



Entertainment Trading A/S

Loftbrovej 28, 9400 Nørresundby

CVR no. 26 45 76 02

Annual report 2023/24

Approved at the Company's annual general meeting on 10 October 2024

Chair of the meeting:

.....
Peter Haslund Wilhelmsson Tuure

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Entertainment Trading A/S for the financial year 1 July 2023 - 30 June 2024.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 30 June 2024 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 July 2023 - 30 June 2024.

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

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

Nørresundby, 10 October 2024
Executive Board:

.....
Mark Fjeldal Dalsgaard
Nielsen

.....
Jacob Risgaard Eriksen

Board of Directors:

.....
Mike Secher Dalsgaard
Nielsen
Chairman

.....
Peter Haslund Wilhelmsson
Tuure

.....
Mark Fjeldal Dalsgaard
Nielsen

Independent auditor's report

To the shareholders of Entertainment Trading A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Entertainment Trading A/S for the financial year 1 July 2023 - 30 June 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 30 June 2024, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 July 2023 - 30 June 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Independence

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Independent auditor's report

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

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

Statement on the Management's review

Management is responsible for the Management's review.

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

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

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

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

Aarhus, 10 October 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Jonas Busk
State Authorised Public Accountant
mne42771

Søren Strandgaard Nielsen
State Authorised Public Accountant
mne47823

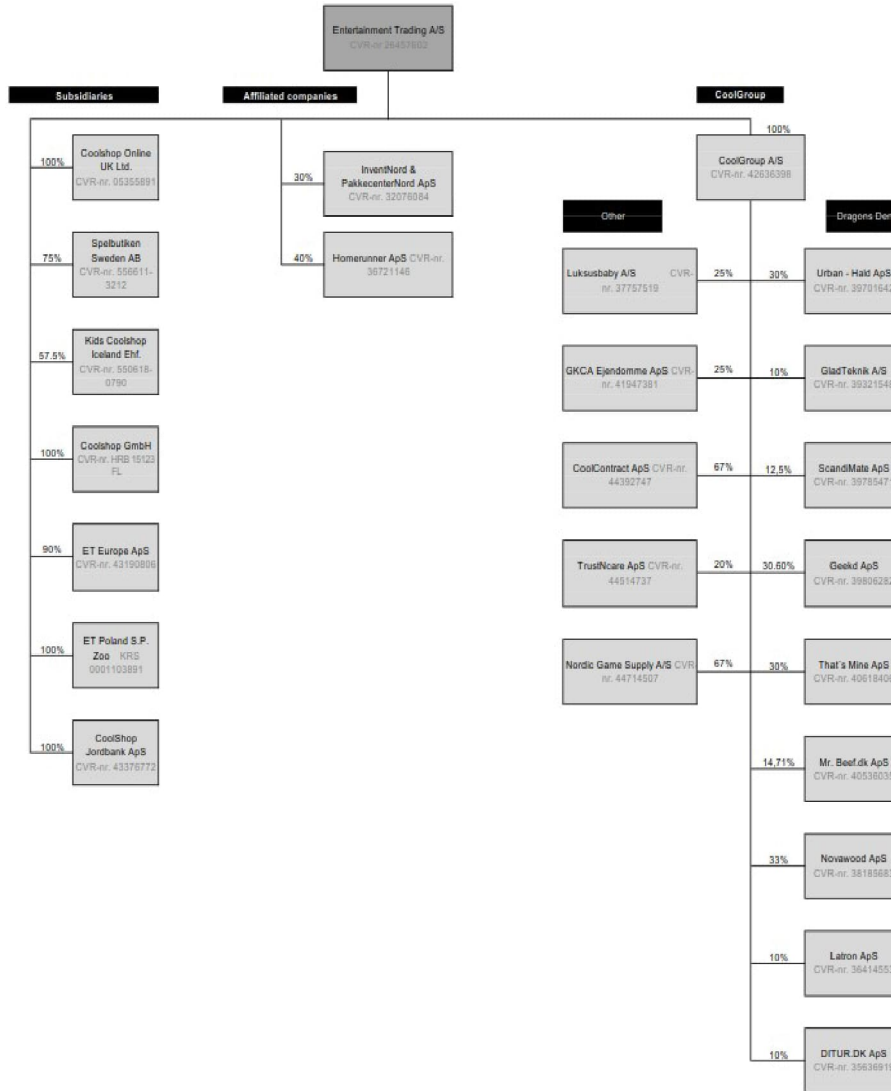
Management's review

Company details

Name	Entertainment Trading A/S
Address, Postal code, City	Loftbrovej 28, 9400 Nørresundby
CVR no.	26 45 76 02
Established	25 January 2001
Registered office	Aalborg
Financial year	1 July 2023 - 30 June 2024
Board of Directors	Mike Secher Dalsgaard Nielsen, Chairman Peter Haslund Wilhelmsson Tuure Mark Fjeldal Dalsgaard Nielsen
Executive Board	Mark Fjeldal Dalsgaard Nielsen Jacob Risgaard Eriksen
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Group chart



Management's review

Financial highlights for the Group

DKK'000	2023/24	2022/23	2021/22	2020/21	2019/20
Key figures					
Revenue	1,780,796	1,686,903	1,429,157	1,205,758	876,973
Gross profit	200,485	154,834	225,861	160,732	101,000
Operating profit/loss	38,109	27,649	14,565	55,682	28,562
Profit before interest and tax (EBIT)	67,509	28,859	92,266	57,352	28,700
Net financials	-10,507	-8,228	-716	1,580	4,314
Profit for the year	45,856	15,495	87,569	47,125	22,689
Balance sheet					
Total assets	700,633	573,767	468,491	385,748	220,179
Investments in property, plant and equipment	109,865	51,165	18,314	50,195	1,700
Equity	233,451	186,026	187,050	99,769	69,020
Income statement					
Net cash flows from investing activities	-97,287	-54,582	61,514	-50,169	-8,010
Total cash flows	11,780	3,420	-33,395	18,879	34,938
Financial ratios					
Operating margin	3.8%	1.7%	6.5%	4.8 %	3.3 %
Gross margin	11.3%	9.2%	15.8%	13.3%	11.5%
Equity ratio	30.9%	30.6%	38.1%	24.4%	29.9%
Return on equity	20.7%	7.5%	61.5%	54.6%	45.0%
Employees					
Average number of full-time employees	257	245	274	255	161

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

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

Management's review

Business review

The Group's business activities are mainly within physical trade and e-commerce, with a broad range of product categories. Products are sourced and sold internationally to both corporate and private consumers.

