BLAST ApS

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

Annual report 2024

The Annual General Meeting adopted the annual report on 04.07.2025

Robert Marc Douek
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: 01.01.2024 - 31.12.2024

Board of Directors

René Efraim Rechtman, chairman
Jimmy Fussing Nielsen
Erik Balck Sørensen
Johan Harald Gedda
Robert Marc Douek
Ioris Francini
Simon Charles Brockman Andrews

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 01.01.2024 - 31.12.2024.

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 31.12.2024 and of the results of their operations and the consolidated cash flows 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.

Copenhagen, 04.07.2025

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

Ioris Francini

Simon Charles Brockman Andrews

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 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, 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 31.12.2024 and of the results of their operations and the consolidated cash flows 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 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements and the parent financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes 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, 04.07.2025

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

	2024 EUR'000	2023 EUR'000	2022 EUR'000	2021 EUR'000
Key figures				
Revenue	82,133	72,566	31,631	13,470
Gross profit/loss	12,860	15,088	(728)	(6,396)
Operating profit/loss	(3,108)	1,385	(9,796)	(12,809)
Net financials	(760)	(2,529)	(1,156)	128
Profit/loss for the year	(3,962)	(2,194)	(11,576)	(12,701)
Balance sheet total	43,301	44,205	26,797	22,603
Investments in property, plant and equipment	2,339	1,949	3,734	2,994
Equity	7,098	4,336	(4,892)	6,892
Cash flows from operating activities	(3,213)	1,954	(7,898)	(8,119)
Cash flows from investing activities	(3,525)	(2,233)	(5,505)	(2,391)
Cash flows from financing activities	(305)	9,422	12,065	14,017
Ratios				
Gross margin (%)	15.66	20.79	(2.30)	(47.48)
Net margin (%)	(4.82)	(3.02)	(36.60)	(94.29)
Equity ratio (%)	16.39	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 is a global competitive entertainment company with a mission to bring mega entertainment to the world, taking esports, gaming and other new competitive formats to the next level.

BLAST is famous for pioneering the esports category through stunning high production quality, big creative ideas and game changing fan-first moments. Bringing together the biggest teams and brightest superstars to fight it out for glory and big-money-multi-million-dollar prize pools in the world's biggest arenas from London and Singapore to Austin and Rio.

BLAST has offices in Copenhagen (HQ), London, Berlin and soon to be Mumbai and New York City. The company is currently working with world-leading game publishers Epic Games, Valve, KRAFTON and Ubisoft to produce, market and deliver esports for popular titles Rocket League, Fortnite, Rainbow Six, PUBG and Counter-Strike 2.

Innovation is at the heart of BLAST's approach. The Company strives to raise the bar creatively and technologically across all titles it supports. This commitment extends beyond live shows and online production - BLAST seeks to create sustainable value within each ecosystem by introducing new formats, reaching untapped audiences, and expanding into new territories.

BLAST maintains a strong presence in six of the world's largest esports ecosystems. Enhanced commercialisation, greater production output, and improved operational efficiency are expected to drive revenue growth and profitability.

The Company owns BLAST Premier, the Counter-Strike 2 (CS2) tournament series, globally. Known for unmatched production quality and fan-first experiences, BLAST Premier features the world's top teams competing for glory and multi-million-dollar prize pools. Its large-scale arena events draw tens of thousands of fans in cities such as London, Copenhagen, Singapore, and Lisbon, with millions more tuning in from over 154 countries and across 27 languages.

In 2024, BLAST's relationship with Valve—the publisher of CS2—expanded to include DOTA 2. The inaugural BLAST Slam took place in Copenhagen in Q4 2024, with four additional Slams scheduled for 2025. By adding DOTA 2 to its portfolio, BLAST aims to establish BLAST Slam as a household name, delivering studio and arena events that set new benchmarks in esports entertainment.

Since December 2022, BLAST has partnered with Ubisoft in a multi-year collaboration covering the entire Rainbow Six Siege esports ecosystem—from regional competitions to global championships. The partnership is built on a shared ambition to create a thriving, community-driven esports environment. Rainbow Six events now span nine global regions, culminating in three major arena events each season, including the prestigious Six Invitational.

In 2024, BLAST entered a landmark multi-year partnership with Epic Games to manage and produce its marquee esports competitions: the Fortnite Championship Series (FNCS) and Rocket League Championship Series (RLCS). BLAST oversees tournament operations, production, marketing, and—for the first time—holds the commercial rights to FNCS broadcasts and events.

Launched in late 2022, BLAST.tv is BLAST's consumer-facing digital platform. It enables users to stream live esports, access VOD content, interact with fans, and relive the biggest moments in esports history. Designed to enhance the fan experience, the platform integrates live interaction, advanced streaming capabilities, and immersive content, bringing fans closer to the action than ever before.

