Moonboon International ApS

Lindgreens Allé 9, 1. tv
2300 København S
CVR No. 41800860

Annual report 2023

The Annual General Meeting adopted the annual report on 25.06.2024

Marie Grew
Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2023	8
Balance sheet at 31.12.2023	9
Statement of changes in equity for 2023	11
Notes	12
Accounting policies	15

Entity details

Entity

Moonboon International ApS
Lindgreens Allé 9, 1. tv
2300 København S

Business Registration No.: 41800860
Registered office: København
Financial year: 01.01.2023 - 31.12.2023

Executive Board

Jacob Vesterled
Marie Grew

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Executive Board has today considered and approved the annual report of Moonboon International 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 financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations 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, 25.06.2024

Executive Board

Jacob Vesterled

Marie Grew

Independent auditor's report

To the shareholders of Moonboon International ApS

Opinion

We have audited the financial statements of Moonboon International 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. 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 Entity's financial position at 31.12.2023 and of the results of its operations 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 financial statements" section of this auditor's report. We are independent of the Entity 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 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 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 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 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 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 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 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 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 Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the 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 financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the 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 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.

Copenhagen, 25.06.2024

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

René Carøe Andersen
State Authorised Public Accountant
Identification No (MNE) mne34499

Management commentary

Primary activities

The companies purpose is to do business with production and sale of baby equipment, as well as other related business at the managements discretion.

Description of material changes in activities and finances

The companies income statement shows a profit of DKK 164k, and the companies balance as of 31. December 2023 shows a positive equity of DKK 9.283k.

The past fiscal year has been important for Moonboon, marked by notable achievements in financial performance and strategic expansion. We are pleased to report a positive result, reflecting the effectiveness of our business model in a conservative consumer market.

As we move into the next fiscal year, our priorities will be to optimize our positions in new markets, continue driving innovation, and explore further expansion opportunities. We are confident in our strategic direction and initiatives and trust that we can achieve our ambitious growth targets.

This year, we have invested significant resources in preparing our organization for growth by ensuring we have the right team with the right competencies. We remain committed and motivated to delivering quality services and products to our customers and are well-positioned to continue our growth trajectory.

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.

Income statement for 2023

	Notes	2023 DKK	2022 DKK
Gross profit/loss		**10,254,466**	**9,544,633**
Staff costs	1	(8,688,011)	(8,515,435)
Depreciation, amortisation and impairment losses	2	(701,946)	(241,987)
Operating profit/loss		**864,509**	**787,211**
Other financial income	3	38,732	102,788
Other financial expenses	4	(659,702)	(865,969)
Profit/loss before tax		**243,539**	**24,030**
Tax on profit/loss for the year	5	(79,147)	(18,643)
Profit/loss for the year		**164,392**	**5,387**
Proposed distribution of profit and loss			
Retained earnings		164,392	5,387
Proposed distribution of profit and loss		**164,392**	**5,387**

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK	2022 DKK
Completed development projects	7	1,490,326	553,475
Acquired intangible assets		45,581	0
Goodwill		944,030	1,082,181
Development projects in progress	7	2,755,365	1,088,521
Intangible assets	6	**5,235,302**	**2,724,177**
Other fixtures and fittings, tools and equipment		456,039	8,974
Leasehold improvements		179,406	205,036
Property, plant and equipment	8	**635,445**	**214,010**
Deposits		318,815	282,975
Financial assets	9	**318,815**	**282,975**
Fixed assets		**6,189,562**	**3,221,162**
Manufactured goods and goods for resale		10,538,318	6,824,612
Prepayments for goods		2,825,626	1,131,287
Inventories		**13,363,944**	**7,955,899**
Trade receivables		4,318,457	1,937,747
Other receivables		521,620	193,031
Income tax receivable		157,000	0
Prepayments		1,664,240	2,395,123
Receivables		**6,661,317**	**4,525,901**
Cash		**134,718**	**348,638**
Current assets		**20,159,979**	**12,830,438**
Assets		**26,349,541**	**16,051,600**

Equity and liabilities

	Notes	2023 DKK	2022 DKK
Contributed capital		44,749	40,402
Reserve for development expenditure		3,311,639	1,280,757
Retained earnings		5,926,570	983,820
Equity		**9,282,958**	**2,304,979**
Deferred tax		117,953	38,806
Provisions		**117,953**	**38,806**
Deposits		86,000	86,000
Non-current liabilities other than provisions	10	**86,000**	**86,000**
Bank loans		7,551,001	4,589,365
Trade payables		5,915,260	4,897,259
Income tax payable		0	630,410
Other payables		2,343,804	3,153,504
Deferred income		1,052,565	351,277
Current liabilities other than provisions		**16,862,630**	**13,621,815**
Liabilities other than provisions		**16,948,630**	**13,707,815**
Equity and liabilities		**26,349,541**	**16,051,600**
Contingent liabilities	11		
Assets charged and collateral	12		

Statement of changes in equity for 2023

	Contributed capital DKK	Share premium DKK	Reserve for development expenditure DKK	Retained earnings DKK	Total DKK
Equity beginning of year	40,402	0	1,280,757	983,820	2,304,979
Increase of capital	4,347	7,059,528	0	0	7,063,875
Transferred from share premium	0	(7,059,528)	0	7,059,528	0
Costs related to equity transactions	0	0	0	(250,288)	(250,288)
Transfer to reserves	0	0	2,030,882	(2,030,882)	0
Profit/loss for the year	0	0	0	164,392	164,392
Equity end of year	**44,749**	**0**	**3,311,639**	**5,926,570**	**9,282,958**

In 2022, Moonboon International ApS acquired 402 treasury shares of DKK 500 nominal at a value of DKK 201,000 equal to 0.9% of the share capital. The shares were acquired in connection with a employee resignation.

