Deloitte.

BLAST ApS

Hauser Plads 1, 3.
1127 Copenhagen
CVR No. 38074466

Annual report 2023

The Annual General Meeting adopted the annual report on 28.06.2024

Tom Greene
Chairman of the General Meeting

Contents

Entity details

Entity

BLAST ApS
Hauser Plads 1, 3.
1127 Copenhagen

Business Registration No.: 38074466
Registered office: Copenhagen
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

René Efraim Rechtman, chairman
Jimmy Fussing Nielsen
Erik Balck Sørensen
Johan Harald Gedda
Robert Marc Douek

Executive Board

Robert Marc Douek, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of BLAST ApS for the financial year 01.01.2023 - 31.12.2023.

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

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 28.06.2024

Executive Board

Robert Marc Douek
CEO

Board of Directors

René Efraim Rechtman
chairman

Jimmy Fussing Nielsen

Erik Balck Sørensen

Johan Harald Gedda

Robert Marc Douek

Independent auditor's report

To the shareholders of BLAST ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of BLAST ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 financial statements" section of this auditor’s 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.

Management's responsibilities for the consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Entity’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 consolidated financial statements and the parent 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 Entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements and the parent 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent 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 commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 28.06.2024

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Mads Fauerskov
State Authorised Public Accountant
Identification No (MNE) mne35428

Kasper Pagter Gjerløv
State Authorised Public Accountant
Identification No (MNE) mne50622

Management commentary

Financial highlights

	2023 EUR'000	2022 EUR'000	2021 EUR'000
Key figures			
Revenue	72,566	31,631	13,470
Gross profit/loss	15,088	(728)	(6,396)
Operating profit/loss	1,385	(9,796)	(12,809)
Net financials	(2,529)	(1,156)	128
Profit/loss for the year	(2,194)	(11,576)	(12,701)
Balance sheet total	44,205	26,797	22,603
Investments in property, plant and equipment	1,949	3,734	2,994
Equity	4,336	(4,892)	6,892
Cash flows from operating activities	1,954	(7,898)	(8,119)
Cash flows from investing activities	(2,233)	(5,505)	(2,391)
Cash flows from financing activities	9,422	12,065	14,017
Ratios			
Gross margin (%)	20.79	(2.30)	(47.48)
Net margin (%)	(3.02)	(36.60)	(94.29)
Equity ratio (%)	9.81	(18.26)	30.49

As a result of 2022 being the group's first year in accounting class C, there are no other comparative figures in the main and key figures overview.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Gross margin (%):
$$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$$

Net margin (%):
$$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$$

Equity ratio (%):
$$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$$

Primary activities

BLAST ApS ("BLAST" or "the Company") is a global esports and technology company, delivering world-class entertainment experiences in person and online. Whether it is intimate broadcast studio shows, arena events, digital platforms or top-class multi-platform content, BLAST creates the most exciting, exhilarating and euphoric moments in esports.

BLAST owns BLAST Premier, a worldwide Counter-Strike year-long tournament where the best teams and brightest stars fight it out to be crowned champions. This is broadcast around the world and fully commercialised through media rights, sponsorship, ticketing and other revenue lines. In 2023, BLAST Premier had 12 Member Teams who played in the 7 yearly tournaments alongside additional top-tier teams that emerged through qualification tournaments.

Alongside BLAST Premier, BLAST hosted the BLAST.tv Counter-Strike Major, which saw top teams from around the world competing through a series of regional qualifiers and cumulated in a 4-day final in Paris. The Major was also fully commercialised by BLAST.

In Fortnite, BLAST continued its partnership with EPIC Games and ran the FNCS ecosystem throughout 2023, including three month-long online tournaments and 1 live arena tournament.

Furthermore, BLAST launched BLAST R6, a multi-year partnership with Ubisoft to run the official competitive ecosystem for Rainbow 6 under the BLAST brand. The partnership includes regional qualifiers, arena-based Majors and Six Invitationals. BLAST and Ubisoft jointly commercialise the ecosystem.

BLAST.tv, launched in late 2022, is a consumer-facing platform that allows users to stream live BLAST esports, watch VOD content, interact with other fans and immerse themselves in BLAST events and content. BLAST.tv is a home for our fans and all esports fans to engage with esports in an always-on capacity.

Development in activities and finances

BLAST Premier revenue increased, driven by growth in Brand Commercial revenue. Sponsorship, Media Rights and host city payments continued to be key contributors of revenue.

FNCS revenue grew due to increase in the scope and specification of the tournaments.

