Hobbii A/S

Dortheavej 12A, st. tv., København NV

CVR no. 36 90 95 87

Annual report 2024

Approved at the Company's annual general meeting on 10 April 2025

Chair of the meeting:

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Thomas Zeihlund

Penneo dokumentnøgle: WPSE2-QTMHT-IWSW4-3E5UF-JDVXG-HVGPI

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Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Hobbii A/S for the financial year 1 January - 31 December 2024.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 December 2024 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 January - 31 December 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 10 April 2025
Executive Board:

Thomas Zeihlund

Martin Egeland Diernisse

Board of Directors:

Johannes Emil Kjærsgaard Gadsbøll
Chair

Jens Reimer Olesen

Morten Petersen

Daniel Erik Philip Ahlstrand

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Independent auditor's report

To the shareholders of Hobbii A/S

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Hobbii A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2024, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 January - 31 December 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 the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent Company financial statements" (herinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Management's responsibilities for the financial statements

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 the financial statements.

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Independent auditor's report

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 Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, 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 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 group 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's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

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Independent auditor's report

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 10 April 2025
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Kennet Hartmann
State Authorised Public Accountant
mne40036

Simon Blendstrup
State Authorised Public Accountant
mne44060

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Management's review

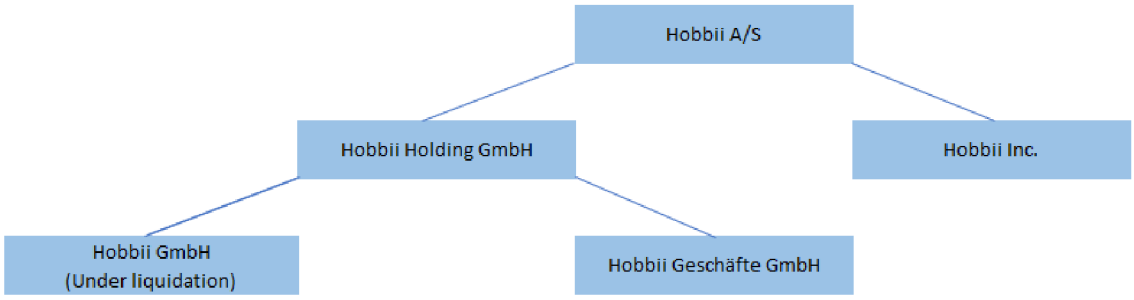
Company details

Name	Hobbii A/S
Address, Postal code, City	Dortheavej 12A, st. tv., København NV
CVR no.	36 90 95 87
Established	28 May 2015
Registered office	København NV
Financial year	1 January - 31 December
Website	www.hobbii.dk
E-mail	finance@hobbii.dk
Telephone	+45 78 77 21 77
Board of Directors	Johannes Emil Kjærsgaard Gadsbøll, Chair Jens Reimer Olesen Morten Petersen Daniel Erik Philip Ahlstrand
Executive Board	Thomas Zeihlund Martin Egeland Diernisse
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

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Management's review

Group chart



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Management's review

Financial highlights for the Group

DKK'000	2024 12 months	2023 12 months	2021/22 18 months	2020/21 12 months	2019/20 12 months
Key figures					
Revenue	627,681	585,474	835,905	458,958	0
Gross profit	138,076	143,308	176,962	122,042	72,557
Operating profit/loss	33,950	35,859	16,614	14,903	20,056
Net financials	-3,370	-7,658	-11,904	-6,428	-3,375
Profit for the year	21,609	21,721	4,454	14,628	13,114
Total assets	278,764	240,740	273,278	154,565	77,599
Investments in property, plant and equipment	8,461	60,106	8,181	8,102	2,517
Equity	88,137	66,448	44,783	34,970	23,034
Cash flows from operating activities	5,222	28,305	58,407	18,055	11,717
Net cash flows from investing activities	-14,413	-18,110	-20,697	-20,632	-11,453
Cash flows from financing activities	-3,062	0	0	0	0
Total cash flows	-12,253	10,195	37,710	-2,577	264
Financial ratios					
Gross margin	22.0%	24.5%	21.2%	26.6%	0.0%
EBITDA-margin	8.4%	9.2%	4.1%	6.9%	0.0%
Return on assets	13.1%	14.0%	7.8%	12.8%	35.0%
Equity ratio	31.6%	27.6%	16.4%	22.6%	29.7%
Return on equity	28.0%	39.1%	11.2%	50.4%	87.3%
Adjusted equity ratio	31.6%	27.6%	22.5%	28.4%	31.4%
Average number of full-time employees	**223**	**256**	**281**	**236**	**121**

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before net financials +/- Other operating income and other operating expenses
Gross margin	$\frac{\text{Gross profit/loss x 100}}{\text{Revenue}}$
EBITDA-margin	$\frac{\text{Earnings before interest, taxes and amortisations (EBITDA) x 100}}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit/loss from operating activites x 100}}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax x 100}}{\text{Average equity}}$
Adjusted equity ratio	$\frac{\text{Equity, year-end x 100}}{\text{Netted cash and bank debt}}$

Key figures for revenue and related financial ratios for the financial year 2019/20 have not previously been disclosed in the annual report. These key figures and related financial ratios appear with a 0 in the key figures and a 0,0% in the financial ratios.