Further 2024 milestones include:

- A production partnership with Riot Games for League of Legends and Valorant studio broadcasts in Berlin.
- A groundbreaking partnership with the All England Lawn Tennis Club to host the inaugural Wimbledon eChamps tournament.
- The launch of The Draft, a cross-border CS2 competition between India and Pakistan.
- BLAST Bash, an online Clash of Clans tournament for Supercell.
- Operation of a CS2 tournament at Copenhagen Gaming Week.

Development in activities and finances

Revenue from BLAST Premier and Rainbow Six increased in 2024, driven by strong Brand Commercial performance, particularly in Sponsorship and Media Rights. Expansion into new ecosystems and strategic partnerships—most notably with Valve (DOTA 2), Epic Games, and Riot Games—provided additional Production Fee revenue and further accelerated commercial growth.

Cost of Sales increased in line with expanded tournament delivery and broadcast hours. Gross Margin declined year-on-year, primarily due to the absence of a CS2 Major in 2024.

Capital investments were made in the Copenhagen studio and broadcast technology, enabling higher production output and quality. Additional investments were directed toward the ongoing development of BLAST.tv, focusing on new streaming capabilities, data optimisation, and interactive features.

Liquidity

In 2024, BLAST secured €6.7 million in net new equity funding and ended the year with a cash position of €18.1 million. Management assesses liquidity as sufficient to support operations through FY25 and beyond.

In Q1 2025, the Company refinanced an €11.2 million facility with Danske Bank, increasing it to €11.6 million and securing a new €5 million multi-currency revolving credit facility to support working capital.

BLAST and Reliance Joint Venture

In April 2025, BLAST formed a joint venture with RISE, a wholly owned subsidiary of Reliance Industries Limited, to drive esports growth in India. India, with over 600 million gamers and a rapidly expanding $2.8 billion esports market, presents a major opportunity. This partnership combines BLAST's global production capabilities with Reliance's digital infrastructure and audience reach.

Through the JioGames platform, BLAST and Reliance aim to co-create new tournament IPs tailored to India's unique market, helping publishers, brands, and fans benefit from world-class esports experiences.

Expansion into the US

BLAST's global expansion continues with the opening of a New York City office in 2025, marking a strategic entry into the North American market. The U.S., with a $1.3 billion esports market and over $10 million in annual prize pools, is a global hub for esports.

The New York office will serve as BLAST's North American headquarters, enabling more frequent and larger-scale events—including FNCS Pro-Am in Los Angeles, the BLAST.tv Austin Major, and RLCS Raleigh Major. BLAST also plans to increase collaboration with North American creators, streamers, and brands to expand its original content and commercial reach.

Profit/loss for the year in relation to expected developments

BLAST delivered a positive operating profit in line with expectations. Although Gross Margin declined from 2023, excluding the prior year's BLAST.tv Major, core ecosystem margins improved—driven by stronger Sponsorship and Media Rights revenue.

Operating costs as a percentage of revenue remained stable year-on-year, reflecting continued cost discipline. The net loss for 2024 was €4.0 million and was hence within the top interval of the forecasted €4–6 million loss, which is due to Blast reaching goals for revenue and operating performance.

Uncertainty relating to recognition and measurement

The Company capitalises development costs for its studios, broadcast equipment, in-game assets, and BLAST.tv platform. These investments are assessed periodically by management for impairment. If the future value or expected cash flow contribution of any asset is deemed lower than its carrying value, an impairment loss is recognised.

Outlook

BLAST expects to continue strong revenue growth and positive operating profit in 2025. The upcoming BLAST.tv Major in the U.S. is forecasted to drive substantial revenue and profitability uplift. The launch of a new studio in Malta will support production scale, profitability, and ecosystem diversification.

Capital Expenditures are expected to rise with further investments in a new studio in Malta, broadcast technology, and BLAST.tv. A net loss of €-1 - +1 million is projected for 2025.

Globally, the esports audience is projected to grow to 641 million by 2025, with industry revenue reaching $1.9 billion. BLAST will continue expanding into commercially attractive games and geographic markets while maintaining scalable, cost-efficient operations.

BLAST Partnership With KRAFTON to Support Continued Growth of PUBG Esports

BLAST and global game publisher KRAFTON have partnered for the return of the PUBG EMEA Championship (PEC) and PUBG Americas Series (PAS) for 2025, marking the third consecutive year of these premier regional PUBG: BATTLEGROUNDS Esports tournaments.

BLAST will work with KRAFTON to bring the best of its industry-leading technology, high-end 'fan-first' production values and extensive esports tournament organiser experience to help elevate the PUBG esports scene.

