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Scanavo A/S

Roskildevej 342 B, 2.
2630 Taastrup
CVR No. 18718235

Annual report 2024

The Annual General Meeting adopted the annual report on 24.06.2025

Tino Thorbjørn Sølling
Chairman of the General Meeting

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Entity details

Entity

Scanavo A/S
Roskildevej 342 B, 2.
2630 Taastrup

Business Registration No.: 18718235
Registered office: Høje-taastrup
Financial year: 01.01.2024 - 31.12.2024
URL: www.scanavo.com
E-mail: sales@scanavo.com

Board of Directors

Mads Bohnstedt Sølling, Chairman
Tino Thorbjørn Sølling
Maria Elisabeth Bohnstedt Sølling
Jeanette Sigrid Sølling

Executive Board

Tino Thorbjørn Sølling

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Scanavo A/S for the financial year 01.01.2024 - 31.12.2024.

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 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

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.

Taastrup, 24.06.2025

Executive Board

Tino Thorbjørn Sølling

Board of Directors

Mads Bohnstedt Sølling
Chairman

Tino Thorbjørn Sølling

Maria Elisabeth Bohnstedt Sølling

Jeanette Sigrid Sølling

Independent auditor's report

To the shareholder of Scanavo A/S

Opinion

We have audited the financial statements of Scanavo A/S for the financial year 01.01.2024 - 31.12.2024, 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 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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.

- Plan and perform the audit of the financial statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the financial statements. We are responsible for the direction, supervision and review of the audit work performed. 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 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, 24.06.2025

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Christian Sanderhage
State Authorised Public Accountant
Identification No (MNE) mne23347

Management commentary

Financial highlights

	2024 DKK'000	2023 DKK'000	2022 DKK'000	2021 DKK'000	2020 DKK'000
Key figures					
Gross profit/loss	52,770	53,235	28,153	46,173	46,857
Operating profit/loss	30,007	30,993	7,214	23,714	23,861
Net financials	1,531	(392)	205	(249)	(106)
Profit/loss for the year	40,351	50,385	34,498	42,711	35,276
Total assets	76,102	95,224	69,423	102,916	65,640
Investments in property, plant and equipment	383	715	1,445	2,506	1,651
Equity	57,457	66,002	51,319	59,862	50,883
Ratios					
Return on equity (%)	65.37	85.89	62.06	77.13	68.62
Equity ratio (%)	75.50	69.31	73.92	58.17	77.52

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

Return on equity (%):
Profit/loss for the year * 100
Average equity

Equity ratio (%):
Equity * 100
Total assets

Primary activities

The Group's primary activity remains the sale and marketing of media packaging. In recent years, the business has evolved into a strategic partner for film studios and game publishers within the global home entertainment industry. With a broad and established distribution network, the Group serves customers worldwide through its regional sales offices in Europe, North America, and Asia.

Development in activities and finances

The annual report for 2024 shows a profit before tax of DKK 47.296 thousand DKK, which Management considers satisfactory.

Our performance continues to be influenced by the timing and scale of new product releases from our key clients in the film and gaming sectors. These factors naturally fluctuate from year to year and remain outside our direct control.

Profit/loss for the year in relation to expected developments

Management expected around 20% decline in earnings from 2023 to 2024 which is in line with the realised decline in earnings before tax from 57,128 thousand DKK to 47,296 thousand DKK.

Outlook

Management maintains a cautious outlook for 2025. While the company's strategic positioning and client partnerships remain strong, external macroeconomic factors have introduced short-term challenges. In particular, the recent escalation of tariffs on goods manufactured in China is expected to have a material impact on earnings until we are able to further relocate the affected portions of our production to alternative regions.

Although a significant share of our manufacturing has already been moved to the US and EU, the remaining exposure to Chinese production will temporarily constrain our margins and flexibility. Management is actively engaged in identifying and implementing solutions to mitigate these pressures and remains confident in the long -term viability and resilience of the business.

While management remains optimistic about the long-term impact of our strategic initiatives, we anticipate a temporary decline in earnings for 2025 estimated around 10%.

Research and development activities

The Company continues to invest in product development to remain agile and responsive to emerging opportunities in the market.