Financial review

The income statement for 2023/24 shows a profit of DKK 45,856 thousand against a profit of DKK 15,495 thousand last year, and the balance sheet at 30 June 2024 shows equity of DKK 233,451 thousand. Management considers the Group's financial performance in the year satisfactory.

Profit/loss for the year compared to previously announced expectations

For FY 2023/2024, it was expected that the Group's new markets and product categories would contribute to further growth in revenue and profit. Activities rose markedly, and operating profit improved compared with the previous financial year, thus matching expectations for the financial year.

Despite a tough market the expanding activities contributed to a growing revenue for the FY 2023/24, and revenue grew 6% compared to the year before. Gross profit for the Group increased by 19 % on the previous financial year.

Other external expenses and staff costs of DKK 275 million is realised 44 DKKm higher than last year. This is due to the scaling of the organisation for future growth, including establishing a new headquarter.

Profit after tax was DKK 45.9 million compared with DKK 15.5 million in FY 2022/23. In the annual report for 2022/23, Management expected a profit in the range of DKK 30-40 million. The improved result compared to the announced expectations is due to the sale of a property listed in Coolshop Logistics 2 ApS.

Balance sheet

The balance sheet of the Entertainment Trading Group totalled DKK 701 million as at 30 June 2024 compared with DKK 574 million in the previous financial year.

The strong upturn in activities and the initial construction of larger warehouse facilities in Nørresundby, Denmark, affected the balance sheet.

Equity amounted to DKK 233 million against DKK 186 million as at 30 June 2023.

The Group's solvency ratio was 30.9% compared with 30.6% in the preceding financial year.

Cash flow

The Group's net cash flow amounted to DKK 11.8 million for the year under review of which cash flow from operating activities made up a negative DKK 33.5 million.

Knowledge resources

The Group has introduced relevant, efficient systems and procedures to ensure that knowledge remains in the Group. These activities and systems ensure low vulnerability to the loss of knowledge in the Group.

Management's review

Financial risks and use of financial instruments

The Entertainment Trading Group is an international trading company, which is engaged in e-commerce and B2B sales and has subsidiaries abroad. Accordingly, the Group's performance in terms of profit and capital structure is subject to a number of business risks.

The Company's daily operations require ongoing management of a number of commercial risks relating to markets, products, customers, suppliers etc. The Group's most important operational risk pertains to the maintenance of a strong position in the markets of sourcing and of the efficiency of distribution to customers.

The Group is continuously subject to the usual risks in the form of political regulation of imports, electronics, duties and charges, and e-commerce.

In Management's assessment, the Group is not exposed to particular risks apart from those generally occurring in the line of business described above.

Impact on the external environment

As Entertainment Trading is a trading company, our risks regarding climate and the environment chiefly relate to the transportation of goods. The Group meets consumer interests and requirements in this respect. The Group supports and makes sustainable choices for the transportation of goods in a number of areas. Accordingly, where possible, the Group will choose to transport goods via vessels using low carbon fuel rather than vessels using conventional fuel. In 2022/2023, the Group increased their ambition in this area and from 1 January 2023, all container transports were compensated by purchasing advanced maritime biofuel certificates. We aim to continue this process in the coming years.

Statutory CSR report

This part includes the mandatory review of the Company's corporate responsibility pursuant to sections 99a and 99b of the Danish Financial Statements Act.

Business model and commitment

Being an international trading company and selling a broad range of products to private consumers, the Entertainment Trading Group meets the national and international guidelines on good conduct and practice by companies, employees and organizations that govern the way in which we perform our business activities.

These internal rules help our employees maintain ethical standards when adding value through cooperation with customers and suppliers.

Our trading activities conform with current legislation within our business areas. Entertainment Trading applies the principles of responsible business ethics and expects that all our employees observe the rules governing the Group's activities, regardless of their particular functions in the Group.

Entertainment Trading continuously strives to conform with all appropriate business standards and responsible business principles in connection with all types of cooperation. This includes observance of extensive rules on imported electronics and toys to European consumers.

In addition to its internal responsibility to its staff, the Group also has an external responsibility to the countries and societies in which we operate. As an active company, we aim to create value to the local societies in which we are present in addition to reaching our financial goals. This means that we comply with legislation in the countries and local societies in which we operate.

Management's review

Environment

As Entertainment Trading is a trading company, our risks regarding climate and the environment chiefly relate to the transportation of goods. Based on data from the Co2 calculation, it can be concluded that the production and transportation of goods are a risk in relation to climate and environment. Where these contribute to the overall carbon footprint for the company. The Group meets consumer interests and requirements in this respect. The Group supports and makes sustainable choices for the transportation of goods in a number of areas. Accordingly, where possible, the Group will choose to transport goods via vessels using low carbon fuel rather than vessels using conventional fuel.

The action regarding biofuel certificates for all container transportation continued for 2023/24. Similar actions for road have been considered, but are still being evaluated.

Staff

The Entertainment Trading Group is aware of the importance of committed, competent and loyal staff to the Group. Therefore, internal guidelines, objectives and strategies ensure a safe and healthy work environment. Thus, it is the Group's policy to have attractive working conditions offering the possibility of professional and personal development and to make serious efforts to create a positive work environment.

It is concluded that there are multiple risks related to social and employee relations. There is a risk in terms of workload that can lead to mental distress among the employees which could imply for them meeting sick leave or quitting the job. It is also concluded that there is a risk related to certain work types that could cause physical issues. This is specifically related to inventory clerks and as the Company has a high season in the last quarter of the year, the Company has concluded that employees could face extensive stress during this period, which could lead to burnout.

Management continuously aims to enhance work satisfaction through staff interviews and surveys. A low sickness absence rate is considered to be an indicator that our employees are thriving in a good work environment. In 2022/2023, sickness absence was reduced by 30% compared to the preceding year.

For 2023/24, there has not been a significant decline in sick absence based on last year's significant reduction. However, it has been noted that sick leave has been kept low. Noted that there has been peaks, however, this is primarily explained by employees having the flu.

The Company has set up a committee which for many years has made initiatives to enhance well-being and job satisfaction. The committee has its own budget and operates independently of Management.