BLAST.tv Major 2025

The BLAST.tv 2025 Major is set to be one of the biggest esports events ever in the US. With an expected 50,000 fans, plus millions tuning in from over 150+ territories and broadcast in 28 languages. After delivering the unforgettable BLAST.tv Paris Major, BLAST is taking the action across to the vibrant city of Austin in June 2025. This event will bring together the best CS teams from around the world, competing for glory and substantial prize money.

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 with no hedging performed on the hedge exchange rate risks. In 2024, we had meaningful exposure to DKK and USD. DKK was pegged to EUR. USD revenues exceeded USD costs. For 2025, we expect to have net exposure to DKK, USD, GBP and INR 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.

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.

Blast has made a significant investment into the development of In Game R&D projects, to create and utilise new programs and strategies to optimise the fans overall user experience through the use of new graphical implementations, improved data and statistics presentation and enhanced in-game viewing tools for BLAST events.

Foreign branches

BLAST ApS has a branch domiciled in Germany as part of our ongoing work with Riot Games.

Statutory report on corporate social responsibility

BLAST's approach to Corporate Social Responsibility (CSR) integrates environmental, social, and governance (ESG) considerations into operations and strategic planning.

1. Environmental Responsibility

The events industry can have a significant impact on the climate and the environment. Major contributors include an increased carbon footprint from travel and transportation of equipment and people, as well as the energy consumption from equipment. Waste generated from printed material, single use plastic and food waste is also an issue within the industry.

BLAST is dedicated to reducing its environmental footprint through responsible resource management and environmentally conscious decision-making. The 2024 CSR framework at events included efforts to:

- Promote the use of renewable energy sources and ensure all equipment is working as efficiently as possible .
- Reduce emissions and energy consumption across operations by encouraging local sourcing and virtual attendance via BLAST TV.
- Minimize waste generation by using digital ticketing and encourage recycling.
- Prioritize sustainable procurement and supply chain practices.
- Ensure that environmental initiatives align with national and EU legislation, as well as international sustainability standards.

BLAST works closely with suppliers to uphold ethical and sustainable business practices throughout the supply chain.

- A supplier code of conduct sets expectations on labor rights, environmental impact, and ethical behavior.
- Prioritize working with partners who share BLAST's values.

The events industry has a substantial environmental impact, but with thoughtful planning and the adoption of sustainable practices, BLAST feels it can significantly reduce its footprint. Throughout 2025 BLAST will strive to ensure air travel is reduced where possible in order to reduce our carbon footprint by producing events online from our studio in Copenhagen.

2. Social Responsibility

Throughout 2024 BLAST strived to maintain a respectful, inclusive, and safe workplace while contributing positively to the communities in which it operates.

In the workplace:

- Promote diversity, equity, and inclusion in all aspects of employment.
- Support professional development and employee well-being.
- Ensure compliance with occupational health and safety standards.

In the community:

- Engage in social initiatives that support local development.
- Encourage employee volunteering and charitable involvement.
- Foster long-term partnerships with educational and community organizations.

Movember became the official mental health partner of BLAST Premier. The partnership will see Movember and BLAST Premier commit to working together to promote good mental health and prevent ill-health amongst esports players and viewers/spectators alike, encouraging the community to take action and better support themselves and each other, officially launching at the BLAST Premier World Final in Singapore 2024.

In 2025 Movember attended the Austin Major for a pop-up booth barber shop, offering free haircuts to fans whilst talking to mental health workers who promoted having conversations on men's mental health.

BLAST aims to create and maintain a working environment which is environmentally responsible, economically viable, and supportive of employee well-being. The office and studio spaces provide good air quality, with natural light and ergonomic furniture. Employees are offered remote or hybrid work options with flexible hours in order to promote a healthy work-life balance. Clear protocols for health and safety are implemented across all our facilities and events. Employees are given access to private health care and mental health support.

3. Governance and Ethics

BLAST's 2024 corporate governance framework is built on transparency, accountability, and ethical conduct with the aim to

- Maintain clear policies on anti-corruption, bribery, and compliance.
- Conduct regular risk assessments and compliance reviews.
- Implement internal controls and reporting mechanisms for whistleblowing and ethical concerns.

All employees are expected to uphold the highest standards of integrity and professionalism in their conduct both throughout 2024 and beyond.

4. CSR Oversight and Future Outlook

CSR initiatives are overseen and reviewed regularly by senior management to ensure alignment with BLAST's corporate values and long-term goals. Going forward, BLAST will continue to enhance its CSR framework with reference to the UN Sustainable Development Goals (SDGs), the Corporate Sustainability Reporting Directive (CSRD), and other relevant standards. BLAST is committed to continuous improvement in its environmental and social impact and to transparent stakeholder engagement.