We have included "Adjusted equity ratio" where all cash positions across bank accounts (Cash) are netted out against all drawdowns across bank accounts (Bank debt). We believe this gives a more accurate presentation of our balance sheet.

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Management's review

Management commentary

Business review

Hobbii serves the global knitting and crocheting community by inspiring creativity and selling yarn and related accessories through e-commerce and physical stores in Denmark and Germany.

We develop our yarns and accessories together with producers in Europe, Asia and South America, and send them from our warehouse in Greve to yarn enthusiasts all over the world.

Financial review

We started the year with a continuation of the supply chain issues, which marked the end of 2023. This led to a slow start to 2024, but towards the end of Q2 we had worked through our supply situation, and we decided to increase focus on revenue growth in the second half of the year. This worked well, leading to fair double-digit revenue growth in H2, and to a 7% annual growth over 2023. Revenue for the year was DKK 627m vs. DKK 586m in 2023.

At the same time as investing in growth, we were able to maintain our total EBITDA in line with 2023, achieving an EBITDA of DKK 53m vs. DKK 54m in 2023. Consequently, our EBITDA-margin decreased from 9.2% in 2023 to 8.4% in 2024.

Entering 2024, we expected revenues between DKK 550m and 650m for the group and between DKK 450m and 550m for the parent company. We ended a bit above for the parent company due to various investments in revenue growth initiatives. On the other hand, we ended up achieving the anticipated EBITDA for the group and for the parent company between DKK 40m and 60m.The management deems the results satisfactory.

Knowledge resources

As a knowledge-based company we depend on specialised skills to build and maintain our business. Our critical business knowledge is increasingly being formalised and documented, to avoid dependencies on lore and particular individuals. Though these initiatives make our current processes more robust, the continuous development of Hobbii still depends on our ability to retain and attract skilled and driven employees.

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Management's review

Financial risks and use of financial instruments

As a digital company we are exposed to the risks associated with cyber attacks and tech-related disturbances. We have concluded that we might have underinvested in this area previously, and during 2024 we have escalated the importance of implementing and maintaining a robust technical infrastructure. This work will continue in 2025.

As a company selling directly to end-users, we are inherently exposed to the general spending patterns and disposable income of our target customers. We have addressed this risk through geographical diversification, but we are still exposed to global economic cycles, as well as shifts in consumer preferences.

Our business model relies on the global mobilty of goods, and restrictions to global free trade in the form of tariffs or non-monetary trade barriers including increased time for customs clearance, will impact our business negatively. Additionally, shocks to global free trade might introduce unforeseen disruptions to our supply chain.

Being geographically diversified, introduces currency risks as our reporting currency is DKK. We have a high volume of transactions every day across a number of currency pairs, and we have therefore assessed that the cost of currency hedging outweighs the benefits.

Operating in a global environment also involves the challenges of staying updated and compliant with local rules and regulations, particularly related to consumer protection and sales tax. Though we put a constant effort into compliance, there is always a risk of an adverse impact from local rules, legal changes or interpretations.

As we increase the share of products sourced directly from producers, we are to a lesser extent relying on middlemen to handle potential issues in our supply chain. We have increased our investments in supply chain management significantly over the past years to handle this.

Research and development activities

Our ongoing development projects focus on implementing new sales platforms aimed at increasing revenue and scalability. We assess that these developments have strong future earnings potential, driven by high customer demand for technological advancements in e-commerce.

Additionally, we are investing in the further development of internal systems, including automation initiatives and the implementation of new operational platforms. These projects are designed to streamline business processes, improve efficiency, and optimize resource utilization, ensuring a more effective and scalable operation.

Statutory CSR report

Please see "Key Activities" for a short introduction to our business model.

Climate and Environment

As a consumer goods company, our business model is inherently linked to consumption, which has an adverse environmental impact, including greenhouse gas emissions and resource usage. Global shipping further contributes to our footprint. However, our products encourage a more mindful and sustainable lifestyle, emphasizing craftsmanship, care, and durability, as customers invest time and skill in creating long-lasting items. We are committed to minimizing the environmental impact of our business, both globally and locally.

The production of tangible goods impacts both the global climate and local environments. To address this, we collaborate with trusted suppliers who share our commitment to responsible practices.

In 2024, we continued implementing our Supplier Code of Conduct, first introduced in FY21/22. This code requires suppliers to incorporate environmental considerations into their operations and actively work to mitigate any negative impact.

Looking ahead to 2025, we plan to explore more targeted initiatives to enhance supplier follow-up and closely monitor evolving regulations and requirements in this area.

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Management's review

In 2024, we successfully established our greenhouse gas reporting baseline. In 2025, we will focus on refining this further and integrating the ESG agenda into the group's new overall strategy.