For 2023/24, data has been gathered on employees from the service department to measure progress on initiatives and gain insights into areas of concern before they form a risk.

The Group expects that the ongoing focus on job satisfaction and improvement of work conditions – along with the work with the company culture and leadership development will result in positive feedback in future job satisfaction surveys as well as a reduction in sickness absence and employee turnover.

Management's review

Social factors

The Entertainment Trading Group also exercises its social responsibility through the recruitment of employees, payment of VAT and other taxes in pursuance of current legislation in the countries in which the Group is represented. The Group's international activities create job opportunities for the local population, both in the Company's own offices and shops and through the Group's cooperation and trading with local suppliers. Thus, it is Entertainment Trading's policy that employees in foreign branches, as specified in the group overview on page 6, pay applicable direct and indirect taxes in the countries where the branches are located.

When implementing this policy, the Group's administration made tax-related reviews of staff salaries in both foreign branches and subsidiaries.

It is the Group's policy to observe prevailing differential treatment rules concerning race, colour, gender, ethnic or national origin, age, political views etc.

The Entertainment Trading Group makes annual donations to charity. The Group's main focus is to support, develop and strengthen vulnerable, sick and exposed children. This support is chiefly offered via the charity CoolUnite; Entertainment Trading has extended its financial support - sponsorships and collection of donations from the Group's customers - and has participated in fundraising events.

The Group plans to continue the cooperation with the charity CoolUnite in the coming year, and it is expected that the Group will increase its support.

The Entertainment Trading Group has entered into a non-profit corporation in the year 2022/23 with The Business Schools of Aalborg by the establishment of the Coolshop Masterclass program. The Group will use both economic and leadership resources and support a given class with an additional educational program implying a more practical approach during their education where leaders of the Group will spend time with the students in the course of the 2 years of education. This program has continued with success in 2023/24.

Human rights

As a consequence of the Group's activities in markets beyond the Danish borders, it is the Group's policy to carefully observe the profiles of customers and suppliers prior to engaging with them in order to observe general human rights.

Based on an evaluation of the product available, can it be assumed that there may be a risk in respect of substances of concern and substances of high concern, within our production facilities or those of suppliers. This concern could e.g. relate to toys, electronics, cosmetics and textiles.

There is also a risk in terms of forced labor regarding products that come from areas with high poverty rates.

The Entertainment Trading Group's business model ensures that most trading partners are major reputable brands that have good control and compliance programmes within this area.

It is the Group's view that no sub-supplier agreements can be concluded if such partners have an opinion of human rights that markedly differs from that of Management. Suppliers are invited to accept Entertainment Trading's Terms of Business, and they are asked to state that they can adhere to our Code of Conduct prior to cooperation. 2023/24 actions have been continued regarding the Entertainment Trading's Terms of Business. This process will be continued in the next financial year, and the Group continues to strengthen the terms and conditions for suppliers.

Furthermore, there has been taken note of the terms and conditions laid down in the forced labor regulation from the EU.

Management's review

Fighting corruption and bribery

It is the Entertainment Trading Group's policy that staff must not accept any kind of direct or indirect bribes or special remuneration in any form, including money, goods or services, if such remuneration may be considered part of recognized local or international corruption or bribery practice.

We are aware of the risk of being unintentionally involved in money laundering. In order to avoid this risk, we endeavour to base our business relations on trustworthy and professional business partners. We select our business partners carefully based on our long established experience of the sector.

We actively communicate our expectations of staff behaviour in this regard to all the employees of the Group at all levels.

For 2023/24, the review of payments continued. Furthermore in 2023/24, to support anticorruption stricter rules have been implemented in relation to gifts from external companies. Examples of these are that a buyer will not receive a gift, but it is offered to everyone. Furthermore, it has been decided that external companies are not allowed to pay for trips that an employee can attend. The employee has to pay themselves.

Initiatives regard to anti-corruption and how employees should behave are actively communicated to relevant employees based on company rules. This will continue to have focus in the coming years.

Data ethics

The Group's employees are obliged to process personal data in a responsible manner and according to the regulations in the Group's GDPR policy. All of the Group's stakeholders can be certain that the Group processes sensitive personal data and that this is used for business purposes only. The Group's processing of sensitive personal data is made in accordance with applicable legislation and regulations.

Processing of sensitive personal data is limited to necessary information that supports operational purposes, customer-specific activities, personnel administration, etc.

The Group handles ordinary data in the form of customer data, supplier data and other internal data, which is processed in accordance with the GDPR and our policies for privacy and information security.

New technologies

The Group uses advanced technologies to a limited extent towards customers. Machine learning is used to a limited extent in connection with online purchases, so that customers' purchase preferences are logged. Artificial intelligence related to standard software systems is used only to a limited extent in the Group.

The Group does not have a written policy regarding data ethics. It is continuously assessed whether this should be changed.

Management's review

Report on the gender composition of Management

Entertainment Trading A/S believes that diversity among employees, including gender balance, contributes positively to the working environment and strengthens the Company's performance and competitiveness.

Overview

	2023/24
<i>Supreme governing body</i>	
Total number of members	3
Underrepresented gender in %	0
Target figure in %	25
Year in which the target figure is expected to be met	2026
<i>Other levels of management</i>	
Total number of members	11
Underrepresented gender in %	10
Target figure in %	20
Year in which the target figure is expected to be met	2025

Supreme governing body

The Group currently does not have an even gender distribution in its top management. There were no changes in the Board of Directors in Entertainment Trading A/S in the financial year.

The Board of Directors acknowledges that a more balanced gender distribution may positively influence the work processes within the Board of Directors and of the enterprise as such. The Board of Directors consists of 3 members and the underrepresented gender accounts for 0%. Consequently, the Board has set a target that the underrepresented gender will make up 25% of the Board of Directors by 2026. This will most likely result in an expansion of the Board of Directors if and when the timing is right in doing so.

During the fiscal year, considerations were ongoing about the timing of an expansion of the Board of Directors with a suitable candidate of the underrepresented gender.

Other levels of management

With respect to the other management levels, Entertainment Trading is committed to appointing the most qualified candidates to management positions, regardless of gender. However, men are currently overrepresented on the Executive Board and in the other managerial management layer as the most qualified candidates for the other management in Entertainment Trading A/S were from the overrepresented gender in the financial year.

The other management in Entertainment Trading A/S is defined as the first level: The Executive Board and the second level: The people with personnel responsibility referring to the Executive Board.