Management is not aware of any particular risk to the company's employees at present however the situation will be continuously monitored and tracked by:

- Conducting regular risk assessments

- Providing comprehensive training
- Implementing safety protocols
- Fostering a healthy workplace culture
- Ensuring compliance with labor laws and OSHA guidelines

Statutory report on data ethics policy

BLAST is subject to data protection obligations originating from EU regulation such as the General Data Protection Regulation ("GDPR") and various national requirements under national law. BLAST ensures compliance with those requirements and a general high and adequate level of personal data protection as privacy compliance is a keystone in gaining and maintaining the trust of our customers, suppliers and employees and thus, ensuring BLAST's business in the future.

Personal data is always:

- Processed lawfully, fairly and in a transparent manner in relation to the data subject
- Collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes
- Adequate, relevant, and limited to what is necessary in relation to the purposes for which they are processed
- Accurate and, where necessary, kept up to date; every reasonable step must be taken to ensure that personal data that are inaccurate, having regard to the purposes for which they are processed, are erased, or rectified without delay
- Kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed
- Processed in a manner that ensures appropriate security of the personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction, or damage, using appropriate technical or organisational measures

Events after the balance sheet date

In Q1 2025 , the Company refinanced an €11.2 million facility with Danske Bank and secured a new €5 million multi-currency revolving credit facility to support working capital. BLAST has also formed a joint venture with RISE, a wholly owned subsidiary of Reliance Industries Limited, to drive esports growth in India in April 2025. No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Consolidated income statement for 2024

	Notes	2024 EUR	2023 EUR
Revenue	2	82,132,832	72,565,742
Own work capitalised		1,470,673	872,235
Other operating income		334,155	33,228
Cost of sales		(64,626,979)	(53,075,682)
Other external expenses	3	(6,450,348)	(5,307,930)
Gross profit/loss		**12,860,333**	**15,087,593**
Staff costs	4	(12,631,595)	(10,928,068)
Depreciation, amortisation and impairment losses	5	(3,336,542)	(2,774,687)
Operating profit/loss		**(3,107,804)**	**1,384,838**
Other financial income		811,651	198,620
Other financial expenses		(1,571,480)	(2,727,499)
Profit/loss before tax		**(3,867,633)**	**(1,144,041)**
Tax on profit/loss for the year	6	(93,889)	(1,049,549)
Profit/loss for the year	7	**(3,961,522)**	**(2,193,590)**

Consolidated balance sheet at 31.12.2024

Assets

	Notes	2024 EUR	2023 EUR
Completed development projects	9	5,955,751	5,603,429
Development projects in progress	9	32,854	121,512
Intangible assets	8	**5,988,605**	**5,724,941**
Other fixtures and fittings, tools and equipment		3,335,316	3,585,508
Leasehold improvements		1,513,615	1,053,917
Property, plant and equipment	10	**4,848,931**	**4,639,425**
Deposits		349,986	546,784
Financial assets	11	**349,986**	**546,784**
Fixed assets		**11,187,522**	**10,911,150**
Trade receivables		11,104,028	9,174,625
Other receivables		1,885,896	2,851,486
Contributed capital in arrears		5,590,095	0
Prepayments	12	2,449,499	3,155,438
Receivables		**21,029,518**	**15,181,549**
Cash		**11,084,119**	**18,112,797**
Current assets		**32,113,637**	**33,294,346**
Assets		**43,301,159**	**44,205,496**

Equity and liabilities

	Notes	2024 EUR	2023 EUR
Contributed capital	13	53,281	49,049
Reserve for unpaid contributed capital		5,590,095	0
Retained earnings		1,454,317	4,286,791
Equity		**7,097,693**	**4,335,840**
Deferred tax	14	4,138	3,950
Provisions		**4,138**	**3,950**
Payables to owners and management		807,801	12,867,748
Non-current liabilities other than provisions	15	**807,801**	**12,867,748**
Current portion of non-current liabilities other than provisions	15	11,926,575	1,305,306
Trade payables		17,998,064	19,062,867
Payables to owners and management		743,464	0
Tax payable		103,513	215,558
Other payables		1,131,611	739,379
Deferred income	16	3,488,300	5,674,848
Current liabilities other than provisions		**35,391,527**	**26,997,958**
Liabilities other than provisions		**36,199,328**	**39,865,706**
Equity and liabilities		**43,301,159**	**44,205,496**

Events after the balance sheet date	1
Unrecognised rental and lease commitments	18
Contingent liabilities	19
Assets charged and collateral	20
Non-arm's length related party transactions	21
Subsidiaries	22