Notes

1 Staff costs

	2023 DKK	2022 DKK
Wages and salaries	7,876,923	7,820,850
Pension costs	187,410	166,739
Other social security costs	138,229	157,678
Other staff costs	485,449	370,168
	8,688,011	**8,515,435**

Average number of full-time employees	**16**	**18**

Special incentive programmes

There has been issued a warrant program for certain employees back in 2021. The warrant programs terms and conditions give a purchase option 4 years from the issued date. There has been issued a total of 2.626 call options with a nominal value of DKK 2.475. This has no effect on the current financial year, however the call option is due in 2024.

2 Depreciation, amortisation and impairment losses

	2023 DKK	2022 DKK
Amortisation of intangible assets	620,993	213,367
Depreciation of property, plant and equipment	80,953	28,620
	701,946	**241,987**

3 Other financial income

	2023 DKK	2022 DKK
Exchange rate adjustments	38,544	102,788
Other financial income	188	0
	38,732	**102,788**

4 Other financial expenses

	2023 DKK	2022 DKK
Other interest expenses	376,733	444,252
Exchange rate adjustments	272,358	421,717
Other financial expenses	10,611	0
	659,702	**865,969**

5 Tax on profit/loss for the year

	2023 DKK	2022 DKK
Change in deferred tax	79,147	18,643
	79,147	**18,643**

6 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK	Goodwill DKK	Development projects in progress DKK
Cost beginning of year	628,691	0	1,375,606	1,088,521
Transfers	1,416,379	0	0	(1,416,379)
Additions	0	48,895	0	3,083,223
Cost end of year	**2,045,070**	**48,895**	**1,375,606**	**2,755,365**
Amortisation and impairment losses beginning of year	(75,216)	0	(293,425)	0
Amortisation for the year	(479,528)	(3,314)	(138,151)	0
Amortisation and impairment losses end of year	**(554,744)**	**(3,314)**	**(431,576)**	**0**
Carrying amount end of year	**1,490,326**	**45,581**	**944,030**	**2,755,365**

7 Development projects

Development projects consist of own completed development projects, and development projects in progress. Development projects in progress consist of both additions to already completed projects in regards to upgrades, and new projects under development.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects. Projects are amortised on a straight-line basis over their remaining duration which is estimated to 3 years by the management.

8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost beginning of year	14,959	256,294
Additions	502,388	0
Cost end of year	**517,347**	**256,294**
Depreciation and impairment losses beginning of year	(5,985)	(51,258)
Depreciation for the year	(55,323)	(25,630)
Depreciation and impairment losses end of year	**(61,308)**	**(76,888)**
Carrying amount end of year	**456,039**	**179,406**

9 Financial assets

	Deposits DKK
Cost beginning of year	282,975
Additions	35,840
Cost end of year	**318,815**
Carrying amount end of year	**318,815**

10 Non-current liabilities other than provisions

	Due after more than 12 months 2023 DKK
Deposits	86,000
	86,000

11 Contingent liabilities

	2023 DKK	2022 DKK
Other contingent liabilities	1,179,255	1,543,344
Contingent liabilities	**1,179,255**	**1,543,344**

The Entity participates in a Danish joint taxation arrangement where Marie Grew Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities, Marie Grew Holding ApS and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

12 Assets charged and collateral

Bank loans are secured by way of a deposited mortgage deed registered to the mortgagor on plant of DKK 7.500.000 nominal.

The carrying amount of mortgaged plant is DKK 7.500.000.

Accounting policies

Reporting class
This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

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.

Foreign currency translation
On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in the translation reserve in equity.

Income statement
Gross profit or loss
Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

Revenue
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 and other 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 profit from the sale of intangible assets and property, plant and equipment.

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 normal activities, including expenses for premises, stationery and office supplies, marketing costs, etc.

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

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

Other financial income
Other financial income comprises interest income, 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.

Other financial expenses
Other financial expenses comprise interest expenses, including interest expenses on 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.

The Entity is jointly taxed with Marie Grew Holding ApS. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Goodwill
Goodwill is calculated as the difference between cost of investments and fair value of the pro rata share of assets

and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years. Useful lives are reassessed annually. The amortisation periods used are 10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

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 of 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 3 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

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

Property, plant and equipment
Buildings, plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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.

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	5
Leasehold improvements	5

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.

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

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

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.

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

Cash
Cash comprises cash in hand and bank deposits.

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.

Other financial liabilities

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

Deferred income

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