Company adopted the Overture Promotions Inc. 2024 Stock Option Plan [the "Plan"] pursuant to which the Board of Directors may grant stock options to purchase shares of the Company's common stock to employees. At adoption, the Plan authorized grants of up to 360 shares. The stock options vest over a period of three years and have a maximum term of ten years.

	Number of Options	Weighted average Exercise Price \$	Remaining Contractual Term (years)
Outstanding at April 1, 2024	—	—	—
Options granted	356	9,300	9
Options exercised	—	—	—
Options forfeited	—	—	—
Outstanding at March 31, 2025	356	9,300	9

No options were vested and exercisable as of March 31, 2025.

The Company records stock-based compensation expense on a straight-line basis over the vesting period. Stock-based compensation for the period ended March 31, 2025 was \$481,550. As of March 31, 2025, the total compensation cost not yet recognized related to unvested stock options was \$1,434,362, which is expected to be recognized over a period of 2.2 years.

The Company estimates the fair value of stock options on the date of the grant using the Black-Scholes option-pricing model. The assumptions used to estimate the fair value of stock options granted during the year ended March 31, 2025:

	<u>2025</u>
Weighted average fair value at measurement date	\$9,300
Expected volatility	54.44%
Expected term (years)	6.5
Risk-free interest rate	<u>4.25%</u>

Since the Company's stock is not publicly traded the expected volatility is based on the historical and implied volatility of similar publicly traded companies. The risk-free interest rate assumption is based on observed US Treasury yield curve interest rates in effect at the time of grant issuance for the expected term of the stock options granted. The assumed dividend yield of zero percent was based on the Company's expectation of not paying dividends in the foreseeable future. The expected life of the options was estimated using the average of the contractual term and the vesting term of the options. The Company uses the simplified method to compute the expected term for options granted to employees.

Overture Promotions Inc.**Notes to consolidated financial statements**

March 31, 2025

14. Employee benefit plan

The Company has a 401(k) plan for substantially all employees who meet eligibility requirements. The Company matches employee contributions in an amount specified by the Employer annually. Employer matching contributions was approximately \$65,333 for the year ended March 31, 2025 [2024 – \$56,525] and is included in general and administrative expenses on the consolidated statement of comprehensive income.

15. Financial instruments and risk management**Financial risks**

The Company is exposed to various financial risks through transactions in financial instruments. The following provides helpful information in assessing the extent of the Company's exposure to these risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company is exposed to credit risk on its accounts receivable. The Company examines its allowance for credit losses monthly on a customer-by-customer basis. One customer accounted for approximately 28.5 % of the Company's sales for the year ended March 31, 2025 [2024 – 32.3%]. The amount receivable from this customer at March 31, 2025, was approximately \$8,120,562 [2024 – \$6,252,748].

The Company maintains its cash balances at five banking institutions: three in the USA comprising a balance of \$714,280, and two banking institutions outside the USA, comprising a balance of \$426,870. The USA accounts are guaranteed by the Federal Deposit Insurance Corporation ["FDIC"] up to certain limits. The Company may, from time to time, have balances in excess of FDIC insured deposit limits.

Liquidity risk

Liquidity risk is the risk that the Company will have insufficient cash resources to meet its financial obligations as they come due. The Company manages liquidity risk by continuous monitoring and reviews actual and forecasted cash flows. The primary sources of liquidity risk of the Company are accounts payable and accrued liabilities, long-term debt, contingent consideration and operating lease commitments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Fixed interest instruments consist of the term loans with WCPLP and floating interest rate risk on the remaining term loans and revolving credit facilities within long-term debt

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to foreign currency exchange rate fluctuations for net sales generated by operations outside the United States, the non-revolving mezzanine term loans with WCPLP denominated in Canadian dollars, which can adversely impact net income and cash flows.

Overture Promotions Inc.**Notes to consolidated financial statements**

March 31, 2025

16. Related party transactions

The Company is owned in part by Westbridge Capital Ltd. ["Westbridge"]. During the year ended March 31, 2025, Westbridge provided advisory, consulting, tax, and legal services ["services"] to the Company, and incurred certain expenses on the Company's behalf. The Company expensed \$889,809[2024 – \$648,028] related to these services.

The Company has loan agreements with WCPLP, which is a company under common control with Westbridge. There are two loans under the agreement with both maturing on February 28, 2030 with no required principal repayment until maturity for each. The Company incurred interest expense of \$814,238 during the year ended March 31, 2025 [2024 – \$1,628,393]. WCPLP has guaranteed certain lease payments related to the operating lease of the Company's headquarters in Waukegan, Illinois. The Company incurred fees of \$159,370 [2024 – \$160,297] related to the guarantee.

17. Subsequent events

Management has evaluated subsequent events through July 16, 2025, the date that these consolidated financial statements were available to be issued.

18. Comparative figures

Certain comparative figures have been reclassified to conform to the consolidated financial statement presentation adopted in the current year.