Consolidated statement of changes in equity for 2024

	Contributed capital EUR	Reserve for unpaid contributed capital EUR	Retained earnings EUR	Total EUR
Equity beginning of year	49,049	0	4,286,791	4,335,840
Increase of capital	4,232	5,590,095	1,129,048	6,723,375
Profit/loss for the year	0	0	(3,961,522)	(3,961,522)
Equity end of year	**53,281**	**5,590,095**	**1,454,317**	**7,097,693**

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 2024

	Notes	2024 EUR	2023 EUR
Operating profit/loss		(3,107,804)	1,384,838
Amortisation, depreciation and impairment losses		3,336,542	2,774,687
Working capital changes	17	(2,870,628)	280,007
Unrealised exchange rate adjustments		(228,523)	0
Cash flow from ordinary operating activities		**(2,870,413)**	**4,439,532**
Financial income received		706,717	198,620
Financial expenses paid		(843,901)	(2,727,499)
Taxes refunded/(paid)		(205,746)	930,819
Other cash flows from operating activities		0	(887,014)
Cash flows from operating activities		**(3,213,343)**	**1,954,458**
Acquisition etc. of intangible assets		(1,470,673)	(828,443)
Acquisition etc. of property, plant and equipment		(2,339,372)	(1,949,222)
Sale of property, plant and equipment		334,155	545,152
Acquisition of fixed asset investments		(49,567)	0
Cash flows from investing activities		**(3,525,457)**	**(2,232,513)**
Free cash flows generated from operations and investments before financing		**(6,738,800)**	**(278,055)**
Loans raised		0	1,137,086
Repayments of loans etc.		(1,148,030)	(2,987,471)
Repayment of lease liabilities		(290,648)	(149,517)
Cash capital increase		1,133,280	12,821,768
Cash capital decrease		0	(1,317,485)
Other cash flows from financing activities		0	(82,549)
Cash flows from financing activities		**(305,398)**	**9,421,832**
Increase/decrease in cash and cash equivalents		**(7,044,198)**	**9,143,777**
Cash and cash equivalents beginning of year		18,112,797	8,969,020
Currency translation adjustments of cash and cash		15,520	0

equivalents		
Cash and cash equivalents end of year	**11,084,119**	**18,112,797**
Cash and cash equivalents at year-end are composed of:		
Cash	11,084,119	18,112,797
Cash and cash equivalents end of year	**11,084,119**	**18,112,797**

Notes to consolidated financial statements

1 Events after the balance sheet date

In Q1 2025 , the Company refinanced an €11.2 million facility with Danske Bank and secured a new €5 million multi-currency revolving credit facility to support working capital. BLAST has also formed a joint venture with RISE, a wholly owned subsidiary of Reliance Industries Limited, to drive esports growth in India in April 2025. No other events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

2 Revenue

	2024 EUR	2023 EUR
Asia	3,158,231	5,936,360
Australia	11,481	0
Europe	33,636,638	18,779,096
North America	44,689,343	47,594,164
South America	637,139	256,122
Total revenue by geographical market	**82,132,832**	**72,565,742**

3 Fees to the auditor appointed by the Annual General Meeting

	2024 EUR	2023 EUR
Statutory audit services	61,283	52,935
Other assurance engagements	6,435	0
Tax services	43,036	17,313
Other services	21,831	15,381
	132,585	**85,629**

4 Staff costs

	2024 EUR	2023 EUR
Wages and salaries	11,594,190	10,193,029
Pension costs	275,481	229,180
Other social security costs	761,924	505,859
	12,631,595	**10,928,068**

Average number of full-time employees	130	119

	Remuneration of management 2024 EUR	Remuneration of management 2023 EUR
Total amount for management categories	517,829	506,011
	517,829	**506,011**

Special incentive programmes
The company's general meeting has authorized the Board of Directors to issue warrants for total nom. EUR 9,421.71 corresponding to 7,028,593 shares a nom. EUR 0.0013. 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 between EUR 0.0013 to 2.1260.

As of 31 December 2024, the company has 5,509,835 warrants outstanding, corresponding to a nominal value of EUR 7,385.84, of which management have received 2,584,634 warrants.

The issued warrants have an expiration date between 30th June 2025 and 1st November 2034.

