

# MUSIC Tribe Brands DK A/S

H.C. Andersens Boulevard 38 3 th, 1553 København V  
CVR no. 32 56 96 33

## Annual report for 2023

Årsrapporten er godkendt på den  
ordinære generalforsamling, d. 20.06.24

Santria  
Dirigent



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**The company**

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MUSIC Tribe Brands DK A/S  
c/o TMF Denmark A/S  
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1553 København V  
Tel.: 89 88 28 67  
Website: [www.musictribe.com](http://www.musictribe.com)  
Registered office: København V  
CVR no.: 32 56 96 33  
Financial year: 01.01 - 31.12

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**Executive Board**

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Director Santria

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**Board of Directors**

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Ulrich Bernhard Behringer  
Casper Nørklit Thingholm  
Director Santria

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**Auditors**

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Beierholm  
Statsautoriseret Revisionspartnerselskab

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## **Statement by the Executive Board and Board of Directors on the annual report**

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We have on this day presented the annual report for the financial year 01.01.23 - 31.12.23 for MUSIC Tribe Brands DK A/S.

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

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.23 and of the results of the company's activities for the financial year 01.01.23 - 31.12.23.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Copenhagen, June 11, 2024

### **Executive Board**

Santria  
Director

### **Board of Directors**

Ulrich Bernhard Behringer  
Chairman

Casper Nørklit Thingholm

Santria  
Director

**To the shareholder of MUSIC Tribe Brands DK A/S****Opinion**

We have audited the financial statements of MUSIC Tribe Brands DK A/S for the financial year 01.01.23 - 31.12.23, which comprise income statement, balance sheet, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion the financial statements give a true and fair view of the company's financial position at 31.12.23 and of the results of the company's operations for the financial year 01.01.23 - 31.12.23 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 financial statements" section of our report. We are independent of the company 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 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, it is our responsibility 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, 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.

**Management's responsibilities for the financial statements**

Management is responsible for the preparation of 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 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 company or to cease operations, or has no realistic alternative but to do so.

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

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment 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 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 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 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.

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

Aarhus, June 11, 2024

**Beierholm**

Statsautoriseret Revisionspartnerselskab  
CVR no. 32 89 54 68

Helle Damsgaard Jensen

State Authorized Public Accountant  
MNE-no. mne33690

**Primary activities**

The company develops products for performing artists and the professional audio market.

**Development in activities and financial affairs**

The income statement for the period 01.01.23 - 31.12.23 shows a profit/loss of DKK -14,078k against DKK -1,491k for the period 01.01.22 - 31.12.22. The balance sheet shows equity of DKK 245,362k.

The management considers the net profit for the year to be satisfactory.

**Subsequent events**

No important events have occurred after the end of the financial year.



## Income statement

Note	2023 DKK '000	2022 DKK '000
	<b>43,331</b>	<b>26,522</b>
1 Staff costs	-36,447	-35,989
	<b>6,884</b>	<b>-9,467</b>
Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	-5,589	-7,560
	<b>1,295</b>	<b>-17,027</b>
Financial income	1,728	16,489
Financial expenses	-16,733	0
	<b>-13,710</b>	<b>-538</b>
Tax on loss for the year	-368	-953
	<b>-14,078</b>	<b>-1,491</b>
<b>Proposed appropriation account</b>		
Retained earnings	-14,078	-1,491
	<b>-14,078</b>	<b>-1,491</b>

<b>ASSETS</b>		31.12.23	31.12.22
Note		DKK '000	DKK '000
	Completed development projects	165	420
2	<b>Total intangible assets</b>	<b>165</b>	<b>420</b>
	Land and buildings	81,433	85,941
	Plant and machinery	1,005	1,555
3	<b>Total property, plant and equipment</b>	<b>82,438</b>	<b>87,496</b>
	<b>Total non-current assets</b>	<b>82,603</b>	<b>87,916</b>
	Trade receivables	23	1,127
	Receivables from group enterprises	185,412	194,717
	Deferred tax asset	0	368
	Other receivables	110	4,986
	Prepayments	37	37
	<b>Total receivables</b>	<b>185,582</b>	<b>201,235</b>
	<b>Cash</b>	<b>2,099</b>	<b>911</b>
	<b>Total current assets</b>	<b>187,681</b>	<b>202,146</b>
	<b>Total assets</b>	<b>270,284</b>	<b>290,062</b>

<b>EQUITY AND LIABILITIES</b>		31.12.23	31.12.22
		DKK '000	DKK '000
Note			
	Contributed capital	700	700
	Retained earnings	244,662	258,740
	<b>Total equity</b>	<b>245,362</b>	<b>259,440</b>
	Trade payables	141	2,009
	Payables to group enterprises	18,663	18,183
	Other payables	6,118	10,430
	<b>Total short-term payables</b>	<b>24,922</b>	<b>30,622</b>
	<b>Total payables</b>	<b>24,922</b>	<b>30,622</b>
	<b>Total equity and liabilities</b>	<b>270,284</b>	<b>290,062</b>

4 Contingent liabilities

5 Related parties

## Statement of changes in equity

Figures in DKK '000	Contributed capital	Retained earnings	Total equity
Statement of changes in equity for 01.01.23 - 31.12.23			
Balance as at 01.01.23	700	258,740	259,440
Net profit/loss for the year	0	-14,078	-14,078
Balance as at 31.12.23	700	244,662	245,362

	2023 DKK '000	2022 DKK '000
<b>1. Staff costs</b>		
Wages and salaries	33,054	33,214
Pensions	3,300	2,747
Other social security costs	93	28
<b>Total</b>	<b>36,447</b>	<b>35,989</b>
Average number of employees during the year	53	49

**2. Intangible assets**

Figures in DKK '000	Completed development projects
Cost as at 01.01.23	315,191
Disposals during the year	-19
Cost as at 31.12.23	315,172
Amortisation and impairment losses as at 01.01.23	-314,771
Amortisation during the year	-236
Amortisation and impairment losses as at 31.12.23	-315,007
Carrying amount as at 31.12.23	165

Completed development projects relate to the development of products within the company's core business. The projects are progressing according to plan through the use of resources allocated by Management to the development. The products are expected to be sold in present market to the group's existing customers.

### 3. Property, plant and equipment

Figures in DKK '000	Land and buildings	Plant and machinery
Cost as at 01.01.23	100,893	11,307
Additions during the year	0	295
Cost as at 31.12.23	100,893	11,602
Depreciation and impairment losses as at 01.01.23	-14,953	-9,752
Depreciation during the year	-4,507	-845
Depreciation and impairment losses as at 31.12.23	-19,460	-10,597
Carrying amount as at 31.12.23	81,433	1,005

### 4. Contingent liabilities

#### *Other contingent liabilities*

The company is taxed jointly with the other Danish companies in the group and has joint, several and unlimited liability for income taxes and any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed companies. The total tax liability for the jointly taxed companies at the balance sheet date has not yet been determined. For further information, please see the financial statements of the management company Music Tribe Innovation DK A/S.

The company has no contingent liabilities as at 31.12.23.

### 5. Related parties

The company is included in the consolidated financial statements of the parent Music Tribe Innovation DK A/S.

## 6. Accounting policies

### GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

### CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

**6. Accounting policies** - continued -**INCOME STATEMENT****Gross profit**

Gross profit comprises revenue and raw materials and consumables and other external expenses.

**Revenue**

Income from the sale of services is recognised in the income statement as delivery takes place (delivery method). Revenue is measured at the selling value of the agreed consideration exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

**Costs of raw materials and consumables**

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

**Other external expenses**

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

**Staff costs**

Staff costs comprise wages and salaries as well as other staff-related costs.

**Depreciation, amortisation and impairment losses**

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:



**6. Accounting policies** - continued -

	Useful lives, years	Residual value DKK '000
Completed development projects	3-8	
Buildings	20	0
Plant and machinery	3-5	0

Land is not depreciated.

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

**Other net financials**

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

**Tax on profit/loss for the year**

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

**6. Accounting policies** - continued -**BALANCE SHEET****Intangible assets***Completed development projects*

Development projects are recognised in the balance sheet where the project aims at developing a specific product or a specific process, intended to be produced or used, respectively, by the company in its production process. On initial recognition, development projects are measured at cost. Cost comprises the purchase price plus expenses resulting directly from the purchase, including wages and salaries directly attributable to the development projects until the asset is ready for use. Interest on loans arranged to finance development projects in the development period is not included in the cost. Other development projects and development costs are recognised in the income statement in the year in which they are incurred.

Development projects are subsequently measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Completed development projects are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

Gains or losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

**Property, plant and equipment**

Property, plant and equipment comprise land and buildings og plant and machinery.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

The total cost of an asset is decomposed into separate components that are depreciated separately if the useful lives of the individual components vary.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and

**6. Accounting policies** - continued -

impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

**Impairment losses on fixed assets**

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

**Receivables**

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

**Prepayments**

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

## 6. Accounting policies - continued -

### Cash

Cash includes deposits in bank account.

### Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

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

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

### Payables

Short-term financial payables are measured at amortised cost, normally corresponding to the nominal value of such payables. Other short-term payables are measured at net realisable value.