Staff

Our success is directly linked to the strength of our team. We are committed to providing a safe, inclusive, and inspiring work environment that encourages collaboration, professional growth, and development. Any shortcomings in this effort will negatively impact our business.

Additionally, operating warehouses and retail stores comes with inherent safety risks, which we actively manage.

To support employee well-being, we conduct anonymous quarterly surveys. All leaders have access to their team's survey results and receive support from the People & Culture team as needed. The overall well-being results for our office-based employees remain consistent with recent years.

We have a whistleblower program with a direct link to a dedicated member of our Board of Directors, and during 2024, there have not been any notifications.

We remain dedicated to fostering a healthy and supportive work environment for our employees in the year ahead. This includes enhancing workplace well-being initiatives, strengthening our safety measures, and continuously improving our leadership support and development programs. By prioritizing a balanced and engaging work life, we aim to ensure that our employees feel valued, motivated, and equipped to thrive both professionally and personally.

Social factors

As an integral part of the communities we serve, we are committed to contributing positively to society through responsible business practices and meaningful social initiatives.

We create job opportunities for both skilled and unskilled workers, fostering inclusive employment and professional growth. Our commitment to ethical business conduct extends to maintaining a transparent and responsible approach to taxation, ensuring we contribute fairly to the economies in which we operate.

Beyond employment, we recognize the broader impact our business can have on well-being. We actively support initiatives that promote kindness, creativity, and mental health, acknowledging that our products provide not just enjoyment but also a sense of relaxation, fulfillment, and connection. By prioritizing these values, we aim to strengthen both our business and the communities we are a part of.

Human rights

We consider the protection and promotion of human rights to be a fundamental responsibility. Our understanding of these rights is guided by the Universal Declaration of Human Rights, its associated treaties and declarations, and the ethical principles that underpin them.

To date, we have not encountered any human rights violations within our operations or supply chain, and this remained the case in 2024.

As we continue expanding our direct sourcing from producers rather than relying on local wholesalers, we recognize the increased risk of inadvertently engaging with businesses that may not align with our values. To mitigate this, we introduced a Supplier Code of Conduct in recent years, outlining clear expectations for all suppliers working with Hobbii. This includes a strong commitment to upholding human rights and ensuring a safe, fair, and inclusive work environment.

All major suppliers have signed the Code of Conduct, reinforcing our shared commitment to ethical business practices.

Looking ahead to 2025, we plan to implement more targeted initiatives to enhance our oversight and engagement with suppliers, ensuring continued compliance and alignment with our values.

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Management's review

Fighting corruption and bribery

We maintain a strict zero-tolerance policy for corruption and bribery, prohibiting any form of direct or indirect exchange of money, goods, or services that could be construed as corrupt practices under local or international standards. Ethical business conduct is fundamental to our operations, and we are committed to ensuring transparency and integrity across all aspects of our work.

To date, we have not encountered any instances of bribery or corruption within our business, and this remained the case in 2024.

To reinforce our stance, we regularly communicate our anti-corruption policy to all employees, ensuring they understand their responsibilities. Additionally, this commitment is embedded in our Supplier Code of Conduct, requiring all partners to uphold the same ethical standards.

In 2025, we will continue to actively monitor this area and maintain our follow-up efforts with suppliers to ensure ongoing compliance and alignment with our ethical principles.

Events after the balance sheet date

The new tariffs presented by the US administration on April 2, 2025 including the potential reciprocal measures by other countries and economic regions, are likely to create more challenging market conditions for a company like ours. However, the exact policy changes and their implications are highly uncertain at the time of this report.

No other events have occurred after the balance sheet date which could significantly affect the Group's financial position.

Data ethics

At Hobbii, we take our responsibility for handling customer and user data seriously and are committed to maintaining the required standards of data protection and privacy. We strive to minimize the processing of sensitive personal information, ensuring that we collect and use only what is necessary for operational efficiency, customer interactions, and personnel administration.

While we do not have a standalone data ethics policy, our approach to data privacy is firmly rooted in accountability and compliance. All Hobbii employees and partners are required to handle personal data responsibly and in strict accordance with our GDPR and privacy policies. We continuously assess our data handling practices to safeguard user information, enhance transparency, and uphold trust in our digital operations.

Outlook

We expect to continue to grow our top line in 2025, continuing the recent years of growth development. For 2025, we anticipate net revenue between DKK 700m and 750m for the Group and between DKK 550m and 600m for the parent company, Hobbii A/S. We expect EBITDA for the Group and for Hobbii A/S between DKK 40m and 60m reflecting investments in a number of strategic initiatives.