The other management in Entertainment Trading A/S consists of 11 members, and the underrepresented gender accounts for 10%. Therefore, a target has been set to ensure that 20% of the managerial management layer will be filled by the underrepresented gender in 2025. The Group will continue to support talented female employees who wish to advance within the Company – including offering training and education – to ensure a strong pipeline of qualified candidates for future management positions.

In the Group's defined management layer, the female representation currently stands at 20%

To increase the share of female managers, the Group has implemented a policy ensuring, if possible, that both genders are represented in the final recruitment stage for all future managerial positions. This policy was implemented for the other management in Entertainment Trading A/S in the financial year.

Management's review

Events after the balance sheet date

No material events have occurred after the balance sheet date that have had a significant impact on the financial position of the Company.

Outlook

In the next financial year, Management of Entertainment Trading A/S expects the positive development in activities to continue within almost all important business areas leading to a growth in revenue of 17-25% and a pre-tax profit in the range of DKK 40-55 million. The improved result from operating activities in 2024/25 is due to higher revenue and more rational operations.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Income statement

Note	DKK'000	Group		Parent company	
		2023/24	2022/23	2023/24	2022/23
4	Revenue	1,780,796	1,686,903	1,435,914	1,427,969
	Cost of sales	-1,462,555	-1,420,923	-1,224,696	-1,229,719
	Work performed for own account and capitalised	1,611	256	1,611	256
	Other operating income	29,401	1,210	2,603	7,314
5	Other external expenses	-148,768	-112,612	-86,581	-76,869
	Gross profit	200,485	154,834	128,851	128,951
6	Staff costs	-126,340	-118,520	-105,440	-102,635
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-10,362	-7,454	-8,969	-5,907
	Operating profit before fair value adjustments	63,783	28,860	14,442	20,409
7	Fair value adjustment of investment property	3,728	0	0	0
	Profit before net financials	67,511	28,860	14,442	20,409
	Income from investments in group enterprises	0	0	30,823	-1,904
	Income from investments in Participating interests	-2,623	2,718	2,693	3,073
8	Financial income	2,757	1,948	8,285	3,728
	Financial expenses	-10,641	-12,894	-13,269	-8,733
	Profit before tax	57,004	20,632	42,974	16,573
9	Tax for the year	-11,148	-5,137	-2,405	-3,268
	Profit for the year	45,856	15,495	40,569	13,305
	Specification of the Group's results of operations:				
	Shareholders in Entertainment Trading A/S	40,569	13,305		
	Non-controlling interests	5,287	2,190		
		<u>45,856</u>	<u>15,495</u>		

**Consolidated financial statements and parent company financial statements 1 July 2023 -
30 June 2024**
Balance sheet

Note	DKK'000	Group		Parent company	
		2023/24	2022/23	2023/24	2022/23
	ASSETS				
	Fixed assets				
11	Intangible assets				
	Completed development projects	2,410	1,467	1,683	1,395
	Acquired intangible assets	1,967	1,492	1,967	1,143
	Goodwill	6,120	3,899	0	0
		<u>10,497</u>	<u>6,858</u>	<u>3,650</u>	<u>2,538</u>
12	Property, plant and equipment				
	Investment property	19,010	11,276	0	0
	Fixtures and fittings, other plant and equipment	31,488	14,763	28,444	11,893
	Leasehold improvements	15,675	7,370	15,675	7,370
	Property, plant and equipment under construction	0	32,353	0	0
		<u>66,173</u>	<u>65,762</u>	<u>44,119</u>	<u>19,263</u>
13	Investments				
	Investments in group enterprises	0	0	71,109	64,649
	Investments in Participating interests	41,661	40,667	10,641	8,855
	Other securities and investments	9,233	11,303	0	0
	Deposits, investments	23,991	11,802	21,667	11,802
		<u>74,885</u>	<u>63,772</u>	<u>103,417</u>	<u>85,306</u>
	Total fixed assets	<u>151,555</u>	<u>136,392</u>	<u>151,186</u>	<u>107,107</u>
	Non-fixed assets				
	Inventories				
	Finished goods and goods for resale	386,035	315,222	293,140	267,961
	Prepayments for goods	6,009	2,191	6,009	1,916
		<u>392,044</u>	<u>317,413</u>	<u>299,149</u>	<u>269,877</u>
14	Receivables				
	Trade receivables	95,068	63,793	48,516	52,240
	Receivables from group enterprises	260	0	108,671	67,981
	Receivables from participating interests	17	47	17	47
	Other receivables	26,092	30,748	22,811	16,230
15	Prepayments	5,781	7,824	3,083	5,236
		<u>127,218</u>	<u>102,412</u>	<u>183,098</u>	<u>141,734</u>
	Cash	<u>29,816</u>	<u>17,550</u>	<u>16,130</u>	<u>8,599</u>
	Total non-fixed assets	<u>549,078</u>	<u>437,375</u>	<u>498,377</u>	<u>420,210</u>
	TOTAL ASSETS	<u><u>700,633</u></u>	<u><u>573,767</u></u>	<u><u>649,563</u></u>	<u><u>527,317</u></u>

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Balance sheet

Note	DKK'000	Group		Parent company	
		2023/24	2022/23	2023/24	2022/23
		EQUITY AND LIABILITIES			
		Equity			
16	Share capital	1,000	1,000	1,000	1,000
	Net revaluation reserve according to the equity method	0	0	14,208	4,863
	Reserve for development costs	0	0	1,312	1,087
	Translation reserve	-1,786	-2,172	0	0
	Retained earnings	217,155	176,481	199,849	168,359
	Shareholders in Entertainment Trading A/S' share of equity	216,369	175,309	216,369	175,309
	Non-controlling interests	17,082	10,717	0	0
	Total equity	233,451	186,026	216,369	175,309
	Provisions				
17	Deferred tax	3,088	2,289	1,200	1,687
13	Provision, investments in group enterprises	0	0	0	1,708
	Total provisions	3,088	2,289	1,200	3,395
	Liabilities other than provisions				
18	Non-current liabilities other than provisions				
	Mortgage debt	248	300	0	0
	Joint taxation contribution payable	2,064	0	726	0
		2,312	300	726	0
	Current liabilities other than provisions				
	Bank debt	248,416	191,820	247,211	191,809
	Trade payables	182,091	162,626	160,541	129,013
	Payables to group enterprises	0	0	1,739	667
	Payables to participating interests	3,873	2,778	3,873	2,778
	Corporation tax payable	1,860	3,939	1,089	0
	Joint taxation contribution payable	1,600	2,948	0	3,566
	Other payables	23,942	21,041	16,815	16,214
	Deferred income	0	0	0	4,566
		461,782	385,152	431,268	348,613
	Total liabilities other than provisions	464,094	385,452	431,994	348,613
	TOTAL EQUITY AND LIABILITIES	700,633	573,767	649,563	527,317

- 1 Accounting policies
- 2 Events after the balance sheet date
- 3 Special items
- 10 Appropriation of profit
- 19 Contractual obligations and contingencies, etc.
- 20 Security and collateral
- 21 Related parties

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Statement of changes in equity

		Group					
Note	DKK'000	Share capital	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	Equity at 1 July 2023	1,000	-2,172	176,481	175,309	10,717	186,026
	Transfer through appropriation of profit	0	0	40,569	40,569	5,287	45,856
	Adjustment of investments through foreign exchange adjustments	0	386	0	386	124	510
	Other value adjustments of equity	0	0	105	105	3,641	3,746
	Dividend distributed	0	0	0	0	-2,687	-2,687
	Equity at 30 June 2024	1,000	-1,786	217,155	216,369	17,082	233,451

		Parent company				
Note	DKK'000	Share capital	Net revaluation reserve according to the equity method	Reserve for development costs	Retained earnings	Total
	Equity at 1 July 2023	1,000	4,863	1,087	168,359	175,309
	Disposals on demerger/corporate sale	0	-15,273	0	15,273	0
10	Transfer, see "Appropriation of profit"	0	30,385	0	10,184	40,569
	Adjustment of investments through foreign exchange adjustments	0	386	0	0	386
	Other value adjustments of equity	0	105	0	0	105
	Distributed dividend from group enterprises	0	-6,258	0	6,258	0
	Revaluations for the year	0	0	894	-894	0
	Depreciation in the year	0	0	-606	606	0
	Tax on items recognised directly in equity	0	0	-63	63	0
	Equity at 30 June 2024	1,000	14,208	1,312	199,849	216,369

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Cash flow statement

Note	DKK'000	Group	
		2023/24	2022/23
	Profit for the year	45,856	15,495
22	Adjustments	3,324	23,138
	Cash generated from operations (operating activities)	49,180	38,633
23	Changes in working capital	-82,727	-4,555
	Cash generated from operations (operating activities)	-33,547	34,078
	Interest received, etc.	2,756	1,948
	Interest paid, etc.	-10,641	-12,894
	Income taxes paid	-8,929	-2,625
	Cash flows from operating activities	-50,361	20,507
	Additions of intangible assets	-4,661	-882
	Additions of property, plant and equipment	-109,865	-57,826
	Disposals of property, plant and equipment	382	2,126
	Acquisition of companies	-1,504	0
	Disposals of companies	17,061	0
	Dividends received	1,300	2,000
	Cash flows to investing activities	-97,287	-54,582
	Dividends paid	-2,687	-15,631
	Proceeds of debt to credit institutions	56,544	50,435
	Proceeds of debt, associates	865	2,691
	Proceeds of debt, loan	116,895	0
	Repayments, deposits	-12,189	0
	Cash flows from financing activities	159,428	37,495
	Net cash flow	11,780	3,420
	Cash and cash equivalents at 1 July	17,550	14,130
	Increase (decrease) of cash and cash equivalents before effect of exchange rate changes	486	0
24	Cash and cash equivalents at 30 June	29,816	17,550

**Consolidated financial statements and parent company financial statements 1 July 2023 -
30 June 2024****Notes to the financial statements****1 Accounting policies**

The annual report of Entertainment Trading A/S for 2023/24 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

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

Reporting currency

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

Consolidated financial statements*Control*

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

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

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

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

Significant influence

Entities over whose financial and operating policy decisions the group exercises significant influence are classified as associates. Significant influence is assumed to exist if the Parent Company directly or indirectly holds or controls 20% or more of the voting power of the investee, but does not control the investee.

The existence of potential voting rights which may presently be exercised or be converted into additional voting rights is considered when assessing if significant influence exists.

Preparation of consolidated financial statements

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

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

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

Investments in participating interests are recognised in the consolidated financial statements using the equity method.

**Consolidated financial statements and parent company financial statements 1 July 2023 -
30 June 2024****Notes to the financial statements****1 Accounting policies (continued)****Non-controlling interests**

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

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

External business combinations

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

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

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

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

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

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

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

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

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

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

**Consolidated financial statements and parent company financial statements 1 July 2023 -
30 June 2024****Notes to the financial statements****1 Accounting policies (continued)****Foreign currency translation**

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

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

Public grants

Public grants to cover expenses are recognised in the income statement when it is deemed likely that all grant criteria have been met. Grants which must be repaid under certain circumstances are recognised only where they are not expected to be repaid.

Income statement**Revenue**

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

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery.

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

Other operating income

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

Work performed for own account and capitalised

Work performed on own account and risk and recognised as assets includes staff costs regarding work performed in the financial year in relation to the construction of one or more assets recognised in the balance sheet.

Other external expenses

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

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

**Consolidated financial statements and parent company financial statements 1 July 2023 -
30 June 2024****Notes to the financial statements****1 Accounting policies (continued)****Amortisation/ depreciation**

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

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

Completed development projects	3-5 years
Acquired intangible assets	3-5 years
Goodwill	10 years
Fixtures and fittings, other plant and equipment	3-7 years
Leasehold improvements	3-10 years

No depreciation is charged on artworks, as they are considered to have an indefinite useful life and are held for their artistic value rather than for consumption or production purposes.

The residual value amounts to DKK 0.

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

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

Land is not depreciated.

Profit/loss from investments in group entities and participating interests

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

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

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities, exchange gains and losses and service charge offset against received payments from card companies.

**Consolidated financial statements and parent company financial statements 1 July 2023 -
30 June 2024****Notes to the financial statements****1 Accounting policies (continued)****Tax**

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

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

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

Balance sheet**Intangible assets**

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

Other intangible assets include development projects and other acquired intangible rights.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

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

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

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

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight line basis over the remaining term of the patent, and licences are amortised over the term of the licence.