BLAST.tv Counter-Strike Major and BLAST R6 represented new sources of revenue for the company and were both of significant scale. In both cases, our revenue included Sponsorship, Media Rights, tickets/merchandise and a share of in-game item sales. For BLAST R6, we also received a production fee from Ubisoft.

Cost of Sales growth was attributable to the Company's growth and the execution of a greater number of tournaments and broadcast hours. Gross Margin improved due to growth in commercialisation value and improved operating efficiency.

Capital expenditure investments were made into our Copenhagen studio and broadcast technology equipment. These investments enabled BLAST to increase production volume and specification. Capital expenditure investments were also made into the continued development of the BLAST.tv consumer platform. We built new streaming capabilities, interactive features and native mobile apps.

Liquidity
In 2023, BLAST secured new equity investment and cancelled shares, netting €11,5 m in incremental new equity. The cash position at the end of 2023 was €18.1m . It is management's assessment that BLAST has sufficient liquidity to continue operations in FY24 and beyond.

Merger of Blast ApS and Blast Tech ApS
Blast ApS have retroactively merged with Blast Tech ApS as of January 1, 2023 with Blast ApS as the receiving entity to concentrate the activity in Blast ApS. For description of the treatment of the merger accounting wise we refer to the accounting policies for business combinations.

Profit/loss for the year in relation to expected developments

Operating profit was positive and net loss narrowed significantly in 2023. Gross profit margin increased significantly, driven primarily by growth in Brand Commercial and Consumer revenue, which came at very low incremental cost. Gross profit from production fees also made a strong contribution, driven by attractive margin profile of productions. Operating costs as % of revenue decreased due to strong cost discipline and operating efficiencies across multiple tournaments. Net loss was €2.2m, compared to expectation of a €5-8m loss, due to higher than expected revenue and stronger operating performance.

Uncertainty relating to recognition and measurement

The Company invests in its studio, broadcast equipment and in the development of BLAST.tv. Expenses in the development phase of BLAST.tv are capitalised at cost on initial recognition and are valued on an ongoing basis by management.

Management assesses the expected future value and profitability of our studio operations, broadcast technology and BLAST.tv platform. An impairment loss is recognised if management estimates that the future value or cash flow contribution is less than the value of the capitalised value.

Outlook

In 2024, BLAST will begin a 4-year partnership with EPIC Games covering both Fortnite and Rocket League, a partnership with Riot Games covering Berlin studio broadcasts on League of Legends and Valorant, and will launch tournaments in DOTA 2 by late 2024. BLAST will occupy a strong position in seven of the largest esports ecosystems globally. The increased output, delivered in a more efficient way with increased commercialisation will drive revenue growth and improved profitability.

Overall, BLAST expects to continue strong revenue growth and profitability profile. The increased operating efficiency will result in improved profitability for each ecosystem. Capital Expenditures will be comparable to 2023 as the Company will continue to invest in its studio, production technology and BLAST.tv. BLAST expects a loss in the range of 4-6 m.EUR for the year of 2024.

Globally, esports audience base is forecasted to grow at an annual rate of 8.1% to 2025, reaching 641 million; industry revenue is forecast to grow at an annual rate of 13.4% to 2025, reaching $1.9 billion.
BLAST's long-term focus is to strategically enter new games and geographic markets where there are commercially viable opportunities to build coherent, exciting and commercial ecosystems. As this grows our output, we remain focused on scaling our operations in a cost-effective and scalable way.

Risks relating to foreign exchange rates and interest rates
BLAST is exposed to risks from movements in exchange and interest rates.

Exchange risk: BLAST's reporting currency is the EUR and we did not hedge exchange rate risks. In 2023, we had meaningful exposure to DKK and USD. DKK was pegged to EUR. USD revenues exceeded USD costs. For 2024, we expect to have net exposure to DKK, USD, GBP and CAD currencies and will look to mitigate the potential impact of exchange rate movements.

Interest rates risk: interest rate risk primarily results from changes in market interest rates impacting BLAST's floating-rate interest liabilities, which amounts to approx €3.1 million. The floating rate is determined at CIBOR + fixed spread. Blast does not use any instruments to hedge against changes in interest rates.

Knowledge resources
The Company's principal assets in terms of knowledge resources consist of its workforce and accumulated experience in the development and broadcasting of online, studio and arena esports events.

BLAST has in-housed all of its broadcast technology stack, a unique move in the esports industry, and made investments in industry leading technology and equipment that allow for premium, 4K experiences.

In parallel the Company has made significant investment in a competitive esports studio that offers space for live audiences and can accommodate multiple events simultaneously.