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Income statement

		Group		Parent company	
Note	DKK'000	2024	2023	2024	2023
3	**Revenue**	627,681	585,474	621,059	579,894
	Cost of sales	-318,832	-300,151	-314,390	-297,313
	Other operating income	21	539	21	539
	Other external expenses	-170,794	-142,554	-178,030	-147,185
	Gross profit	138,076	143,308	128,660	135,935
4	Staff costs	-85,265	-89,710	-82,035	-86,780
5	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-18,840	-17,200	-17,906	-16,234
	Profit before net financials	33,971	36,398	28,719	32,921
	Income/loss from investments in group enterprises	0	0	3,959	2,313
6	Financial income	2,088	5,313	2,176	5,207
	Financial expenses	-5,458	-12,971	-5,346	-12,768
	Profit before tax	30,601	28,740	29,508	27,673
7	Tax for the year	-8,992	-7,019	-7,899	-5,952
	Profit for the year	21,609	21,721	21,609	21,721

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

		Group		Parent company	
Note	DKK'000	2024	2023	2024	2023
	ASSETS				
	Fixed assets				
9	**Intangible assets**				
	Completed development projects	9,302	17,898	9,302	17,898
	Acquired other similar rights	265	187	265	187
	Development projects in progress and prepayments for intangible assets	19,162	7,245	19,162	7,245
		28,729	25,330	28,729	25,330
10	**Property, plant and equipment**				
	Plant and machinery	61,208	58,345	61,208	58,345
	Fixtures and fittings, other plant and equipment	1,224	2,844	1,186	2,758
	Leasehold improvements	3,155	5,364	2,492	3,815
		65,587	66,553	64,886	64,918
11	**Investments**				
	Investments in group entities	0	0	6,698	2,660
	Deposits	7,303	5,540	7,235	5,472
		7,303	5,540	13,933	8,132
	Total fixed assets	101,619	97,423	107,548	98,380
	Non-fixed assets				
	Inventories				
	Finished goods and goods for resale	104,570	71,677	103,337	69,700
	Prepayments for goods	0	161	0	161
		104,570	71,838	103,337	69,861
	Receivables				
	Trade receivables	2,763	6,451	2,117	5,291
	Receivables from group entities	20,753	273	26,548	7,562
	Corporation tax receivable	9	0	0	0
	Other receivables	7,338	10,893	5,914	10,633
12	Prepayments	7,588	7,144	7,072	6,488
		38,451	24,761	41,651	29,974
	Cash	34,124	46,718	24,223	40,638
	Total non-fixed assets	177,145	143,317	169,211	140,473
	TOTAL ASSETS	278,764	240,740	276,759	238,853

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Balance sheet

		Group		Parent company	
Note	DKK'000	2024	2023	2024	2023
	EQUITY AND LIABILITIES				
	Equity				
13	Share capital	1,025	1,025	1,025	1,025
	Net revaluation reserve according to the equity method	0	0	6,441	2,402
	Reserve for development costs	0	0	22,202	19,612
	Translation reserve	24	-56	0	0
	Retained earnings	67,088	65,479	38,469	43,409
	Dividend proposed	20,000	0	20,000	0
	Total equity	88,137	66,448	88,137	66,448
	Provisions				
15	Deferred tax	2,153	4,468	2,153	4,468
17	Other provisions	10,516	10,954	9,196	10,954
	Total provisions	12,669	15,422	11,349	15,422
	Liabilities other than provisions				
16	**Non-current liabilities other than provisions**				
	Lease liabilities	52,928	49,914	52,928	49,914
	Other payables	2,856	2,573	2,856	2,573
		55,784	52,487	55,784	52,487
	Current liabilities other than provisions				
16	Short-term part of long-term liabilities other than provisions	3,851	2,888	3,851	2,888
	Trade payables	80,565	60,339	80,307	59,921
	Payables to group entities	0	0	1,176	1,537
	Corporation tax payable	1,497	4,521	1,649	3,790
	Other payables	33,127	35,736	31,372	33,843
	Deferred income	3,134	2,899	3,134	2,517
		122,174	106,383	121,489	104,496
	Total liabilities other than provisions	177,958	158,870	177,273	156,983
	TOTAL EQUITY AND LIABILITIES	278,764	240,740	276,759	238,853

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19 Security and collateral
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Consolidated financial statements and parent company financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Group Share capital	Translation reserve	Retained earnings	Dividend proposed	Total
	Equity at 1 January 2024	1,025	-56	65,479	0	66,448
	Transfer through appropriation of profit	0	0	1,609	20,000	21,609
	Exchange rate adjustments	0	80	0	0	80
	Equity at 31 December 2024	1,025	24	67,088	20,000	88,137

Note	DKK'000	Parent company Share capital	Net revaluation reserve according to the equity method	Reserve for development costs	Retained earnings	Dividend proposed	Total
	Equity at 1 January 2024	1,025	2,402	19,612	43,409	0	66,448
8	Transfer, see "Appropriation of profit"	0	0	2,590	-4,940	20,000	17,650
	Exchange rate adjustments	0	80	0	0	0	80
	Profit/loss in subsidiaries	0	3,959	0	0	0	3,959
	Equity at 31 December 2024	1,025	6,441	22,202	38,469	20,000	88,137