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 2024

	Notes	2024 DKK	2023 DKK
Gross profit/loss		**52,769,885**	**53,235,251**
Staff costs	1	(22,168,438)	(21,771,192)
Depreciation, amortisation and impairment losses	2	(594,538)	(471,312)
Operating profit/loss		**30,006,909**	**30,992,747**
Income from investments in group enterprises		15,758,439	26,526,828
Other financial income	3	1,771,357	606,268
Other financial expenses	4	(240,557)	(997,851)
Profit/loss before tax		**47,296,148**	**57,127,992**
Tax on profit/loss for the year	5	(6,945,365)	(6,743,116)
Profit/loss for the year	6	**40,350,783**	**50,384,876**

Balance sheet at 31.12.2024

Assets

	Notes	2024 DKK	2023 DKK
Plant and machinery		89,706	110,795
Other fixtures and fittings, tools and equipment		429,075	623,222
Property, plant and equipment	7	**518,781**	**734,017**
Investments in group enterprises		26,166,439	34,945,874
Other receivables		20,000	522,714
Financial assets	8	**26,186,439**	**35,468,588**
Fixed assets		**26,705,220**	**36,202,605**
Manufactured goods and goods for resale		5,812,947	14,512,626
Inventories		**5,812,947**	**14,512,626**
Trade receivables		7,080,193	12,629,125
Receivables from group enterprises		5,963,063	7,403,012
Deferred tax	9	564,000	625,200
Other receivables		2,791,487	2,012,913
Joint taxation contribution receivable		615,829	1,453,330
Prepayments	10	57,358	149,278
Receivables		**17,071,930**	**24,272,858**
Cash		**26,512,273**	**20,236,395**
Current assets		**49,397,150**	**59,021,879**
Assets		**76,102,370**	**95,224,484**

Equity and liabilities

	Notes	2024 DKK	2023 DKK
Contributed capital		3,750,000	3,750,000
Reserve for net revaluation according to the equity method		8,825,304	8,006,640
Retained earnings		4,881,310	4,245,566
Proposed dividend		40,000,000	50,000,000
Equity		**57,456,614**	**66,002,206**
Prepayments received from customers		1,298,805	9,000,495
Trade payables		8,262,671	5,847,505
Payables to group enterprises		1,537,005	3,735,267
Payables to shareholders and management		4,555,650	6,134,769
Other payables		2,991,625	4,504,242
Current liabilities other than provisions		**18,645,756**	**29,222,278**
Liabilities other than provisions		**18,645,756**	**29,222,278**
Equity and liabilities		**76,102,370**	**95,224,484**
Unrecognised rental and lease commitments	11		
Contingent liabilities	12		
Related parties with controlling interest	13		
Non-arm's length related party transactions	14		
Group relations	15		

Statement of changes in equity for 2024

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	3,750,000	8,006,640	4,245,566	50,000,000	66,002,206
Ordinary dividend paid	0	0	0	(50,000,000)	(50,000,000)
Exchange rate adjustments	0	1,103,625	0	0	1,103,625
Dividends from group enterprises	0	(16,043,400)	16,043,400	0	0
Profit/loss for the year	0	15,758,439	(15,407,656)	40,000,000	40,350,783
Equity end of year	**3,750,000**	**8,825,304**	**4,881,310**	**40,000,000**	**57,456,614**

Notes

1 Staff costs

	2024 DKK	2023 DKK
Wages and salaries	19,735,006	19,652,206
Pension costs	2,154,110	1,843,204
Other social security costs	279,322	275,782
	22,168,438	**21,771,192**

Average number of full-time employees	32	34

Staff costs include remuneration and pension costs to the Executive Board and the Board of Directors.

In accordance with section 98b(3) of the Danish Financial Statements Act, no specification of amounts has been included.