Finally BLAST.tv constitutes the go-to, D2C platform in esports, offering a revolutionizing viewing experience to consumers

Environmental performance
Management believes that environmental and social sustainability is essential to BLAST's long-term success. The Company is committed to making a difference, and is confident that its actions will help to create a more sustainable future for all.

BLAST fosters a culture of inclusivity, diversity, and respect within the organization, prioritizing the well-being and safety of its employees and supporting work-life balance.

Practices and policies are continually evaluated to identify opportunities for improvement, seeking input from stakeholders and leveraging on their expertise to enhance sustainability efforts.

Research and development activities
BLAST have made a significant investment into the development of Blast.TV, a platform that will allow users to stream live BLAST Premier matches, interact with other fans and immerse themselves in BLAST events.

Events after the balance sheet date
No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2023

	Notes	2023 EUR	2022 EUR
Revenue		72,565,742	31,630,713
Own work capitalised		872,235	732,425
Other operating income		33,228	10,412
Cost of sales		(53,075,682)	(29,049,882)
Other external expenses		(5,307,930)	(4,052,121)
Gross profit/loss		**15,087,593**	**(728,453)**
Staff costs	2	(10,928,068)	(7,106,466)
Depreciation, amortisation and impairment losses	3	(2,774,687)	(1,867,859)
Other operating expenses		0	(93,441)
Operating profit/loss		**1,384,838**	**(9,796,219)**
Other financial income		198,620	46,756
Other financial expenses		(2,727,499)	(1,202,990)
Profit/loss before tax		**(1,144,041)**	**(10,952,453)**
Tax on profit/loss for the year	4	(1,049,549)	(623,981)
Profit/loss for the year	5	**(2,193,590)**	**(11,576,434)**

Consolidated balance sheet at 31.12.2023

Assets

	Notes	2023 EUR	2022 EUR
Completed development projects	7	5,603,429	5,891,753
Development projects in progress	7	121,512	0
Intangible assets	6	**5,724,941**	**5,891,753**
Other fixtures and fittings, tools and equipment		3,585,508	4,083,988
Leasehold improvements		1,053,917	0
Property, plant and equipment in progress		0	930,799
Property, plant and equipment	8	**4,639,425**	**5,014,787**
Deposits		546,784	749,418
Financial assets	9	**546,784**	**749,418**
Fixed assets		**10,911,150**	**11,655,958**
Trade receivables		9,174,625	4,010,616
Deferred tax	10	0	883,064
Other receivables		2,851,486	977,891
Prepayments	11	3,155,438	300,611
Receivables		**15,181,549**	**6,172,182**
Cash		**18,112,797**	**8,969,020**
Current assets		**33,294,346**	**15,141,202**
Assets		**44,205,496**	**26,797,160**

Equity and liabilities

	Notes	2023 EUR	2022 EUR
Contributed capital	12	49,049	41,036
Translation reserve		0	(397,710)
Retained earnings		4,286,791	(4,535,630)
Equity		**4,335,840**	**(4,892,304)**
Deferred tax	10	3,950	0
Provisions		**3,950**	**0**
Lease liabilities		0	292,044
Payables to owners and management		12,867,748	12,745,320
Other payables		0	439,338
Non-current liabilities other than provisions	13	**12,867,748**	**13,476,702**
Current portion of non-current liabilities other than provisions	13	1,305,306	1,482,018
Trade payables		19,062,867	12,989,379
Tax payable		215,558	9,218
Other payables		739,379	929,450
Deferred income	14	5,674,848	2,802,697
Current liabilities other than provisions		**26,997,958**	**18,212,762**
Liabilities other than provisions		**39,865,706**	**31,689,464**
Equity and liabilities		**44,205,496**	**26,797,160**

Events after the balance sheet date	1
Unrecognised rental and lease commitments	16
Contingent liabilities	17
Assets charged and collateral	18
Transactions with related parties	19
Subsidiaries	20

Consolidated statement of changes in equity for 2023

	Contributed capital EUR	Translation reserve EUR	Retained earnings EUR	Total EUR
Equity beginning of year	41,036	(397,710)	(4,535,630)	(4,892,304)
Increase of capital	8,844	0	12,812,924	12,821,768
Decrease of capital	(831)	0	(1,316,654)	(1,317,485)
Costs related to equity transactions	0	0	(82,549)	(82,549)
Dissolution of reserves	0	397,710	(397,710)	0
Profit/loss for the year	0	0	(2,193,590)	(2,193,590)
Equity end of year	**49,049**	**0**	**4,286,791**	**4,335,840**

The translation reserve has been dissolved as all entities in the Group prepare are booked in EUR and hence no currency translation etc. will occur going forward.