5 Depreciation, amortisation and impairment losses

	2024 EUR	2023 EUR
Amortisation of intangible assets	1,207,009	995,255
Depreciation on property, plant and equipment	2,129,533	1,779,432
	3,336,542	**2,774,687**

6 Tax on profit/loss for the year

	2024 EUR	2023 EUR
Current tax	93,889	215,558
Change in deferred tax	0	887,014
Adjustment concerning previous years	0	(53,023)
	93,889	**1,049,549**

7 Proposed distribution of profit/loss

	2024 EUR	2023 EUR
Retained earnings	(3,961,522)	(2,193,590)
	(3,961,522)	**(2,193,590)**

8 Intangible assets

	Completed development projects EUR	Development projects in progress EUR
Cost beginning of year	7,536,982	121,512
Transfers	1,254,632	(1,254,632)
Additions	304,699	1,165,974
Disposals	(63,383)	0
Cost end of year	**9,032,930**	**32,854**
Amortisation and impairment losses beginning of year	(1,933,553)	0
Amortisation for the year	(1,207,009)	0
Reversal regarding disposals	63,383	0
Amortisation and impairment losses end of year	**(3,077,179)**	**0**
Carrying amount end of year	**5,955,751**	**32,854**

9 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 2024 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 2024.

10 Property, plant and equipment

	Other fixtures and fittings, tools and equipment EUR	Leasehold improvements EUR
Cost beginning of year	6,722,169	1,165,094
Additions	1,738,092	601,280
Disposals	(1,908,330)	0
Cost end of year	**6,551,931**	**1,766,374**
Depreciation and impairment losses beginning of year	(3,136,661)	(111,177)
Depreciation for the year	(1,624,533)	(141,582)
Depreciation and impairment losses on assets disposed of	(363,418)	0
Reversal regarding disposals	1,907,997	0
Depreciation and impairment losses end of year	**(3,216,615)**	**(252,759)**
Carrying amount end of year	**3,335,316**	**1,513,615**

11 Financial assets

	Deposits EUR
Cost beginning of year	546,784
Additions	49,567
Disposals	(246,365)
Cost end of year	**349,986**
Carrying amount end of year	**349,986**

12 Prepayments

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

13 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	23,815,368	0.00	31,986	31,986
Common shares	2,351,611	0.00	3,161	3,161
	39,658,726		**53,281**	**53,281**

The Par Value of the above is 0.0013 EUR

14 Deferred tax

	2024 EUR	2023 EUR
Intangible assets	230,289	1,259,487
Property, plant and equipment	80,772	82,772
Receivables	(143,000)	(1,244)
Tax losses carried forward	(163,923)	(1,337,065)
Deferred tax	**4,138**	**3,950**

Changes during the year	2024 EUR	2023 EUR
Beginning of year	3,950	3,950
Recognised in the income statement	188	0
End of year	**4,138**	**3,950**

15 Non-current liabilities other than provisions

	Due within 12 months 2024 EUR	Due within 12 months 2023 EUR	Due after more than 12 months 2024 EUR
Lease liabilities	0	290,648	0
Payables to owners and management	11,926,575	1,014,658	807,801
	11,926,575	**1,305,306**	**807,801**

Payables to owners and management is purely related to shareholder loans and the non-current liabilities for the group 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 Changes in working capital

	2024 EUR	2023 EUR
Increase/decrease in receivables	(11,509)	(6,817,646)
Increase/decrease in trade payables etc.	(2,859,119)	7,097,653
	(2,870,628)	**280,007**

18 Unrecognised rental and lease commitments

	2024 EUR	2023 EUR
Total liabilities under rental or lease agreements until maturity	2,332,307	4,206,088

19 Contingent liabilities

	2024 EUR	2023 EUR
Recourse and non-recourse guarantee commitments	282,299	282,568
Contingent liabilities	**282,299**	**282,568**

The Group has assumed an exit-obligation towards a third party relating to a exit-transaction. In view of the Group’s current operations, Management does not find it necessary to recognise a liability.

20 Assets charged and collateral

As security for all accounts with one of the group's bank connections EUR 290,598 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 282,299.

21 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.

22 Subsidiaries

	Registered in	Corporate form	Ownership %	Equity EUR	Profit/loss EUR
Blast Esport Limited	London, England	Limited	100.00	1,278,105	(4,416,895)

Parent income statement for 2024

	Notes	2024 EUR	2023 EUR
Revenue		82,036,502	72,473,008
Own work capitalised		1,267,763	680,599
Other operating income		3,440,985	3,687,687
Cost of sales		(64,627,072)	(53,075,682)
Other external expenses		(5,443,860)	(4,119,576)
Gross profit/loss		**16,674,318**	**19,646,036**
Staff costs	3	(6,775,375)	(5,877,718)
Depreciation, amortisation and impairment losses	4	(3,287,889)	(2,715,139)
Other operating expenses		(11,347,003)	(18,052,119)
Operating profit/loss		**(4,735,949)**	**(6,998,940)**
Other financial income	5	1,165,678	1,015,384
Other financial expenses	6	(1,565,843)	(2,456,872)
Profit/loss before tax		**(5,136,114)**	**(8,440,428)**
Tax on profit/loss for the year	7	(103,513)	(833,991)
Profit/loss for the year	8	**(5,239,627)**	**(9,274,419)**