Property, plant and equipment

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

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

**Consolidated financial statements and parent company financial statements 1 July 2023 -
30 June 2024****Notes to the financial statements****1 Accounting policies (continued)****Leases**

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

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

Investment property

On initial recognition, investment property is measured at cost. Investment property is subsequently measured at fair value, and the value adjustment for the year is recognised in the income statement under the item "Fair value adjustment of investment property".

Deposits, investments

Deposits are measured at amortized cost, which normally corresponds to the nominal value.

Investments in group entities and participating interests

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

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

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

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

Dividend received is deduced from the carrying amount.

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

Other securities and investments

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

**Consolidated financial statements and parent company financial statements 1 July 2023 -
30 June 2024****Notes to the financial statements****1 Accounting policies (continued)****Impairment of fixed assets**

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

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

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

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

Inventories

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

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

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

Receivables are measured at amortised cost.

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

Prepayments

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

Cash

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

**Consolidated financial statements and parent company financial statements 1 July 2023 -
30 June 2024****Notes to the financial statements****1 Accounting policies (continued)****Equity*****Reserve for net revaluation according to the equity method***

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

Reserve for development costs

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

Translation reserve

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

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Income taxes

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

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

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

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024**Notes to the financial statements****1 Accounting policies (continued)****Liabilities**

The Company has chosen IAS 39 as interpretation for liabilities.

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

Other liabilities are measured at net realisable value.

Deferred income

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

Special items

Special items include significant revenues and expenses that are of a special nature in relation to the Company's income generating operating activities.

Fair value

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

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

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

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

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Notes to the financial statements
1 Accounting policies (continued)
Cash flow statement

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

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

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

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

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

Segment information

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

2 Events after the balance sheet date

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

3 Special items
Group

During the fiscal year, the Group has divested the company Coolshop Logistics 2 ApS, where the company has built and developed their new warehouse and domicile. In connection with this, the Group has realised a gain of DKK 25,714 thousand. The amount is included in the consolidated income statement under the accounting item "Other operating income".

DKK'000	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
4 Segment information				
Breakdown of revenue by geographical segment:				
Revenue, Denmark	429,847	331,338	416,809	374,714
Revenue, Europe	1,148,746	1,201,338	900,505	898,934
Revenue, other	202,203	154,227	118,600	154,321
	<u>1,780,796</u>	<u>1,686,903</u>	<u>1,435,914</u>	<u>1,427,969</u>

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Notes to the financial statements

DKK'000	Group	
	2023/24	2022/23
5 Fee to the auditors appointed in general meeting		
Statutory audit	452	481
Assurance engagements	35	0
Other assistance	48	55
	<u>535</u>	<u>536</u>

DKK'000	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
6 Staff costs				
Wages/salaries	110,454	104,134	94,153	88,264
Pensions	8,833	9,114	8,195	9,101
Other social security costs	4,961	2,552	3,092	2,550
Other staff costs	2,092	2,720	0	2,720
	<u>126,340</u>	<u>118,520</u>	<u>105,440</u>	<u>102,635</u>
Average number of full-time employees	<u>257</u>	<u>245</u>	<u>214</u>	<u>209</u>

Group

Total remuneration to group management: t.DKK 3,143 (2022/23: t.DKK 3,013). Total remuneration to board members: t.DKK 0 (2022/23: t.DKK 0).

Parent company

Total remuneration to Management: t.DKK 3,143 (2022/23 t.DKK 3,013). Total remuneration to board members: t.DKK 0 (2022/23: t.DKK 0).

DKK'000	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
7 Fair value adjustment of investment property				
Gains (losses) from adjustments of investment property, not realised	3,728	0	0	0
	<u>3,728</u>	<u>0</u>	<u>0</u>	<u>0</u>
8 Financial income				
Interest receivable, group entities	0	0	6,540	3,433
Other financial income	2,757	1,948	1,745	295
	<u>2,757</u>	<u>1,948</u>	<u>8,285</u>	<u>3,728</u>

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Notes to the financial statements

	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
DKK'000				
9 Tax for the year				
Estimated tax charge for the year	9,970	4,368	2,426	2,431
Deferred tax adjustments in the year	945	54	-254	122
Tax adjustments, prior years	233	715	233	715
	11,148	5,137	2,405	3,268

	Parent company	
	2023/24	2022/23
DKK'000		
10 Appropriation of profit		
Recommended appropriation of profit		
Net revaluation reserve according to the equity method	30,385	-13,360
Retained earnings	10,184	26,665
	40,569	13,305

11 Intangible assets

	Group			
	Completed development projects	Acquired intangible assets	Goodwill	Total
DKK'000				
Cost at 1 July 2023	8,828	2,900	5,809	17,537
Foreign exchange adjustments	129	0	0	129
Additions	1,626	1,766	2,896	6,288
Disposals	-265	-387	0	-652
Cost at 30 June 2024	10,318	4,279	8,705	23,302
Impairment losses and amortisation at 1 July 2023	7,361	1,408	1,910	10,679
Foreign exchange adjustments	75	0	0	75
Amortisation for the year	730	958	675	2,363
Reversal of accumulated amortisation and impairment of assets disposed	-258	-54	0	-312
Impairment losses and amortisation at 30 June 2024	7,908	2,312	2,585	12,805
Carrying amount at 30 June 2024	2,410	1,967	6,120	10,497

Completed development projects

Development projects that are clearly defined and identifiable, where the degree of technical utilization, sufficient resources and a potential future market or development opportunity in the company can be demonstrated, and where the intention to manufacture, market or use the product are recognised as intangible fixed assets, if sufficient assurance that the capital value of future earnings can cover production, sales and administration costs as well as the development costs themselves.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Notes to the financial statements
11 Intangible assets (continued)

DKK'000	Parent company		Total
	Completed development projects	Acquired intangible assets	
Cost at 1 July 2023	6,853	2,513	9,366
Additions	894	1,766	2,660
Cost at 30 June 2024	7,747	4,279	12,026
Impairment losses and amortisation at 1 July 2023	5,458	1,370	6,828
Amortisation for the year	606	942	1,548
Impairment losses and amortisation at 30 June 2024	6,064	2,312	8,376
Carrying amount at 30 June 2024	1,683	1,967	3,650

Completed development projects

Development projects that are clearly defined and identifiable, where the degree of technical utilization, sufficient resources and a potential future market or development opportunity in the company can be demonstrated, and where the intention to manufacture, market or use the product are recognised as intangible fixed assets, if sufficient assurance that the capital value of future earnings can cover production, sales and administration costs as well as the development costs themselves.