Consolidated cash flow statement for 2023

	Notes	2023 EUR	2022 EUR
Operating profit/loss		1,384,838	(9,796,219)
Amortisation, depreciation and impairment losses		2,774,687	1,888,221
Working capital changes	15	280,007	2,677,450
Cash flow from ordinary operating activities		**4,439,532**	**(5,230,548)**
Financial income received		198,620	46,756
Financial expenses paid		(2,727,499)	(1,202,990)
Taxes refunded/(paid)		930,819	(2,394,721)
Other cash flows from operating activities		(887,014)	883,064
Cash flows from operating activities		**1,954,458**	**(7,898,439)**
Acquisition etc. of intangible assets		(828,443)	(1,299,222)
Acquisition etc. of property, plant and equipment		(1,949,222)	(4,244,723)
Sale of property, plant and equipment		545,152	38,478
Cash flows from investing activities		**(2,232,513)**	**(5,505,467)**
Free cash flows generated from operations and investments before financing		**(278,055)**	**(13,403,906)**
Loans raised		1,137,086	13,220,640
Repayments of loans etc.		(2,987,471)	(765,038)
Repayment of lease liabilities		(149,517)	(182,044)
Cash capital increase		12,821,768	0
Cash capital decrease		(1,317,485)	0
Other cash flows from financing activities		(82,549)	(208,156)
Cash flows from financing activities		**9,421,832**	**12,065,402**
Increase/decrease in cash and cash equivalents		**9,143,777**	**(1,338,504)**
Cash and cash equivalents beginning of year		8,969,020	10,307,524
Cash and cash equivalents end of year		**18,112,797**	**8,969,020**

Cash and cash equivalents at year-end are composed of:

Cash	18,112,797	8,969,020
Cash and cash equivalents end of year	**18,112,797**	**8,969,020**

Notes to consolidated financial statements

1 Events after the balance sheet date

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Staff costs

	2023 EUR	2022 EUR
Wages and salaries	10,193,029	6,306,099
Pension costs	229,180	339,113
Other social security costs	505,859	461,254
	10,928,068	**7,106,466**

Average number of full-time employees	119	86

	Remuneration of management 2023 EUR	Remuneration of management 2022 EUR
Total amount for management categories	506,011	399,277
	506,011	**399,277**

Special incentive programmes

The company's general meeting has authorized the Board of Directors to issue warrants for total nom. EUR 7,788.03 corresponding to 7,788,025 shares a nom. EUR 0.001. Warrants can be issued to employees, board members and advisers in the Entity and its subsidiaries.

Warrants give the right to subscribe for common shares in the company against payment of an exercise price determined by the Board of Directors.

As of 31 December 2023, the company has 4,411,941 warrants outstanding, corresponding to a nominal value of EUR 4,411.94, of which management have received 2,214,283 warrants.

The issued warrants have an expire at 30 June 2025.

3 Depreciation, amortisation and impairment losses

	2023 EUR	2022 EUR
Amortisation of intangible assets	995,255	998,102
Depreciation on property, plant and equipment	1,779,432	869,757
	2,774,687	**1,867,859**

4 Tax on profit/loss for the year

	2023 EUR	2022 EUR
Current tax	215,558	74,240
Change in deferred tax	887,014	(883,064)
Adjustment concerning previous years	(53,023)	1,432,805
	1,049,549	**623,981**

Adjuestment concerning previous years in 2022 are related to received tax credit for 2018 and 2019 with a total amount of EUR 1.433 million. The adjustment have been made as The Danish tax authorities are claiming that the Company does not meet the requirements for using LL §§8B og 8X, and have stated that the Company are obligated to repay the recieved tax credit.

BLAST has appealed SKATs decision to The Danish Tax Appeals Agency and are currently awaiting ruling.

5 Proposed distribution of profit/loss

	2023 EUR	2022 EUR
Retained earnings	(2,193,590)	(11,576,434)
	(2,193,590)	**(11,576,434)**

6 Intangible assets

	Completed development projects EUR	Development projects in progress EUR
Cost beginning of year	6,830,051	0
Transfers	627,996	(627,996)
Additions	78,935	749,508
Cost end of year	**7,536,982**	**121,512**
Amortisation and impairment losses beginning of year	(938,298)	0
Amortisation for the year	(995,255)	0
Amortisation and impairment losses end of year	**(1,933,553)**	**0**
Carrying amount end of year	**5,603,429**	**121,512**

7 Development projects

Completed development projects relate to the development of the design of the Blast Premier and Blast.tv. The Company has for the Blast Premier designed in-game advertising; bespoke gaming platforms configured to individual sponsors to architectural stage drawings, whereas Blast.tv is an innovative platform for watching BLAST tournaments and additional content and engaging with players and talents. The cost of development projects comprises internal development and third-party support. The assumptions related to the measurement and recognition of development projects are based on cost.