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Cash flow statement

Note	DKK'000	Group 2024	2023
	Profit for the year	21,609	21,721
21	Adjustments	31,202	31,906
	Cash generated from operations (operating activities)	52,811	53,627
22	Changes in working capital	-30,302	-17,108
	Cash generated from operations (operating activities)	22,509	36,519
	Interest received, etc.	508	625
	Interest paid, etc.	-3,097	-4,680
	Income taxes paid	-13,917	-556
	Other financial income	497	4,544
	Other financial expenses	-1,278	-8,147
	Cash flows from operating activities	5,222	28,305
	Additions of intangible assets	-12,981	-12,153
	Additions of tangible assets	-571	-1,255
23	Additions of property, plant and equipment	-861	-6,050
	Disposals of property, plant and equipment	0	1,348
	Cash flows to investing activities	-14,413	-18,110
	Repayments, finance leases	-3,062	0
	Cash flows from financing activities	-3,062	0
	Net cash flow	-12,253	10,195
	Cash and cash equivalents at 1 January	46,718	36,579
	Foreign exchange adjustments	-341	-56
	Cash and cash equivalents at 31 December	34,124	46,718

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Hobbii A/S for 2024 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and group entities controlled by the Parent Company.

Control means a parent company's power to direct a group entity's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the parent company's and the individual group entities' financial statements, which are prepared according to the group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends, and realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains if they do not reflect impairment.

In the consolidated financial statements, the accounting items of group entities are recognised in full. Non-controlling interests' share of the profit/loss for the year and of the equity of group entities which are not wholly-owned are included in the group's profit/loss and equity, respectively, but are disclosed separately.

Acquisitions and disposals of non-controlling interests which are still controlled are recognised directly in equity as a transaction between shareholders.

Investments in associates and joint ventures are recognised in the consolidated financial statements using the equity method.

The group's activities in joint operations are recognised on a line-by-line basis.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 **Accounting policies (continued)**

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2020.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Other operating income

Other operating income comprise items of a secondary nature relative to the Company's coreactivities, including gains on the sale of fixed assets.

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue, distribution costs and payment costs to payment providers.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees.

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Amortisation/depreciation and impairment

The item comprises amortisation/depreciation and impairment of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Completed development projects	3 years
Acquired other similar rights	5 years
Plant and machinery	10 years
Fixtures and fittings, other plant and equipment	3-5 years
Leasehold improvements	5 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

The proportionate share of the individual group entities' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

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Notes to the financial statements

1 Accounting policies (continued)

Balance sheet

Intangible assets

Other intangible assets include development projects and other acquired intangible rights.

Other intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly or indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities areidentifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is 3 years.

Patents and licences are measured at cost less accumulated amortisation and impairment losses. Patents are amortised on a straight line basis over the remaining term of the patent, and licences are amortised over the term of the licence, but not exceeding 5 years.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to the ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of the future lease payments. In calculating the net present value, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently accounted for in the same way as the Company's other assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Deposits

Deposits consist of prepaid rent.

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Notes to the financial statements

1 Accounting policies (continued)

Investments in group entities

Equity investments in group entities are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in group entities is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Inventories

Inventories are measured at cost in accordance with the average cost method. Where the net realisable value is lower than cost, inventories are written down to this lower value. The net realisable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Goods for resale are measured at cost, which comprises the cost of acquisition plus delivery costs as well as other expenses directly attributable to the acquisition.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

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Notes to the financial statements

1 Accounting policies (continued)

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments recognised under "Assets" comprise prepaid expenses regarding subsequent financial reporting years.

Cash

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Treasury shares

Purchases and sales of treasury shares are taken directly to equity under "Retained earnings".

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in group entities and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

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Notes to the financial statements

1 **Accounting policies (continued)**

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

Lease liabilities

Lease liabilities are measured at the net present value of the remaining lease payments including any guaranteed residual value based on the interest rate implicit in the lease.

Deferred income

Deferred income recognised as a liability comprises payments received concerning income in subsequent financial reporting years.

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash, short term bank loans and short term securities which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Segment information

The allocation of revenue to activities and geographical markets is disclosed where these activities and markets differ significantly in the organisation of sales of goods and services.

2 Events after the balance sheet date

The new tariffs presented by the US administration on April 2, 2025 including the potential reciprocal measures by other countries and economic regions, are likely to create more challenging market conditions for a company like ours. However, the exact policy changes and their implications are highly uncertain at the time of this report.

No other events have occurred after the balance sheet date which could significantly affect the Group's financial position.