SUPPLEMENTAL INFORMATION

Overture Promotions Inc.

**Unaudited financial information
March 31, 2025**



**Shape the future
with confidence**

Overture Promotions Inc.**Non-consolidated balance sheet**

As at March 31

	2025
	\$
	<u>[Unaudited]</u>
Assets	
Current	
Cash	714,280
Accounts receivable, net	18,854,879
Accrued revenue	4,871,993
Inventories, net	9,935,356
Prepaid expenses and other current assets	2,244,090
Total current assets	36,620,598
Security deposit	106,808
Deferred tax asset	24,287
Property and equipment	3,166,389
Right of use lease asset	7,175,903
Investment in subsidiary	7,734,564
Intangible assets	2,694,021
Goodwill	3,947,907
	61,470,477
Liabilities and shareholders' equity	
Current	
Accounts payable and accrued liabilities	17,772,337
Unearned revenue	2,254,703
Current portion of long-term debt	1,500,000
Current portion of obligations under operating leases	1,140,442
Current portion of contingent consideration	804,072
Total current liabilities	23,471,554
Obligations under operating leases	6,317,217
Long-term debt	21,943,790
Total liabilities	51,732,561
Shareholders' equity	
Share capital	100
Additional paid-in capital	481,550
Retained earnings	9,256,266
Total shareholders' equity	9,737,916
Total liabilities and shareholders' equity	61,470,477

See accompanying notes

Overture Promotions Inc.**Non-consolidated statement of income**

Year ended March 31

	2025
	\$
	<u>[Unaudited]</u>
Revenue	132,344,496
Cost of sales	<u>94,877,527</u>
Gross profit	<u>37,466,969</u>
Operating expenses	
Selling expenses	11,530,559
General and administrative	<u>17,191,651</u>
	<u>28,722,210</u>
Operating income	<u>8,744,759</u>
Other income (expense)	
Other income	4,374
Depreciation and amortization	(990,639)
Interest expense	(1,904,495)
Management bonus compensation	(237,945)
Transaction expenses	(1,646,358)
Stock-based compensation	(481,550)
Realized foreign exchange loss	(85,764)
Unrealized foreign exchange gain (loss)	<u>319,512</u>
	<u>(5,022,865)</u>
Income before income taxes	3,721,894
Income tax expense (benefit)	
Current	1,418,166
Deferred	<u>(114,971)</u>
Net income for the year	<u>2,418,699</u>

See accompanying notes

Overture Promotions Inc.**Non-consolidated statement of shareholders' equity**

Year ended March 31

	2025
	\$
	<u>[Unaudited]</u>
Common shares [note 12]	
Balance, beginning of year	<u>100</u>
Balance, end of year	<u>100</u>
Retained earnings	
Balance, beginning of year	6,837,567
Net income for the year	2,418,699
Balance, end of year	<u>9,256,266</u>
Additional paid-in capital [note 13]	
Balance, beginning of year	—
Stock-based compensation expense	481,550
Balance, end of year	<u>481,550</u>
Total shareholders' equity	<u>9,737,916</u>

See accompanying notes

Overture Promotions Inc.

Non-consolidated statement of cash flows

Year ended March 31

	2025
	\$
	[Unaudited]
Operating activities	
Net income for the year	2,418,699
Add (deduct) items not involving cash:	
Depreciation and amortization	990,639
Deferred income tax benefit	(114,971)
Accretion expense and remeasurement loss on contingent consideration liability	(24,714)
Unrealized foreign exchange (gain) loss	(319,512)
Gain on sale of property and equipment	(1,970)
Stock-based compensation expense	481,550
Non-cash lease expense	75,189
Change in expected credit loss	—
(Increase) decrease in assets:	
Accounts receivable, net	(3,591,316)
Accrued revenue	1,288,677
Inventories	(349,764)
Prepaid expenses and other current assets	(722,968)
Security deposit	(28,130)
Increase (decrease) in liabilities:	
Accounts payable and accrued liabilities	(123,612)
Unearned revenue	(425,055)
Cash (used in) provided by operating activities	<u>(447,258)</u>
Investing activities	
Business acquisition, net of cash acquired	(9,940,156)
Purchase of property and equipment	(1,006,264)
Proceeds on disposal of property and equipment	—
Cash used in investing activities	<u>(10,946,420)</u>
Financing activities	
Proceeds from long-term debt	18,148,657
Payment of long-term debt	(7,251,264)
Payment of contingent consideration	(1,726,100)
Cash provided by financing activities	<u>9,171,293</u>
Net change in cash	<u>(2,222,385)</u>
Cash, beginning of year	2,936,665
Cash, end of year	<u>714,280</u>
Supplemental disclosure of cash flow information	
Cash paid for interest	1,904,495
Cash paid for taxes	1,560,876
Non-cash recognition of new leases	<u>1,084,628</u>

See accompanying notes