2 Depreciation, amortisation and impairment losses

	2024 DKK	2023 DKK
Depreciation of property, plant and equipment	594,538	471,312
	594,538	**471,312**

3 Other financial income

	2024 DKK	2023 DKK
Financial income from group enterprises	93,037	68,141
Other interest income	788,436	538,127
Exchange rate adjustments	889,884	0
	1,771,357	**606,268**

4 Other financial expenses

	2024 DKK	2023 DKK
Financial expenses from group enterprises	195,521	221,287
Other interest expenses	45,036	96,698
Exchange rate adjustments	0	679,866
	240,557	**997,851**

5 Tax on profit/loss for the year

	2024 DKK	2023 DKK
Current tax	6,884,171	6,546,670
Change in deferred tax	61,200	200,000
Adjustment concerning previous years	(6)	(3,554)
	6,945,365	**6,743,116**

6 Proposed distribution of profit and loss

	2024 DKK	2023 DKK
Ordinary dividend for the financial year	40,000,000	50,000,000
Retained earnings	350,783	384,876
	40,350,783	**50,384,876**

7 Property, plant and equipment

	Plant and machinery DKK	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	6,947,200	1,792,008
Additions	383,050	0
Disposals	0	(557,004)
Cost end of year	**7,330,250**	**1,235,004**
Depreciation and impairment losses beginning of year	(6,836,404)	(1,168,785)
Depreciation for the year	(404,140)	(190,398)
Reversal regarding disposals	0	553,254
Depreciation and impairment losses end of year	**(7,240,544)**	**(805,929)**
Carrying amount end of year	**89,706**	**429,075**

8 Financial assets

	Investments in group enterprises DKK	Other receivables DKK
Cost beginning of year	2,507,946	522,714
Disposals	0	(502,714)
Cost end of year	**2,507,946**	**20,000**
Revaluations beginning of year	32,434,941	0
Exchange rate adjustments	1,106,613	0
Share of profit/loss for the year	15,758,439	0
Dividend	(25,641,500)	0
Revaluations end of year	**23,658,493**	**0**
Carrying amount end of year	**26,166,439**	**20,000**

Dividend relates to recognized dividends regarding prior financial year which is received during current financial year.

Investments in subsidiaries	Registered in	Corporate form	Equity interest %
Scanavo Market A/S	Taastrup	A/S	100
Scanavo Manufactoring Hong Kong Ltd.	Hong Kong	Ltd.	100

9 Deferred tax

	2024 DKK	2023 DKK
Property, plant and equipment	467,000	549,200
Receivables	97,000	110,000
Provisions	0	(34,000)
Deferred tax	**564,000**	**625,200**

Changes during the year	2024 DKK	2023 DKK
Beginning of year	625,200	825,200
Recognised in the income statement	(61,200)	(200,000)
End of year	**564,000**	**625,200**

Deferred tax assets
Deferred tax assets are recognised based on management best estimates of utilisation within 3-5 years.

10 Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

11 Unrecognised rental and lease commitments

	2024 DKK	2023 DKK
Liabilities under rental or lease agreements until maturity in total	77,000	620,000

12 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where TS Holding 2018 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, 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.

13 Related parties with controlling interest

Scanavo A/S' related parties comprise the following:
- Scanavo Holding ApS, Taastrup, Denmark
- TS Holding 2018 ApS, Taastrup, Denmark
- Tino Thorbjørn Sølling (CEO), Solrød Strand, Denmark

14 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

15 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest and smallest group:
TS Holding 2018 ApS, Business Registration No 39434156

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).

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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods, 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 is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including rental income and gains 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 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 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, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

Income from investments in group enterprises
Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income
Other financial income comprises dividends etc received on other investments, 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.

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.

The Entity is jointly taxed with all Danish group enterprises. 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

Property, plant and equipment
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
Plant and machinery	1-2 years
Other fixtures and fittings, tools and equipment	3-5 years

Leasehold improvements are expensed during the financial year.

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.

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

Investments in group enterprises
Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus or minus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

The Parent's share of the enterprises' results is recognised in the income statement.

Subsidiaries and associates with negative net asset values are measured at DKK 0, and any amounts owed by such enterprises are written down by the Parent's share of the negative net asset value if the amount owed is deemed irrecoverable. If the negative net asset value exceeds the amount owed, the remaining amount is recognised under provisions to the extent that the Parent has a legal or constructive obligation to cover that enterprise's liabilities.

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

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

Goods for resale are measured at cost, comprising purchase price plus delivery costs. Write-down is made for obsolete goods, including slow-moving items

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

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.

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.

Joint taxation contributions receivable or payable
Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

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

Cash
Cash comprises cash in hand and bank deposits.

Dividend
Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

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

Prepayments received from customers
Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Cash flow statement
Referring to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared as Scanavo A/S is included in the cash flow statement of TS Holding 2018 ApS.