In 2023 the carrying amount of Blast ApS' development project has only been subject to amortization, since recoverable amount is considered to be at least equal to the carrying value based on the market value of the Company applied in connection with the fund raising carried out in 2023

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment EUR	Leasehold improvements EUR	Property, plant and equipment in progress EUR
Cost beginning of year	5,971,766	0	930,799
Transfers	0	1,165,094	(1,165,094)
Additions	1,311,335	0	637,887
Disposals	(560,932)	0	(403,592)
Cost end of year	**6,722,169**	**1,165,094**	**0**
Depreciation and impairment losses beginning of year	(1,887,778)	0	0
Depreciation for the year	(1,668,255)	(111,177)	0
Reversal regarding disposals	419,372	0	0
Depreciation and impairment losses end of year	**(3,136,661)**	**(111,177)**	**0**
Carrying amount end of year	**3,585,508**	**1,053,917**	**0**
Recognised assets not owned by Entity	168,438	0	0

9 Financial assets

	Deposits EUR
Cost beginning of year	749,418
Additions	258,493
Disposals	(461,127)
Cost end of year	**546,784**
Carrying amount end of year	**546,784**

10 Deferred tax

	2023 EUR	2022 EUR
Intangible assets	(1,259,487)	(504,704)
Property, plant and equipment	(82,772)	(227,016)
Receivables	1,245	0
Liabilities other than provisions	0	96,774
Tax losses carried forward	1,337,064	1,518,010
Deferred tax	**(3,950)**	**883,064**

Changes during the year	2023 EUR	2022 EUR
Beginning of year	883,064	0
Recognised in the income statement	(887,014)	883,064
End of year	**(3,950)**	**883,064**

Deferred tax has been recognised in the balance sheet as follows	2023 EUR	2022 EUR
Deferred tax assets	0	883,064
Deferred tax liabilities	(3,950)	0
	(3,950)	**883,064**

11 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

12 Contributed capital

	Number	Par value EUR	Nominal value EUR	Recorded par value EUR
A-shares	13,491,747	0.00	18,134	18,134
B-shares	20,658,048	0.00	27,730	27,730
Common shares	2,351,611	0.00	3,161	3,161
	36,501,406		**49,025**	**49,025**

The Par Value of the above is 0.0013 EUR

13 Non-current liabilities other than provisions

	Due within 12 months 2023 EUR	Due within 12 months 2022 EUR	Due after more than 12 months 2023 EUR
Lease liabilities	290,648	148,121	0
Payables to owners and management	1,014,658	558,999	12,867,748
Other payables	0	774,898	0
	1,305,306	**1,482,018**	**12,867,748**

Payables to owners and management is purely related to shareholder loans and the non-current liabilities for the company are all due within 5 years.

14 Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

15 Changes in working capital

	2023 EUR	2022 EUR
Increase/decrease in receivables	(6,817,646)	167,432
Increase/decrease in trade payables etc.	7,097,653	2,448,792
Other changes	0	61,226
	280,007	**2,677,450**

16 Unrecognised rental and lease commitments

	2023 EUR	2022 EUR
Total liabilities under rental or lease agreements until maturity	4,206,088	3,077,350

17 Contingent liabilities

	2023 EUR	2022 EUR
Recourse and non-recourse guarantee commitments	282,568	283,191
Contingent liabilities	**282,568**	**283,191**

18 Assets charged and collateral

As security for all accounts with one of the group's bank connections EUR 284,852 of the group's cash and cash equivalents have been pledged.

Payment guarantees have been provided to the group's suppliers for a total of EUR 282,568.

19 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

20 Subsidiaries

	Registered in	Corporate form	Ownership %	Equity EUR	Profit/loss EUR
Blast Esport Limited	London, England	Limited	100.00	(19,794,958)	(7,019,129)

Blast ApS has been retroactively merged with Blast Tech ApS as of January 1, 2023 using the modified uniting-of-interests method. For further desription of the treatment of the merger accounting wise we refer to the accounting policies for business combinations.