Parent balance sheet at 31.12.2024

Assets

	Notes	2024 EUR	2023 EUR
Completed development projects	10	5,955,751	5,603,429
Development projects in progress	10	32,854	121,512
Intangible assets	9	**5,988,605**	**5,724,941**
Other fixtures and fittings, tools and equipment		3,293,374	3,536,128
Leasehold improvements		1,513,615	1,053,917
Property, plant and equipment	11	**4,806,989**	**4,590,045**
Investments in group enterprises		1,178	1,178
Receivables from group enterprises		0	5,632,899
Deposits		256,373	457,427
Financial assets	12	**257,551**	**6,091,504**
Fixed assets		**11,053,145**	**16,406,490**
Trade receivables		11,101,498	9,166,488
Receivables from group enterprises		4,577,558	0
Other receivables		1,837,898	2,596,346
Contributed capital in arrears		5,590,095	0
Prepayments	13	2,304,305	2,981,680
Receivables		**25,411,354**	**14,744,514**
Cash		**10,474,742**	**17,750,762**
Current assets		**35,886,096**	**32,495,276**
Assets		**46,939,241**	**48,901,766**

Equity and liabilities

	Notes	2024 EUR	2023 EUR
Contributed capital		53,281	49,049
Reserve for unpaid contributed capital		5,590,095	0
Reserve for development costs		2,566,483	2,010,053
Retained earnings		3,306,070	7,973,079
Equity		**11,515,929**	**10,032,181**
Payables to owners and management		807,801	12,867,748
Non-current liabilities other than provisions	14	**807,801**	**12,867,748**
Current portion of non-current liabilities other than provisions	14	11,926,575	1,305,306
Trade payables		17,813,447	18,392,645
Payables to owners and management		743,464	0
Tax payable		103,513	0
Other payables		540,212	629,038
Deferred income	15	3,488,300	5,674,848
Current liabilities other than provisions		**34,615,511**	**26,001,837**
Liabilities other than provisions		**35,423,312**	**38,869,585**
Equity and liabilities		**46,939,241**	**48,901,766**
Events after the balance sheet date	1		
Uncertainty relating to recognition and measurement	2		
Unrecognised rental and lease commitments	16		
Contingent liabilities	17		
Assets charged and collateral	18		
Non-arm's length related party transactions	19		

Parent statement of changes in equity for 2024

	Contributed capital EUR	Reserved for unpaid contributed capital EUR	Reserve for development costs EUR	Retained earnings EUR	Total EUR
Equity beginning of year	49,049	0	2,010,053	7,973,079	10,032,181
Increase of capital	4,232	5,590,095	0	1,129,048	6,723,375
Transfer to reserves	0	0	556,430	(556,430)	0
Profit/loss for the year	0	0	0	(5,239,627)	(5,239,627)
Equity end of year	**53,281**	**5,590,095**	**2,566,483**	**3,306,070**	**11,515,929**

Notes to parent financial statements

1 Events after the balance sheet date

In Q1 2025 , the Company refinanced an €11.2 million facility with Danske Bank and secured a new €5 million multi-currency revolving credit facility to support working capital. BLAST has also formed a joint venture with RISE, a wholly owned subsidiary of Reliance Industries Limited, to drive esports growth in India in April 2025. 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

	2024 EUR	2023 EUR
Wages and salaries	6,534,353	5,728,136
Pension costs	134,610	122,475
Other social security costs	106,412	27,107
	6,775,375	**5,877,718**
Average number of full-time employees	65	59

	Remuneration of Manage-ment 2024 EUR	Remuneration of Manage-ment 2023 EUR
Total amount for management categories	517,829	506,011
	517,829	**506,011**

Special incentive programmes

The company's general meeting has authorized the Board of Directors to issue warrants for total nom. EUR 9,421.71 corresponding to 7,028,593 shares a nom. EUR 0.0013. 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 between EUR 0.0013 to 2.1260.

As of 31 December 2024, the company has 5,509,835 warrants outstanding, corresponding to a nominal value of EUR 7,385.84, of which management have received 2,584,634 warrants. The issued warrants have an expiration date between 30th June 2025 and 1st November 2034.