12 Property, plant and equipment

DKK'000	Group				Total
	Investment property	Fixtures and fittings, other plant and equipment	Leasehold improvements	Property, plant and equipment under construction	
Cost at 1 July 2023	11,497	29,657	10,761	32,353	84,268
Foreign exchange adjustments	0	-17	0	0	-17
Additions	76,634	22,267	10,964	0	109,865
Disposals	-104,981	-1,057	0	0	-106,038
Transferred	32,353	0	0	-32,353	0
Cost at 30 June 2024	15,503	50,850	21,725	0	88,078
Revaluations at 1 July 2023	-221	0	0	0	-221
Value adjustments for the year	3,728	0	0	0	3,728
Revaluations at 30 June 2024	3,507	0	0	0	3,507
Impairment losses and depreciation at 1 July 2023	0	14,894	3,391	0	18,285
Foreign exchange adjustments	0	14	0	0	14
Depreciation	0	5,339	2,659	0	7,998
Reversal of accumulated depreciation and impairment of assets disposed	0	-885	0	0	-885
Impairment losses and depreciation at 30 June 2024	0	19,362	6,050	0	25,412
Carrying amount at 30 June 2024	19,010	31,488	15,675	0	66,173

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Notes to the financial statements
12 Property, plant and equipment (continued)

DKK'000	Parent company		
	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 July 2023	25,196	10,761	35,957
Additions	21,476	10,964	32,440
Disposals	-725	0	-725
Cost at 30 June 2024	45,947	21,725	67,672
Revaluations at 1 July 2023	0	0	0
Revaluations at 30 June 2024	0	0	0
Impairment losses and depreciation at 1 July 2023	13,303	3,391	16,694
Depreciation	4,762	2,659	7,421
Reversal of accumulated depreciation and impairment of assets disposed	-562	0	-562
Impairment losses and depreciation at 30 June 2024	17,503	6,050	23,553
Carrying amount at 30 June 2024	28,444	15,675	44,119

Investment property
Group

The Group invests in rental property. Investment property is recognised at fair value with value adjustment over the income statement, see the provisions in section 38 of the Danish Financial Statements Act.

Fair value assessment

The fair value of investment properties is assessed for each individual property based on the property's budget for the coming year, adjusted for fluctuations that are of the nature of isolated events. This adjusted budget expresses a 'normalized' operating result and is used together with a relevant yield requirement to calculate the fair value after a yield-based model. (Level 3 in the fair value hierarchy).

Central assumptions for the assessed fair value

Investment properties include one rental property, where the main assumptions for the valuation of fair value are yield requirement, type of housing, and location, as well as a commercial plot.

The rental property is located in Iceland, which consists of residential leasing. The yield requirement for the rental property is set at 4,3%. The commercial plot is located in Nørresundby on 68 thousand m². The land area is valued at DKK 300-600 per m², with the addition of improvement costs.

Sensitivity analysis

The fair value of the rental property amounts to DKK 3.665 thousand as of 30 June 2024. The assessed fair value is an estimate made by Management based on available information and current expectations for the future. The sensitivity of the average yield requirement can be illustrated by the fact that an increase in the yield percentage by 0.5 percentage points will decrease the fair value by DKK 382 thousand. A decrease in the yield percentage by 0.5 percentage points will result in an increase in the fair value by DKK 482 thousand.

The sensitivity analysis does not include the land area in Nørresundby, where the fair value amounts to DKK 15,345 thousand based on the central assumptions stated.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

13 Investments

DKK'000	Group			Total
	Investments in Participating interests	Other securities and investments	Deposits, investments	
Cost at 1 July 2023	21,622	11,603	11,802	45,027
Additions	4,000	1,000	12,189	17,189
Disposals	-2,000	-3,370	0	-5,370
Cost at 30 June 2024	23,622	9,233	23,991	56,846
Value adjustments at 1 July 2023	19,045	-300	0	18,745
Dividend received	-1,300	0	0	-1,300
Profit/loss for the year	1,392	0	0	1,392
Changes in equity	11	0	0	11
Depreciation of goodwill	-1,109	0	0	-1,109
Reversal of prior year impairment losses	0	300	0	300
Value adjustments at 30 June 2024	18,039	0	0	18,039
Carrying amount at 30 June 2024	41,661	9,233	23,991	74,885

Remaining positive differences included in investments in participating interests above carrying amount at 30 June of DKK 18,186 thousand (Goodwill).

Group

Participating interests

Name	Domicile	Interest
InventNord & PakkecenterNord ApS	Denmark	30.00%
Homerunner ApS	Denmark	40.00%
Luksusbaby A/S	Denmark	25.00%
GKCA Ejendomme ApS	Denmark	25.00%
Urban-Hald ApS	Denmark	30.00%
Cool Creative Company ApS	Denmark	25.00%
Geekd ApS	Denmark	30.60%
That's Mine ApS	Denmark	30.00%
Novawood ApS	Denmark	33.00%

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024

Notes to the financial statements

13 Investments (continued)

DKK'000	Parent company			Total
	Investments in group enterprises	Investments in Participating interests	Deposits, investments	
Cost at 1 July 2023	62,308	57	11,802	74,167
Additions	0	0	9,865	9,865
Disposals	-82	0	0	-82
Cost at 30 June 2024	62,226	57	21,667	83,950
Value adjustments at 1 July 2023	2,341	8,798	0	11,139
Foreign exchange adjustments	384	0	0	384
Dividend received	-5,258	-1,000	0	-6,258
Profit/loss for the year	27,979	2,693	0	30,672
Changes in equity	11	0	0	11
Depreciation of goodwill	-287	93	0	-194
Reversal of revaluations of assets disposed	-15,191	0	0	-15,191
Writedown of investments with negative net asset value transferred to group receivables	-1,096	0	0	-1,096
Value adjustments at 30 June 2024	8,883	10,584	0	19,467
Carrying amount at 30 June 2024	71,109	10,641	21,667	103,417

Remaining positive differences included in Investments in group enterprises above carrying amount to DKK 1,509 thousand at 30 June (Goodwill).

Parent company

Name	Domicile	Interest
Spelbutikern Sweden AB	Sweden	75.00%
Kids Coolshop Iceland ehf.	Iceland	57.50%
	United Kingdom	
Coolshop Online UK Ltd.	Kingdom	100.00%
Coolshop GmbH	Germany	100.00%
Entertainment Trading Poland	Poland	100.00%
ET Europe ApS	Denmark	100.00%
Coolshop Jordbank ApS	Denmark	100.00%
CoolGroup A/S	Denmark	100.00%
CoolContract ApS	Denmark	66.67%
Nordic Game Supply A/S	Denmark	66.67%

Participating interests

InventNord & PakkecenterNord ApS	Denmark	30.00%
Homerunner ApS	Denmark	40.00%

14 Receivables

Of the parent company's total receivables, 2,3 million have been sold to a factoring company. The outstanding amount is due to the timing of the collections and is expected to be received in accordance with the terms of the factoring agreement.

Of the Group's total receivables, 2,6 million have been sold to a factoring company. The outstanding amount is due to the timing of the collections and is expected to be received in accordance with the terms of the factoring agreement.

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Notes to the financial statements
15 Prepayments
Group

Prepayments include accrual of expenses relating to subsequent financial years, including rent, insurance policies and subscriptions.

Parent company

Prepayments include accrual of expenses relating to subsequent financial years, including rent, insurance policies and subscriptions.

16 Share capital

The parent's share capital has remained DKK 1,000 thousand in the past year.

DKK'000	Group		Parent company	
	2023/24	2022/23	2023/24	2022/23
17 Deferred tax				
Deferred tax at 1 July	2,289	2,272	1,687	1,565
Amounts recognised in the income statement for the year	799	54	-487	122
Other adjustments	0	-37	0	0
Deferred tax at 30 June	3,088	2,289	1,200	1,687
Deferred tax relates to:				
Intangible assets	-2,037	184	147	171
Property, plant and equipment	4,658	796	586	364
Other non-taxable temporary differences	467	1,309	467	1,152
	3,088	2,289	1,200	1,687

18 Non-current liabilities other than provisions

DKK'000	Group			
	Total debt at 30/6 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Mortgage debt	248	0	248	116
Joint taxation contribution payable	2,064	0	2,064	0
	2,312	0	2,312	116

Consolidated financial statements and parent company financial statements 1 July 2023 - 30 June 2024
Notes to the financial statements
19 Contractual obligations and contingencies, etc.
Other financial obligations
Group

Rent and lease liabilities include a rent obligation totalling DKK 242,856 thousand in interminable rent agreements. Furthermore, the Company has liabilities under operating leases for cars, totalling DKK 1,165 thousand.

Parent company

The Company is jointly taxed with its parent, Coolshop Holding A/S, which acts as management company, and other Danish group entities. Together with other jointly taxed group entities the Company is jointly and severally liable for payment of income taxes.

Rent and lease liabilities include a rent obligation totalling DKK 224,703 thousand in interminable rent agreements. Furthermore, the Company has liabilities under operating leases for cars, totalling DKK 1,146 thousand.

20 Security and collateral
Group

As security for the Group's debt to mortgage credit institutions, the Group has provided security or other collateral in its assets.

Parent company

Entertainment Trading has provided security to some of its subsidiaries' suppliers, both limited and unlimited. The limited security has a maximum amount of DKK 2,610 thousand. For the unlimited security, the outstanding balance at 30 June 2024 amounts to DKK 13 thousand.

21 Related parties
Group

Entertainment Trading A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Coolshop Holding ApS, Nørresundby	Denmark	Shareholder

Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
Coolshop Holding A/S	Denmark	CVR.dk

**Consolidated financial statements and parent company financial statements 1 July 2023 -
30 June 2024**
Notes to the financial statements
21 Related parties (continued)
Related party transactions

DKK'000	2023/24
Group	
Receivables from group enterprises	260
Parent Company	
Revenue	64,969
Other operating income	1,994
Staff costs	3,394
Financial income	6,540
Receivables from group enterprises	108,671
Joint taxation contribution payable	1,815
Payables to group enterprises	1,739

DKK'000	Group	
	2023/24	2022/23
22 Adjustments		
Amortisation/ depreciation and impairment losses	10,362	10,238
Gain/loss on the sale of non-current assets	-20,528	0
Fair value adjustments	-3,728	0
Income from investments in associates	-1,392	-2,718
Financial income	-2,756	-1,948
Financial expenses	10,641	12,894
Tax for the year	11,148	5,137
Capitalization of work performed for own account	-1,626	0
Other adjustments	1,203	-465
	3,324	23,138
23 Changes in working capital		
Change in inventories	-78,625	-44,364
Change in receivables	-31,144	-10,075
Change in trade and other payables	24,999	49,884
Other changes in working capital	2,043	0
	-82,727	-4,555
24 Cash and cash equivalents at year-end		
Cash according to the balance sheet	29,816	17,550
	29,816	17,550

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Mark Fjeldal Dalsgaard Nielsen

Executive Board

On behalf of: Entertainment Trading A/S

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2024-10-10 08:46:20 UTC



Jacob Risgaard Eriksen

Executive Board

On behalf of: Entertainment Trading A/S

Serial number: 114cc9e2-56bd-4322-b0e7-36ac9ae1e0d6

IP: 188.181.xxx.xxx

2024-10-10 09:51:10 UTC



Mike Secher Dalsgaard Nielsen

Board of Directors, Chairman

On behalf of: Entertainment Trading A/S

Serial number: 5e04c118-c7f6-416a-ae8-8e1b1610913f

IP: 95.138.xxx.xxx

2024-10-10 10:22:27 UTC



Peter Haslund Wilhelmsson Tuure

Chair of the meeting

On behalf of: Entertainment Trading A/S

Serial number: a08e63da-ef49-44ae-aea4-7501de660a46

IP: 37.75.xxx.xxx

2024-10-10 11:33:59 UTC



Peter Haslund Wilhelmsson Tuure

Board of Directors

On behalf of: Entertainment Trading A/S

Serial number: a08e63da-ef49-44ae-aea4-7501de660a46

IP: 37.75.xxx.xxx

2024-10-10 11:33:59 UTC



Mark Fjeldal Dalsgaard Nielsen

Board of Directors

On behalf of: Entertainment Trading A/S

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Jonas Busk Tangsgaard

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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IP: 165.225.xxx.xxx

2024-10-11 06:24:33 UTC



Søren Strandgaard Nielsen

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

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