Parent income statement for 2023

	Notes	2023 EUR	2022 EUR
Revenue		72,473,008	31,583,999
Own work capitalised		680,599	536,633
Other operating income		3,687,687	3,456,211
Cost of sales		(53,075,682)	(29,049,882)
Other external expenses		(4,119,576)	(2,212,489)
Gross profit/loss		**19,646,036**	**4,314,472**
Staff costs	3	(5,877,718)	(3,361,274)
Depreciation, amortisation and impairment losses	4	(2,715,139)	(1,921,124)
Other operating expenses		(18,052,119)	(4,317,022)
Operating profit/loss		**(6,998,940)**	**(5,284,948)**
Other financial income	5	1,015,384	738,994
Impairment losses on financial assets		0	7,661,290
Other financial expenses	6	(2,456,872)	(1,381,659)
Profit/loss before tax		**(8,440,428)**	**1,733,677**
Tax on profit/loss for the year	7	(833,991)	(619,948)
Profit/loss for the year	8	**(9,274,419)**	**1,113,729**

Parent balance sheet at 31.12.2023

Assets

	Notes	2023 EUR	2022 EUR
Completed development projects	10	5,603,429	5,891,753
Development projects in progress	10	121,512	0
Intangible assets	9	**5,724,941**	**5,891,753**
Other fixtures and fittings, tools and equipment		3,536,128	4,021,079
Leasehold improvements		1,053,917	0
Property, plant and equipment in progress		0	930,799
Property, plant and equipment	11	**4,590,045**	**4,951,878**
Investments in group enterprises		1,178	1,178
Receivables from group enterprises		5,632,899	12,770,214
Deposits		457,427	661,905
Financial assets	12	**6,091,504**	**13,433,297**
Fixed assets		**16,406,490**	**24,276,928**
Trade receivables		9,166,488	4,002,974
Deferred tax	13	0	887,097
Other receivables		2,555,270	910,266
Prepayments	14	2,981,680	240,576
Receivables		**14,703,438**	**6,040,913**
Cash		**17,791,838**	**8,553,289**
Current assets		**32,495,276**	**14,594,202**
Assets		**48,901,766**	**38,871,130**

Equity and liabilities

	Notes	2023 EUR	2022 EUR
Contributed capital		49,049	41,036
Translation reserve		0	(397,710)
Reserve for development costs		2,010,053	1,789,395
Retained earnings		7,973,079	6,452,145
Equity		**10,032,181**	**7,884,866**
Lease liabilities		0	292,044
Payables to owners and management		12,867,748	12,745,320
Other payables		0	439,338
Non-current liabilities other than provisions	15	**12,867,748**	**13,476,702**
Current portion of non-current liabilities other than provisions	15	1,305,306	1,482,018
Trade payables		18,392,645	12,369,877
Other payables		629,038	854,970
Deferred income	16	5,674,848	2,802,697
Current liabilities other than provisions		**26,001,837**	**17,509,562**
Liabilities other than provisions		**38,869,585**	**30,986,264**
Equity and liabilities		**48,901,766**	**38,871,130**
Events after the balance sheet date	1		
Uncertainty relating to recognition and measurement	2		
Unrecognised rental and lease commitments	17		
Contingent liabilities	18		
Assets charged and collateral	19		
Transactions with related parties	20		

Parent statement of changes in equity for 2023

	Contributed capital EUR	Translation reserve EUR	Reserve for development costs EUR	Retained earnings EUR	Total EUR
Equity beginning of year	41,036	(397,710)	1,789,395	7,202,924	8,635,645
Effect of mergers and business combinations	0	0	0	(750,779)	(750,779)
Increase of capital	8,844	0	0	12,812,924	12,821,768
Decrease of capital	(831)	0	0	(1,316,654)	(1,317,485)
Costs related to equity transactions	0	0	0	(82,549)	(82,549)
Transfer to reserves	0	0	220,658	(220,658)	0
Dissolution of reserves	0	397,710	0	(397,710)	0
Profit/loss for the year	0	0	0	(9,274,419)	(9,274,419)
Equity end of year	**49,049**	**0**	**2,010,053**	**7,973,079**	**10,032,181**

The translation reserve has been dissolved as all entities in the Group used EUR in their financial statement and hence no currency translation etc. will occur going forward.

Effect of mergers and business combinations is used as Blast ApS' retroactively merged with Blast Tech ApS as of January 1, 2023 using the modified uniting-of-interests method and shows the net effect of restating the comparative figures back to the date when the entities first formed part of the Group. For further description of the treatment of the merger accounting wise we refer to the accounting policies for business combinations.