4 Depreciation, amortisation and impairment losses

	2024 EUR	2023 EUR
Amortisation of intangible assets	1,207,009	995,255
Depreciation on property, plant and equipment	2,080,880	1,719,884
	3,287,889	**2,715,139**

5 Other financial income

	2024 EUR	2023 EUR
Financial income from group enterprises	354,276	783,529
Other interest income	419,471	231,855
Exchange rate adjustments	391,931	0
	1,165,678	**1,015,384**

6 Other financial expenses

	2024 EUR	2023 EUR
Other interest expenses	1,491,898	1,474,196
Exchange rate adjustments	0	922,035
Other financial expenses	73,945	60,641
	1,565,843	**2,456,872**

7 Tax on profit/loss for the year

	2024 EUR	2023 EUR
Current tax	103,513	0
Change in deferred tax	0	887,097
Adjustment concerning previous years	0	(53,106)
	103,513	**833,991**

8 Proposed distribution of profit and loss

	2024 EUR	2023 EUR
Retained earnings	(5,239,627)	(9,274,419)
	(5,239,627)	**(9,274,419)**

9 Intangible assets

	Completed development projects EUR	Development projects in progress EUR
Cost beginning of year	7,536,982	121,512
Transfers	1,254,632	(1,254,632)
Additions	304,699	1,165,974
Disposals	(63,383)	0
Cost end of year	**9,032,930**	**32,854**
Amortisation and impairment losses beginning of year	(1,933,553)	0
Amortisation for the year	(1,207,009)	0
Reversal regarding disposals	63,383	0
Amortisation and impairment losses end of year	**(3,077,179)**	**0**
Carrying amount end of year	**5,955,751**	**32,854**

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
Cost beginning of year	6,549,618	1,165,094
Additions	1,696,544	601,280
Disposals	(1,907,226)	0
Cost end of year	**6,338,936**	**1,766,374**
Depreciation and impairment losses beginning of year	(3,013,490)	(111,177)
Depreciation for the year	(1,575,880)	(141,582)
Depreciation and impairment losses on assets disposed of	(363,418)	0
Reversal regarding disposals	1,907,226	0
Depreciation and impairment losses end of year	**(3,045,562)**	**(252,759)**
Carrying amount end of year	**3,293,374**	**1,513,615**

12 Financial assets

	Investments in group enterprises EUR	Receivables from group enterprises EUR	Deposits EUR
Cost beginning of year	1,178	5,632,899	457,427
Transfers	0	(4,577,558)	0
Additions	0	8,021,914	45,311
Disposals	0	(9,077,255)	(246,365)
Cost end of year	**1,178**	**0**	**256,373**
Carrying amount end of year	**1,178**	**0**	**256,373**

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

13 Prepayments

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

14 Non-current liabilities other than provisions

	Due within 12 months 2024 EUR	Due within 12 months 2023 EUR	Due after more than 12 months 2024 EUR
Lease liabilities	0	290,648	0
Payables to owners and management	11,926,575	1,014,658	807,801
	11,926,575	**1,305,306**	**807,801**

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.

15 Deferred income

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

16 Unrecognised rental and lease commitments

	2024 EUR	2023 EUR
Total liabilities under rental or lease agreements until maturity	2,079,581	3,711,210

17 Contingent liabilities

	2024 EUR	2023 EUR
Recourse and non-recourse guarantee commitments	282,299	282,568
Contingent liabilities	**282,299**	**282,568**

The Company has assumed an exit-obligation towards a third party relating to a exit-transaction. In view of the Company’s current operations, Management does not find it necessary to recognise a liability.

18 Assets charged and collateral

As security for all accounts with one of the company's bank connections EUR 290,598 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 282,299.

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.

Accounting policies

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

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.

Changes in accounting estimates
A change has been made to the depreciation period for some of the company's other fixtures and fittings, tools and equipment, so that they will in future be depreciated over 2-10 years and not 3-10 years as previously.

The change has been made based on an assessment of the lifespan for the company's fixtures that see larger depreciation due to wear and tear from arena hosting events. The change means that the year's depreciation has been increased by t.EUR 180 compared to previous estimates.

A change has been made to the depreciation period for some of the company's completed development projects, so that they will in future be depreciated over 2-10 years and not 5-10 years as previously.

The change has been made based on an assessment of the lifespan for the company's completed development projects that see larger depreciation due to an accelerated obsolescence for front-end projects. The change means that the year's depreciation has been increased by t.EUR 23 compared to previous estimates.

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.

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.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in the translation reserve in equity.

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.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

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.

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 2-10 years for projects related to the In-Game framework.

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	2-10 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.

Contributed capital in arrears
Contributed capital in arrears consists of capital subscribed, but not paid up, which is recognised as a separate amount receivable in assets and a separate reserve in equity (gross method). The amount receivable is measured at amortised cost.

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

Cash
Cash comprises 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.

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.

Operating leases
Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

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.