	Group		Parent company	
DKK'000	2024	2023	2024	2023
3 Segment information				
Breakdown of revenue by business segment:				
E-Commerce	590,139	542,574	591,423	543,792
Retail	37,542	42,900	29,636	36,102
	627,681	585,474	621,059	579,894
Breakdown of revenue by geographical segment:				
Nordics	81,696	72,853	87,944	72,849
Denmark	82,293	86,211	82,396	86,211
Germany	164,723	145,099	156,145	138,298
Rest of Europe	167,331	161,023	161,549	161,019
United States	110,603	92,470	110,894	93,700
Rest of world	21,035	27,818	22,131	27,817
	627,681	585,474	621,059	579,894

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Notes to the financial statements

		Group		Parent company	
	DKK'000	2024	2023	2024	2023
4	**Staff costs and incentive programmes**				
	Wages/salaries	92,382	94,770	90,098	92,713
	Pensions	1,380	1,421	1,380	1,421
	Other social security costs	2,988	3,099	2,042	2,226
	Staff costs transferred to development projects	-11,485	-9,580	-11,485	-9,580
		85,265	89,710	82,035	86,780
	Average number of full-time employees	223	256	205	238
	Remuneration to members of Management:				
	Executive Board	6,258	4,477	5,204	4,477
	Board of Directors	600	300	600	300
		6,858	4,777	5,804	4,777

Remuneration to members of Management 31 December 2024 includes DKK 455 thousand incurred by the parent company.

Incentive programmes

Equity-based incentive programs are implemented covering management and a number of fulltime, salaried employees at the time. The aim is to incentivize and retain employees, as continued participation in the programs is tied to the participant's employment in Hobbii A/S. As of 31 December 2024, a total of 79,625 warrants had been issued under the programs in Hobbii A/S' parent company Rainbow TopCo Aps.

		Group		Parent company	
	DKK'000	2024	2023	2024	2023
5	**Amortisation/depreciation and impairment of intangible assets and property, plant and equipment**				
	Amortisation of intangible assets	9,582	9,456	9,582	9,456
	Impairment of intangible assets	0	1,300	0	1,300
	Depreciation of property, plant and equipment	9,258	6,444	8,324	5,478
		18,840	17,200	17,906	16,234

		Group		Parent company	
	DKK'000	2024	2023	2024	2023
6	**Financial income**				
	Interest receivable, group entities	1,083	144	1,083	144
	Other interest income	508	623	498	623
	Exchange gain	497	4,546	595	4,440
		2,088	5,313	2,176	5,207

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Notes to the financial statements

		Group		Parent company	
	DKK'000	2024	2023	2024	2023
7	**Tax for the year**				
	Estimated tax charge for the year	4,681	5,970	3,588	4,903
	Deferred tax adjustments in the year	2,314	1,049	2,314	1,049
	Tax adjustments, prior years	1,997	0	1,997	0
		8,992	7,019	7,899	5,952

		Parent company	
	DKK'000	2024	2023
8	**Appropriation of profit**		
	Recommended appropriation of profit		
	Proposed dividend for the financial year	20,000	0
	Net revaluation reserve according to the equity method	3,959	2,313
	Reserve for development costs	2,590	982
	Retained earnings/accumulated loss	-4,940	18,426
		21,609	21,721

9 **Intangible assets**

	Group			
DKK'000	Completed development projects	Acquired other similar rights	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2024	37,713	271	7,245	45,229
Additions	0	144	12,837	12,981
Transferred	920	0	-920	0
Cost at 31 December 2024	38,633	415	19,162	58,210
Impairment losses and amortisation at 1 January 2024	19,815	84	0	19,899
Amortisation for the year	9,516	66	0	9,582
Impairment losses and amortisation at 31 December 2024	29,331	150	0	29,481
Carrying amount at 31 December 2024	9,302	265	19,162	28,729
Amortised over	3 years	5 years		

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

9 Intangible assets (continued)

	Parent company			
DKK'000	Completed development projects	Acquired other similar rights	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2024	37,713	271	7,245	45,229
Additions	0	144	12,837	12,981
Transferred	920	0	-920	0
Cost at 31 December 2024	38,633	415	19,162	58,210
Impairment losses and amortisation at 1 January 2024	19,815	84	0	19,899
Amortisation for the year	9,516	66	0	9,582
Impairment losses and amortisation at 31 December 2024	29,331	150	0	29,481
Carrying amount at 31 December 2024	9,302	265	19,162	28,729
Amortised over	3 years	5 years		

Completed development projects

Completed development projects primarily relate to development of the company's customer oriented systems and adding several new features. The primary purpose of the projects is to achieve an economical advantage in the company's industry as well as to make the company's business procedures more efficient which will enable savings on the employees' resources.

The completed development projects will contribute positively to future growth, savings, and earnings. The company's management has not identified indications of impairment in relation to the booked values of the projects.

Development projects in progress

The company's development projects in progress relate to a further development of the company's existing sales platforms, including new features. The purpose of the further development is to increase the company's earnings. The company has made market research and it is the management's assessment that the products have future earnings base as the company experiences a high demand from customers on the technological development within e-commerce.

Further, the company's development projects in progress relate to further development of the company's internal systems, including automations and implementation of new platforms for controlling the daily operation of the company. The primary purpose of the projects is to make the company's business procedures more effective and to optimize the employees' resources.

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Notes to the financial statements

10 Property, plant and equipment

	Group			
DKK'000	Plant and machinery	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 January 2024	59,531	14,256	13,250	87,037
Additions	7,890	304	267	8,461
Disposals	0	-190	0	-190
Cost at 31 December 2024	67,421	14,370	13,517	95,308
Impairment losses and depreciation at 1 January 2024	1,186	11,412	7,886	20,484
Depreciation	5,027	1,755	2,476	9,258
Reversal of accumulated depreciation and impairment of assets disposed	0	-21	0	-21
Impairment losses and depreciation at 31 December 2024	6,213	13,146	10,362	29,721
Carrying amount at 31 December 2024	61,208	1,224	3,155	65,587
Property, plant and equipment include finance leases with a carrying amount totalling	61,208	0	0	61,208
Depreciated over	10 years	3-5 years	5 years	

Note 19 provides more details on security for loans, etc. as regards property, plant and equipment.

	Parent company			
DKK'000	Plant and machinery	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 January 2024	59,531	14,051	9,667	83,249
Additions	7,890	304	267	8,461
Disposals	0	-190	0	-190
Cost at 31 December 2024	67,421	14,165	9,934	91,520
Impairment losses and depreciation at 1 January 2024	1,186	11,293	5,852	18,331
Depreciation	5,027	1,707	1,590	8,324
Reversal of accumulated depreciation and impairment of assets disposed	0	-21	0	-21
Impairment losses and depreciation at 31 December 2024	6,213	12,979	7,442	26,634
Carrying amount at 31 December 2024	61,208	1,186	2,492	64,886
Depreciated over	10 years	3-5 years	5 years	

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

11 Investments

	Group
DKK'000	Deposits
Cost at 1 January 2024	5,540
Additions	1,763
Cost at 31 December 2024	7,303
Carrying amount at 31 December 2024	7,303

	Parent company		
DKK'000	Investments in group entities	Deposits	Total
Cost at 1 January 2024	258	5,472	5,730
Additions	0	1,763	1,763
Cost at 31 December 2024	258	7,235	7,493
Value adjustments at 1 January 2024	2,402	0	2,402
Foreign exchange adjustments	79	0	79
Profit/loss for the year	3,959	0	3,959
Value adjustments at 31 December 2024	6,440	0	6,440
Carrying amount at 31 December 2024	6,698	7,235	13,933

Parent company

Group entities

Name	Legal form	Domicile	Interest
Hobbii Holding GmbH	GmbH	Hamburg	100%
Hobbii GmbH	GmbH	Handewitt	100%
Hobbii Geschäfte GmbH	GmbH	Hamburg	100%
Hobbii Inc.	Inc.	Delaware	100%

12 Prepayments

Group

Prepayments include accrual of expenses relating to subsequent financial years, DKK 7,588 thousand (2023: DKK 7,144 thousand).

Parent company

Prepayments include accrual of expenses relating to subsequent financial years, DKK 7,072 thousand (2023: DKK 6,488 thousand).

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

13 Share capital

Analysis of changes in the share capital over the past 5 years:

DKK'000	2024	2023	2021/22	2020/21	2019/20
Opening balance	1,025	1,025	1,000	1,000	63
Capital increase	0	0	25	0	937
	1,025	1,025	1,025	1,000	1,000

The share capital consists of 1,024,904 shares, each with a nominal value of DKK 1.

14 Treasury shares

Group

Treasury shares in the group

	Number	Nominal value	Share of capital
		DKK'000	
Treasury shares at 31 December 2024	10,172	10	0.99%

Parent company

	Number	Nominal value	Share of capital
		DKK'000	
Balance at 1 January 2024	10,172	10	0.99%
Balance at 31 December 2024	10,172	10	0.99%

	Group		Parent company	
DKK'000	2024	2023	2024	2023
15 Deferred tax				
Deferred tax at 1 January	4,468	3,419	4,468	3,419
Deferred tax of the results of the year	-2,314	1,049	-2,314	1,049
Deferred tax at 31 December	2,154	4,468	2,154	4,468
Deferred tax relates to:				
Intangible assets	2,046	3,938	2,046	3,938
Property, plant and equipment	12,599	12,146	12,599	12,146
Liabilities	-12,491	-11,616	-12,491	-11,616
	2,154	4,468	2,154	4,468

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

16 Non-current liabilities other than provisions

	Group			
DKK'000	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Lease liabilities	56,779	3,851	52,928	30,598
Other payables	2,856	0	2,856	2,856
	59,635	3,851	55,784	33,454

	Parent company			
DKK'000	Total debt at 31/12 2024	Short-term portion	Long-term portion	Outstanding debt after 5 years
Lease liabilities	56,779	3,851	52,928	30,598
Other payables	2,856	0	2,856	2,856
	59,635	3,851	55,784	33,454

	Group		Parent company	
DKK'000	2024	2023	2024	2023
17 Other provisions				
Other provisions at 1 January 2024	10,955	20,635	10,955	20,635
Provisions in the year	3,178	3,262	2,704	3,262
Provisions utilised in the year	-3,617	-12,942	-4,462	-12,942
Other provisions at 31 December	10,516	10,955	9,197	10,955
The provisions are expected to be payable in:				
0-1 year	2,556	4,836	1,237	4,836
> 1 year	7,960	6,119	7,960	6,119
	10,516	10,955	9,197	10,955

Provisions consist of provisions for Sales Tax and VAT in countries outside the EU as well as provisions for Customer Loyalty Programs.

The company is currently in the process of being registered for Sales Tax and VAT in countries where the company has exceeded the distance selling limits. There are uncertainties associated with the provided provisions as well as the timing of the due dates for the provisions. The booked value of the provisions has been prepared based on best estimates and in cooperation with local experts and thus the management believes that this presents a fair view of the provisions.

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

18 Contingent liabilities and other financial obligations

Contingent liabilities

	Group		Parent company	
DKK'000	2024	2023	2024	2023
Rent liabilities	53,221	57,055	51,825	55,658
	53,221	57,055	51,825	55,658

Group

The Group has a lease liability concerning rent for offices and warehousing facilities. Apart from rent, the company has not undertaken any other lease liabilities. Lease liability due >5 years is DKK 4,082 thousand.

Parent company

The Company has a lease liability concerning rent for offices and warehousing facilities. Apart from rent, the company has not undertaken any other lease liabilities. Lease liability due >5 years is DKK 4,082 thousand.

19 Security and collateral

As security for Hobbii A/S' bank loans of DKK 0 at 31 December 2024 and guarantee commitments of DKK 843 thousand, the company has provided security in company assets representing a nominal value of DKK 100,000 thousand. The total carrying amount of these assets is DKK 137,861 thousand. Breakdown of the carrying amount at 31 December 2024:

- Intangible assets at a carrying amount of DKK 28,729 thousand.
- Tangible assets at a carrying amount of DKK 3,678 thousand.
- Inventories at a carrying amount of DKK 103,337 thousand.
- Trade receivables at a carrying amount of DKK 2,117 thousand.

As security for Hobbii A/S' lease liability at 31 December 2024, the company has provided security in the leased asset. The total carrying amount of the asset is tDKK 61,208.

20 Related parties

Group

Hobbii A/S' related parties comprise the following:

Parties exercising control

Related party	Domicile	Basis for control
Rainbow BidCo ApS	DK	Participating interest

Information about consolidated financial statements

Parent	Domicile	Requisitioning of the parent company's consolidated financial statements
Rainbow TopCo ApS	DK	https://datacvr.virk.dk/

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Consolidated financial statements and parent company financial statements 1 January - 31 December

Notes to the financial statements

20 Related parties (continued)

Related party transactions

DKK'000	2024	2023
Group		
Interest received	1,020	0
Receivables from group entities	21,020	0
Parent Company		
IC Revenue	114,443	79,150
Cost of sales	-3,822	-3,395
Other external costs	-10,168	-7,611
Currency adjustment	213	-179
Interest received	1,083	144
Receivables from group entities	26,815	7,562
Payables to group entities	1,176	1,537

Information on the remuneration to management

Information on the remuneration to Management appears from note 4, "Staff costs".

	Group	
DKK'000	2024	2023
21 Adjustments		
Depreciation, amortisation, and impairment	18,840	17,200
Other financial income	-1,005	-5,169
Other financial expenses	4,375	12,827
Tax for the year	8,992	7,048
	31,202	31,906
22 Changes in working capital		
Change in inventories	-32,732	24,274
Change in receivables	-13,504	-3,153
Change in trade and other payables	17,697	-38,229
Changes in deposits	-1,763	0
	-30,302	-17,108
23 Transactions without liquidity effect		
Additions of property, plant and equipment, see note 10	7,890	58,852
Of which financial leasing assets	-7,029	-52,802
Paid in respect of the additions of property, plant and equipment	861	6,050

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Thomas Zeihlund
Direktion
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IP: 212.27.xxx.xxx
2025-04-10 14:04:27 UTC
MitID

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Martin Egeland Diernisse
Direktion
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IP: 82.192.xxx.xxx
2025-04-10 14:29:36 UTC
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Morten Petersen
Bestyrelse
På vegne af: Hobbii AS
Serienummer: 2e16c520-4714-4d7d-a82e-1cc625b1bbb3
IP: 79.142.xxx.xxx
2025-04-10 14:41:44 UTC
MitID

Daniel Erik Philip Ahlstrand
Bestyrelse
På vegne af: Hobbii AS
Serienummer: 9cbad0efdb66c4[…]42ce217c17f63
IP: 155.4.xxx.xxx
2025-04-10 20:24:16 UTC
BankID

Johannes Emil Kjærsgaard Gadsbøll
Bestyrelse
På vegne af: Hobbii AS
Serienummer: fe0090cf-7c52-4b7a-9005-a7aa80b98ee9
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Simon Kallesøe Blendstrup
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