Notes to parent financial statements

1 Events after the balance sheet date

No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Uncertainty relating to recognition and measurement

The Company invests in its studio, broadcast equipment and in the development of submodules to BLAST.tv. Expenses in the development phase of the submodules to BLAST.tv are capitalized at cost on initial recognition and are valued on an ongoing basis by management.

Management assesses the expected future value and profitability of our studio operations, broadcast technology and BLAST.tv platform. An impairment loss is recognized if management estimates that the future value or cash flow contribution is less than the value of the capitalized value.

3 Staff costs

	2023 EUR	2022 EUR
Wages and salaries	5,728,136	3,062,365
Pension costs	122,475	254,742
Other social security costs	27,107	44,167
	5,877,718	**3,361,274**

Average number of full-time employees	59	35

	Remuneration of Management 2023 EUR	Remuneration of Management 2022 EUR
Total amount for management categories	57,534	24,452
	57,534	**24,452**

Special incentive programmes

The company's general meeting has authorized the Board of Directors to issue warrants for total nom. EUR 7,788.03 corresponding to 7,788,025 shares a nom. EUR 0.001. Warrants can be issued to employees, board members and advisers in the Entity and its subsidiaries.

Warrants give the right to subscribe for common shares in the company against payment of an exercise price determined by the Board of Directors.

As of 31 December 2023, the company has 4,411,941 warrants outstanding, corresponding to a nominal value of EUR 4,411.94, of which management have received 2,214,283 warrants.

The issued warrants have an expire at 30 June 2025.

4 Depreciation, amortisation and impairment losses

	2023 EUR	2022 EUR
Amortisation of intangible assets	995,255	998,102
Depreciation on property, plant and equipment	1,719,884	923,022
	2,715,139	**1,921,124**

5 Other financial income

	2023 EUR	2022 EUR
Financial income from group enterprises	783,529	692,238
Other interest income	231,855	29,199
Exchange rate adjustments	0	17,557
	1,015,384	**738,994**

6 Other financial expenses

	2023 EUR	2022 EUR
Other interest expenses	1,474,196	1,079,002
Exchange rate adjustments	922,035	251,064
Other financial expenses	60,641	51,593
	2,456,872	**1,381,659**

7 Tax on profit/loss for the year

	2023 EUR	2022 EUR
Current tax	0	74,240
Change in deferred tax	887,097	(887,097)
Adjustment concerning previous years	(53,106)	1,432,805
	833,991	**619,948**

Adjuestment concerning previous years in 2022 are related to received tax credit for 2018 and 2019 with a total amount of EUR 1.433 million. The adjustment have been made as The Danish tax authorities are claiming that the Company does not meet the requirements for using LL §§8B og 8X, and have stated that the Company are obligated to repay the recieved tax credit.

8 Proposed distribution of profit and loss

	2023 EUR	2022 EUR
Retained earnings	(9,274,419)	1,113,729
	(9,274,419)	**1,113,729**

9 Intangible assets

	Completed development projects EUR	Development projects in progress EUR
Cost beginning of year	6,830,050	0
Transfers	627,996	(627,996)
Additions	78,935	749,508
Cost end of year	**7,536,981**	**121,512**
Amortisation and impairment losses beginning of year	(938,297)	0
Amortisation for the year	(995,255)	0
Amortisation and impairment losses end of year	**(1,933,552)**	**0**
Carrying amount end of year	**5,603,429**	**121,512**

10 Development projects

A description of development projects is evident from the notes to the consolidated financial statements.

11 Property, plant and equipment

	Other fixtures and fittings, tools and equipment EUR	Leasehold improvements EUR	Property, plant and equipment in progress EUR
Cost beginning of year	5,845,234	0	930,799
Transfers	0	1,165,094	(1,165,094)
Additions	1,265,316	0	637,887
Disposals	(560,932)	0	(403,592)
Cost end of year	**6,549,618**	**1,165,094**	**0**
Depreciation and impairment losses beginning of year	(1,824,155)	0	0
Depreciation for the year	(1,608,707)	(111,177)	0
Reversal regarding disposals	419,372	0	0
Depreciation and impairment losses end of year	**(3,013,490)**	**(111,177)**	**0**
Carrying amount end of year	**3,536,128**	**1,053,917**	**0**
Recognised assets not owned by entity	168,438	0	0

12 Financial assets

	Investments in group enterprises EUR	Receivables from group enterprises EUR	Deposits EUR
Cost beginning of year	1,178	12,770,214	661,905
Additions	0	11,782,056	256,649
Disposals	0	(18,919,371)	(461,127)
Cost end of year	**1,178**	**5,632,899**	**457,427**
Carrying amount end of year	**1,178**	**5,632,899**	**457,427**

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

In connection with the year's top-line growth, and the budgeted growth in the coming years, management has carried out an impairmenttest of the company's financial assets. This test shows that due to the expected positive cash flows in the coming years, the company does not see any reason to make any impairment in the company's assets. As a result, these have been reversed during the financial year.

13 Deferred tax

	2023 EUR	2022 EUR
Intangible assets	(1,259,487)	(456,989)
Property, plant and equipment	(78,822)	(275,672)
Receivables	1,245	0
Liabilities other than provisions	0	96,774
Tax losses carried forward	1,337,064	1,522,984
Deferred tax	**0**	**887,097**

Changes during the year	2023 EUR	2022 EUR
Beginning of year	887,097	0
Recognised in the income statement	(887,097)	887,097
End of year	**0**	**887,097**

14 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

15 Non-current liabilities other than provisions

	Due within 12 months 2023 EUR	Due within 12 months 2022 EUR	Due after more than 12 months 2023 EUR
Lease liabilities	290,648	148,121	0
Payables to owners and management	1,014,658	558,999	12,867,748
Other payables	0	774,898	0
	1,305,306	**1,482,018**	**12,867,748**

Payables to owners and management is purely related to shareholder loans and the non-current liabilities for the company are all due within 5 years.

16 Deferred income

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

17 Unrecognised rental and lease commitments

	2023 EUR	2022 EUR
Total liabilities under rental or lease agreements until maturity	3,711,210	2,655,947

18 Contingent liabilities

	2023 EUR	2022 EUR
Recourse and non-recourse guarantee commitments	282,568	283,191
Contingent liabilities	**282,568**	**283,191**

19 Assets charged and collateral

As security for all accounts with one of the company's bank connections EUR 284,852 of the company's cash and cash equivalents have been pledged.

Payment guarantees have been provided to the company's suppliers for a total of EUR 282,568.

20 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

Changes in accounting policies

The Entity has changed its accounting policies with regard to presentation of management fee and recharges.

The change in accounting policies has not led to a decrease or increase in equity, assets or liabilities. Management fee and recharges was previous shown as other external costs but is now presented as other operating expenses.

The comparative figures have been restated following the change in accounting policies.

Apart from the areas mentioned above, the annual report has been presented applying the accounting policies consistent with last year with some reclassifications.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence. Enterprises in which the Group, directly or indirectly, holds between 20% and 50% of the voting rights and exercises significant, but not controlling, influence are regarded as associates.

Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Business combinations

The modified uniting-of-interests method is applied to vertical mergers in which the participating entities are subject to the Parent's control. Under this method, assets and liabilities of the participating entities are recognised at the amounts at which they are recognised in the consolidated financial statements of the parent forming part of the merger. The comparative figures are restated back to the date when the entities first formed part of the Group.

Income statement

Revenue

Revenue related to broadcasting and casting of events, including sponsorships etc., are recognised at the time of the events as the delivery obligation is completed. Revenue from other revenue streams such as in-game transactions are recognised when delivery is made to the buyer.

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Own work capitalised

Own work capitalised comprises staff costs incurred in the financial year and recognised in cost for proprietary intangible assets and property, plant and equipment.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including transfer pricing payments, management fees and recharges and salary refunds.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff costs
Staff costs comprise wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

Depreciation, amortisation and impairment losses
Depreciation, amortisation and impairment losses relating to plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other operating expenses
Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including transfer pricing payments, management fee and recharges.

Other financial income
Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and tax relief under the Danish Tax Prepayment Scheme etc.

Impairment losses on financial assets
Impairment losses on financial assets comprises impairment losses on financial assets which are not measured at fair value on a current basis.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year
Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Balance sheet

Intellectual property rights etc.
Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5 years for Blast.tv and 10 years for the In-Game project.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Plant and machinery, and other fixtures and fittings, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct costs of materials, components, subsuppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	9-10 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

Receivables
Receivables are measured at amortised cost, usually equalling nominal value, less writedowns for bad and doubtful debts.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary

differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises bank deposits and PLEO cards.

Lease liabilities
Lease liabilities relating to assets held under finance leases are recognised in the balance sheet as liabilities other than provisions, and, at the time of inception of the lease, measured at the present value of future lease payments. Subsequent to initial recognition, lease liabilities are measured at amortised cost. The difference between present value and nominal amount of the lease payments is recognised in the income statement as a financial expense over the term of the leases.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Deferred income
Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.

Cash flow statement

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk.