Blazar ApS

Øster Allé 48,5., DK-2100 Copenhagen

Annual Report for 2023

CVR No. 29 82 52 46

The Annual Report was presented and adopted at the Annual General Meeting of the company on 27/6 2024

Christian Francois Vangsted Arnstedt
Chairman of the general meeting

Contents

Management's statement

The Executive Board has today considered and adopted the Annual Report of Blazar ApS for the financial year 1 January - 31 December 2023.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2023 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2023.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Copenhagen, 27 June 2024

Executive Board

Christian Francois Vangsted Arnstedt	Pascar Paw Paramasivam	Vasilij Niiazi Brandt
Michael Anders Segelcke Lunau Thomsen		

Independent Auditor's report

To the shareholders of Blazar ApS

Opinion

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 31 December 2023 and of the results of the Group's and the Parent Company's operations and of consolidated cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Blazar ApS for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows ("the Financial Statements").

Basis for Opinion

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

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

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

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

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of consolidated financial statements 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.

Independent Auditor's report

Auditor’s responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group´s and the Parent Company´s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management’s use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group´s and the Parent Company´s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

- 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.

Independent Auditor's report

Hellerup, 27 June 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Niels Henrik B. Mikkelsen
State Authorised Public Accountant
mne16675

Martin Birch
State Authorised Public Accountant
mne42825

Company information

The Company	Blazar ApS Øster Allé 48,5. 2100 Copenhagen CVR No: 29 82 52 46 Financial period: 1 January - 31 December Incorporated: 1 November 2006 Financial year: 17th financial year Municipality of reg. office: Copenhagen
Executive Board	Christian Francois Vangsted Arnstedt Pascar Paw Paramasivam Vasilij Niiazi Brandt Michael Anders Segelcke Lunau Thomsen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a 4-year period, the development of the Group is described by the following financial highlights:

	Group			
	2023	2022	2021	2020
	TDKK	TDKK	TDKK	TDKK
Key figures				
Profit/loss				
Revenue	150,804	159,557	147,678	116,565
Profit/loss of financial income and expenses	-23,224	-11,560	-34,384	-19,706
Net profit/loss for the year	-55,708	-43,271	-7,702	-31,452
Balance sheet				
Balance sheet total	97,717	145,435	158,265	77,110
Equity	36,121	90,591	110,860	-41,014
Cash flows				
Cash flows from:				
- operating activities	-19,512	-37,127	-14,784	-37,158
- investing activities	-7,348	-24,683	-9,657	-8,135
- financing activities	-2,526	30,363	112,413	20,389
Change in cash and cash equivalents for the year	-29,386	-31,447	87,972	-24,904
Number of employees	78	72	106	71
Ratios				
Gross margin	10.4%	4.4%	-2.7%	0.8%
Profit margin	-20.6%	-19.8%	-23.4%	-16.9%
Return on assets	-31.8%	-21.7%	-21.8%	-25.6%
Solvency ratio	37.0%	62.3%	70.0%	-53.2%
Return on equity	-87.9%	-43.0%	-22.1%	139.8%

As this is the fourth consolidated financial statements with comparative figures for the group, the comparative figures for 2019 has not been stated and are omitted in accordance with the Danish Financial Statements Act, section 128.

Management's review

Key activities

Blazar continues to invest in and operate high-potential brands within consumer e-commerce, B2B, and technology for e-commerce, in some cases in collaboration with high profile talents.

Development in the year

While facing challenges, 2023 saw steady progress across much of the portfolio. Especially, Chamberlain Coffee, Moonboon, Messy Weekend, and Scandinavian Biolabs had a successful year. As many holdings of Blazar are below 50% ownership these are not consolidated into the revenue numbers, and the positive progress of these companies is not reflected in the consolidated numbers in this annual report. Consolidated revenue reached TDKK 150,804, a slight decrease compared to 2022, which is below the expected revenue growth of 10-20%, however significant growth occurred in companies not consolidated including Chamberlain Coffee which saw a revenue growth of 52% in 2023. Consolidated post-tax result stood at TDKK -55,708 which is below the expected improvement of 10% in net income. Total cash flow for 2023 ended at TDKK -29,386 which is a result of continued investments in brand awareness and future growth.

Blazar expects to invest further in current and new potential cases.

Unusual conditions: Nordgreen restructuring

Nordgreen faced challenges, hence Nordgreen will undergo a restructuring in 2024. Total investment value of TDKK 26,253 was written off in the parent company Blazar ApS.

Regarding measurement and recognition of capital shares, Nordgreen capital share has been written off in Blazar's financial statements. In the consolidated financial statement Nordgreen has been written down to independent broker's valuation of the assets which is the most recent indication of the value of the assets, however this write down is subject to uncertainty. The liabilities of TDKK 30,120 relating to Nordgreen is reflected in the consolidated statement, however these are expected to drop significantly in 2024, as restructuring is completed.

External environment

Inflation and geopolitical events impacted consumer behaviour slowing growth.

Environmental and Social Responsibility

The different brands owned by Blazar have different practices, as they operate in different markets and have different supply chains etc.

The brands have different effects on the external environment. As the companies within the group are mostly operating within e-commerce, they are assessed not to have a significant negative effect on the external environment. Blazar has previously consulted external experts and connected theses with the portfolio companies.

Intellectual capital resources

E-commerce industry experience supports portfolio companies in marketing, sales, supply chain, tech and finance.

New Initiatives

Streamlining portfolio and investing in current and new companies.

Management's review

Outlook

Plans for 2024 involve optimizing the portfolio for a higher degree of profitability across several portfolio brands, reassessing sales channels, and focusing on cost efficiency. In 2024 ownership share of Messy Weekend will drop below 50% meaning the company will not be consolidated. Furthermore, Nordgreen restructuring is expected to lead to a lower revenue in 2024. As a result, consolidated revenue growth projected at -20%-(-30%) with a net margin of -15%-(-25%). Companies that are not consolidated is expected to grow revenue significantly and improve profitability in 2024.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 December 2023 of the Group and the results of the activities and cash flows of the Group for the financial year for 2023 have not been affected by any unusual events.

Subsequent events

Nordgreen has gone into restructuring in 2024 resulting in the impact described above.

No other material events affecting the Annual Report occurred as of the balance sheet date.

Income statement 1 January - 31 December

		Group		Parent company	
	Note	2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Revenue		150,804	159,557	3,114	4,728
Work on own account recognised in assets		2,190	889	0	0
Other operating income		916	0	130	0
Expenses for raw materials and consumables		-55,277	-51,063	-196	-67
Other external expenses		-82,950	-102,350	-4,571	-5,855
Gross profit		**15,683**	**7,033**	**-1,523**	**-1,194**
Staff expenses	1	-44,561	-37,440	-7,315	-6,206
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment	2	-2,236	-1,166	-105	-57
Profit/loss before financial income and expenses		**-31,114**	**-31,573**	**-8,943**	**-7,457**
Income from investments in subsidiaries		0	0	-26,565	0
Income from investments in associates		-19,005	-7,760	-448	-432
Financial income	3	2,100	210	1,467	732
Financial expenses	4	-6,319	-4,010	-2,311	-2,379
Profit/loss before tax		**-54,338**	**-43,133**	**-36,800**	**-9,536**
Tax on profit/loss for the year	5	-1,370	-138	0	0
Net profit/loss for the year	6	**-55,708**	**-43,271**	**-36,800**	**-9,536**

Balance sheet 31 December

Assets

	Note	Group		Parent company	
		2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Completed development projects		2,635	2,659	0	0
Goodwill		6,890	7,839	0	0
Intangible assets	7	**9,525**	**10,498**	**0**	**0**
Other fixtures and fittings, tools and equipment		556	95	0	0
Leasehold improvements		112	165	0	105
Property, plant and equipment	8	**668**	**260**	**0**	**105**
Investments in subsidiaries	9	0	0	74,053	76,500
Investments in associates	10	4,671	15,536	1,740	1,823
Other investments	11	9,198	7,345	8,898	7,045
Deposits	11	792	884	677	654
Fixed asset investments		**14,661**	**23,765**	**85,368**	**86,022**
Fixed assets		**24,854**	**34,523**	**85,368**	**86,127**
Inventories	12	**21,572**	**32,502**	**0**	**0**
Trade receivables		11,310	9,113	386	1,696
Receivables from group enterprises		0	0	5,725	11,470
Receivables from associates		1,760	0	0	0
Other receivables		874	1,984	1,013	542
Prepayments	13	1,045	1,625	0	0
Receivables		**14,989**	**12,722**	**7,124**	**13,708**
Cash at bank and in hand		**36,302**	**65,688**	**30,035**	**59,180**
Current assets		**72,863**	**110,912**	**37,159**	**72,888**
Assets		**97,717**	**145,435**	**122,527**	**159,015**

Balance sheet 31 December

Liabilities and equity

		Group		Parent company	
	Note	2023	2022	2023	2022
		TDKK	TDKK	TDKK	TDKK
Share capital		1,185	1,179	1,185	1,179
Reserve for exchange rate conversion		821	-387	0	0
Retained earnings		36,218	91,191	120,276	157,076
Equity attributable to shareholders of the Parent Company		**38,224**	**91,983**	**121,461**	**158,255**
Minority interests		-2,103	-1,392	0	0
Equity		**36,121**	**90,591**	**121,461**	**158,255**
Other payables		12,755	13,157	0	0
Long-term debt	14	**12,755**	**13,157**	**0**	**0**
Credit institutions		8,296	10,405	0	0
Trade payables		18,981	17,980	387	403
Payables to owners and Management		12	12	12	12
Corporation tax		1,349	0	0	0
Deposits		54	0	54	0
Other payables	14	17,084	12,015	613	345
Deferred income	15	3,065	1,275	0	0
Short-term debt		**48,841**	**41,687**	**1,066**	**760**
Debt		**61,596**	**54,844**	**1,066**	**760**
Liabilities and equity		**97,717**	**145,435**	**122,527**	**159,015**

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Statement of changes in equity

Group

	Share capital	Reserve for exchange rate conversion	Retained earnings	Equity excl. minority interests	Minority interests	Total
	TDKK	TDKK	TDKK	TDKK	TDKK	TDKK
Equity at 1 January	1,179	-387	91,191	91,983	-1,392	90,591
Exchange adjustments	0	1,208	0	1,208	0	1,208
Cash capital increase	6	0	0	6	0	6
Other equity movements	0	0	24	24	0	24
Net profit/loss for the year	0	0	-54,997	-54,997	-711	-55,708
Equity at 31 December	**1,185**	**821**	**36,218**	**38,224**	**-2,103**	**36,121**

Parent company

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	1,179	157,076	158,255
Cash capital increase	6	0	6
Net profit/loss for the year	0	-36,800	-36,800
Equity at 31 December	**1,185**	**120,276**	**121,461**

Cash flow statement 1 January - 31 December

	Note	Group 2023	Group 2022
		TDKK	TDKK
Result of the year		-55,708	-43,271
Adjustments	16	28,062	12,610
Change in working capital	17	12,353	-2,657
Cash flow from operations before financial items		**-15,293**	**-33,318**
Financial income		2,100	188
Financial expenses		-6,319	-3,997
Cash flows from operating activities		**-19,512**	**-37,127**
Purchase of intangible assets		-1,127	-7,560
Purchase of property, plant and equipment		-544	-180
Fixed asset investments made etc		-5,839	-16,992
Dividends received from associates		162	49
Cash flows from investing activities		**-7,348**	**-24,683**
Repayment of loans from credit institutions		-2,109	0
Repayment of other long-term debt		-402	0
Raising of loans from credit institutions		0	2,540
Raising of other long-term debt		0	4,729
Cash capital increase		6	23,094
Other equity entries		-21	0
Cash flows from financing activities		**-2,526**	**30,363**
Change in cash and cash equivalents		**-29,386**	**-31,447**
Cash and cash equivalents at 1 January		65,688	97,135
Cash and cash equivalents at 31 December		**36,302**	**65,688**
Cash and cash equivalents are specified as follows:			
Cash at bank and in hand		36,302	65,688
Cash and cash equivalents at 31 December		**36,302**	**65,688**

Notes to the Financial Statements

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
1. Staff Expenses				
Wages and salaries	41,286	35,822	7,045	6,005
Pensions	1,025	467	0	0
Other social security expenses	1,232	613	101	120
Other staff expenses	1,018	538	169	81
	44,561	**37,440**	**7,315**	**6,206**
Including remuneration to the Executive Board:				
Executive board	4,531	2,302	3,765	1,945
	4,531	**2,302**	**3,765**	**1,945**
Average number of employees	**78**	**72**	**14**	**14**

The Parent Company has provided warrant programmes for selected employees and executive management in group enterprises. The number of warrants issued are 62,314 warrants (nominal share capital DKK 62,314). The exercise price has been determined individually for each warrant agreement.

The maturity period varies from 4-10 years from the time of granting and programmes have been granted from 2017 and onwards.

Warrant programmes have also been provided for subsidiaries. Information in regard to these programmes have been disclosed in the respective Financial Statements.

Incentive programmes are not recognised in the Financial Statements.

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
2. Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment				
Amortisation of intangible assets	2,100	1,067	0	0
Depreciation of property, plant and equipment	136	99	105	57
	2,236	**1,166**	**105**	**57**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
3. Financial income				
Income from securities, which are fixed assets	287	150	287	150
Interest received from group enterprises	0	0	516	574
Other financial income	1,813	60	664	8
	2,100	**210**	**1,467**	**732**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
4. Financial expenses				
Impairment losses on financial assets	125	0	125	0
Other financial expenses	6,194	4,010	2,186	2,379
	6,319	**4,010**	**2,311**	**2,379**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
5. Income tax expense				
Current tax for the year	1,370	0	0	0
Deferred tax for the year	0	138	0	0
	1,370	**138**	**0**	**0**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
6. Profit allocation				
Minority interests' share of net profit/loss of subsidiaries	-711	-4,992	0	0
Retained earnings	-54,997	-38,279	-36,800	-9,536
	-55,708	**-43,271**	**-36,800**	**-9,536**

7. Intangible fixed assets
Group

	Completed development projects	Goodwill
	TDKK	TDKK
Cost at 1 January	10,051	9,421
Additions for the year	1,127	0
Cost at 31 December	11,178	9,421
Impairment losses and amortisation at 1 January	7,392	1,582
Impairment losses for the year	324	0
Amortisation for the year	827	949
Impairment losses and amortisation at 31 December	8,543	2,531
Carrying amount at 31 December	**2,635**	**6,890**
Amortised over	5 years	10 years

Development projects relate to the development of new versions of one Company in the Groups existing software and mechanical products. The projects are progressing according to plan through the use of the resources allocated by Management to the development. The internal projects is expected to be utilised in the Group's operations and contribute to efficiency and improve margins in the Group's business activities. The cost is recognised at cost at the date of acquisition, and subsequently amortised on a straight-line basis.

8. Property, plant and equipment
Group

	Other fixtures and fittings, tools and equipment	Leasehold improve-ments
	TDKK	TDKK
Cost at 1 January	617	383
Additions for the year	492	52
Cost at 31 December	1,109	435
Impairment losses and depreciation at 1 January	522	218
Depreciation for the year	31	105
Impairment losses and depreciation at 31 December	553	323
Carrying amount at 31 December	**556**	**112**
Amortised over	5 years	5 years

	Parent company	
	2023	2022
	TDKK	TDKK

9. Investments in subsidiaries

	2023 TDKK	2022 TDKK
Cost at 1 January	76,500	31,620
Additions for the year	23,138	44,880
Cost at 31 December	99,638	76,500
Other adjustments	-25,585	0
Value adjustments at 31 December	-25,585	0
Carrying amount at 31 December	**74,053**	**76,500**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Ownership
Nordgreen ApS	Copenhagen	180,565	73.3%
Messy Weekend ApS	Copenhagen	149,663	54.9%
Scandinavian Biolabs ApS	Copenhagen	3,141,350	87%
DreamInfluencers ApS	Copenhagen	80,000	100%
Blazar Elite ApS	Copenhagen	1,000,000	100%
Blazar Elite Inc.	Los Angeles, CA	33,624,473	100%
Messy Weekend Inc.	Los Angeles, CA	674	54.9%

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

10. Investments in associates

	Group 2023 TDKK	Group 2022 TDKK	Parent company 2023 TDKK	Parent company 2022 TDKK
Cost at 1 January	27,574	12,731	2,370	2,380
Exchange adjustment	0	775	0	0
Additions for the year	4,207	14,368	750	290
Disposals for the year	-833	-300	-833	-300
Cost at 31 December	30,948	27,574	2,287	2,370
Value adjustments at 1 January	-12,038	-4,100	-547	-367
Exchange adjustment	47	-556	0	0
Net profit/loss for the year	-17,575	-6,553	0	0
Dividends received	-162	-49	0	0
Revaluations for the year, net	0	0	0	-180
Other equity movements, net	97	-352	0	0
Amortisation of goodwill	-870	-820	0	0
Reversals for the year of revaluations in previous years	0	392	0	0
Value adjustments at 31 December	-30,501	-12,038	-547	-547
Equity investments with negative net asset value amortised over receivables	4,224	0	0	0
Carrying amount at 31 December	**4,671**	**15,536**	**1,740**	**1,823**
Positive differences arising on initial measurement of associates at net asset value	9,349	6,769	0	0
Remaining positive difference included in the above carrying amount at	7,799	5,860	0	0

Investments in associates are specified as follows:

Name	Place of registered office	Share capital	Ownership
Blid ApS	Copenhagen	2,255,639	33.25%
O'tay ApS	Odense	4,790,232	20%
Chamberlain Coffee Inc.	Los Angeles, CA	37,164,979	31.85%
Algorize ApS	Copenhagen	3,373,805	25%

Notes to the Financial Statements

Name	Place of registered office	Share capital	Ownership
Errant ApS	Aalborg	643,122	20%
Mercive ApS	Copenhagen	2,192,429	40%
Koatji Inc.	Los Angeles, CA	3,456,858	33.2%
Selvtid ApS	Copenhagen	635,079	20%

11. Other fixed asset investments

	Group		Parent company	
	Other investments	Deposits	Other investments	Deposits
	TDKK	TDKK	TDKK	TDKK
Cost at 1 January	7,345	884	7,045	654
Additions for the year	2,438	23	2,438	23
Disposals for the year	-585	-115	-585	0
Cost at 31 December	9,198	792	8,898	677
Carrying amount at 31 December	**9,198**	**792**	**8,898**	**677**

12. Inventories

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Raw materials and consumables	588	706	0	0
Finished goods and goods for resale	19,406	30,939	0	0
Prepayments for goods	1,578	857	0	0
	21,572	**32,502**	**0**	**0**

13. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

14. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK
Other payables				
After 5 years	0	0	0	0
Between 1 and 5 years	12,755	13,157	0	0
Long-term part	12,755	13,157	0	0
Other short-term payables	17,084	12,015	613	345
	29,839	**25,172**	**613**	**345**

15. Deferred income

Deferred income consists of payments received in respect of income in subsequent years.

16. Cash flow statement - Adjustments

	Group	
	2023	2022
	TDKK	TDKK
Financial income	-2,100	-210
Financial expenses	6,319	4,010
Depreciation, amortisation and impairment losses, including losses and gains on sales	2,236	1,166
Income from investments in associates	19,005	7,760
Tax on profit/loss for the year	1,370	138
Exchange adjustments	1,208	-1,118
Other adjustments	24	864
	28,062	**12,610**

	Group 2023	Group 2022
	TDKK	TDKK
17. Cash flow statement - Change in working capital		
Change in inventories	10,930	-32,502
Change in receivables	-6,491	24,316
Change in trade payables, etc	7,914	19,939
Other changes in working capital	0	-14,410
	12,353	**-2,657**

18. Contingent assets, liabilities and other financial obligations

Charges and security

The following assets have been placed as security with bankers:

Mortgage of shares in investments has been placed as security for investment's loans towards EIFO.

Nordgreen ApS has registered floating company charge totalling TDKK 7.615 providing security on trade receivables, inventory, goodwill, intangible assets as well as property, plant and equipment.

Scandinavian Biolabs ApS has registered floating company charge totalling TDKK 5.805 providing security on trade receivables, inventory, goodwill, intangible assets as well as property, plant and equipment.

DreamInfluencers ApS has registered floating company charge totalling TDKK 2.343 providing security on trade receivables, inventory, goodwill, intangible assets as well as property, plant and equipment.

Messy Weekend ApS has registered floating company charge totalling TDKK 14.383 providing security on trade receivables, inventory, goodwill, intangible assets as well as property, plant and equipment.

Rental and lease obligations

	Group 2023	Group 2022	Parent company 2023	Parent company 2022
	TDKK	TDKK	TDKK	TDKK
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	1,342	1,321	289	1,321
Between 1 and 5 years	420	0	0	0
	1,762	**1,321**	**289**	**1,321**

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

18. Contingent assets, liabilities and other financial obligations

Guarantee obligations

	Group 2023 TDKK	Group 2022 TDKK	Parent company 2023 TDKK	Parent company 2022 TDKK
Blazar ApS has placed surety for Nordgreen ApS totalling:	11,000	11,000	11,000	11,000
Blazar ApS has issued support to Copenhagen Cartel ApS totalling	0	363	0	363
Blazar ApS has placed surety for DreamInfluencers ApS totalling:	1,500	1,200	1,500	1,200
Blazar ApS has placed surety for Scandinavian Biolabs ApS totalling:	1,168	1,168	1,168	1,168
Blazar ApS has placed surety for Moonboon International ApS totalling:	282	282	282	282
Blazar ApS has placed surety for Messy Weekend ApS totalling:	1,101	0	1,101	0
Blazar ApS has placed surety for Blid Care totalling:	500	0	500	0
Blazar ApS has placed surety for Tickrmeter totalling:	50	0	50	0

	Group		Parent company	
	2023	2022	2023	2022
	TDKK	TDKK	TDKK	TDKK

18. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

Blazar ApS has issued letter of financial support to Scandinavian Biolabs ApS stating that to the extent possible they will extend existing loans and loans will not be called unless the liquidity position of the entity is adequate to justify such repayment. The Letter of financial support is effective for the entity to be able to continue to operate as a going concern until 31 December 2024, unless other certain corporate law transactions take place before.

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable by the Group amounts to DKK 1,349,250. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Group's liability.

Bonus plans
Blazar ApS has signed a cash bonus plans with key employees.

The total bonus plan liability if all bonus targets are met and bonuses are paid out is TDKK 1,020.

19. Related parties

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

There have not been any transaction not made on an arm's length basis.

Notes to the Financial Statements

20. Accounting policies

The Annual Report of Blazar ApS for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2023 are presented in TDKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Blazar ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Minority interests

Minority interests form part of the Group's total equity. Upon distribution of net profit, net profit is broken down on the share attributable to minority interests and the share attributable to the shareholders of the Parent Company. Minority interests are recognised on the basis of a remeasurement of acquired assets and liabilities to fair value at the time of acquistition of subsidiaries.

Minority interests are initially measured at their proportionate share of the fair value of the acquired entity's identifiable net assets. In this way, only goodwill related to the Parent Company's share of the entity acquired is recognised.

On subsequent changes to minority interests where the Group retains control of the subsidiary, the consideration is recognised directly in equity.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Notes to the Financial Statements

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Incentive schemes

The value of share-based payment, including share option and warrant plans that do not involve an outflow of cash and cash equivalents, offered to the Executive Board and a number of senior employees is not recognised in the income statement. The most significant conditions of the share option plans are disclosed in the notes.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve the consolidated revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Notes to the Financial Statements

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Group, including gains and losses on the sale of intangible assets and property, plant and equipment.

Income from investments in subsidiaries and associates

Parent

Dividends from subsidiaries, associates and participating interests are recognised as income in the income statement when adopted at the General Meeting of the companies. However, dividends relating to earnings in the companies before they were acquired by the Parent Company are set off against the cost of the companies.

Group

The item “Income from investments in associates” in the income statement includes the proportionate share of the profit for the year.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with its Danish subsidiaries. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Notes to the Financial Statements

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 10 years, determined on the basis of Management's experience with the individual business areas.

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 5 year.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	5 years
Leasehold improvements	5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

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

If so, the asset is written down to its lower recoverable amount.

Notes to the Financial Statements

Investments in subsidiaries and associates

Parent

Investments in subsidiaries, associates and participating interests are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

Group

Investments in associates are recognised and measured under the equity method. The item “Investments in associates” in the balance sheet includes the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in associates is transferred upon distribution of profit to “Reserve for net revaluation under the equity method“ under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the associates.

Associates with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Fixed asset investments

Fixed asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Other fixed asset investments

Other fixed asset investments consist of depostis.

Inventories

Inventories are measured at the lower of cost based on weighted average prices and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company´s experience from previous years.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Notes to the Financial Statements

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Cash Flow Statement

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

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Notes to the Financial Statements

Cash and cash equivalents

Cash and cash equivalents comprise ”Cash at bank and in hand” and ”Overdraft facilities”.

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Gross margin	Gross profit x 100 / Revenue
Profit margin	Profit/loss of ordinary primary operations x 100 / Revenue
Return on assets	Profit/loss of ordinary primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity