Cornered Audio ApS

Farum Gydevej 65, st.
3520 Farum
CVR no. 32 83 45 15

Annual report for 2024

Adopted at the annual general meeting on 28 June 2025

Hans Viggo Madsen
chairman

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Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Cornered Audio ApS 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 financial statements give a true and fair view of the company's financial position at 31 December 2024 and of the results of the company's operations for the financial year 1 January - 31 December 2024.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Farum, 28 June 2025

Executive board

Hans Viggo Madsen
CEO

Supervisory board

Finn Halken chairman	Hans Viggo Madsen	Peter Zachariassen

Independent auditor's report on extended review

To the shareholder of Cornered Audio ApS

Opinion

We have performed extended review of the financial statements of Cornered Audio ApS for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared under the Danish Financial Statements Act.

Based on the performed work it is our opinion, that the financial statements give a true and fair view of the company's financial position at 31 December 2024 and of the results of the company's operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's standard on auditor's report for small enterprises and FSR - danish auditors' standard on extended review of financial statements in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the “Auditor's responsibilities for the extended review of the financial statements” section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the accompanying financial statements. This requires us to perform procedures in order to obtain limited assurance for our conclusion on these financial statements, and in addition perform specifically required supplementary procedures in order to obtain additional assurance for our conclusion.

An extended review of financial statements includes procedures primarily consisting of making inquiries of management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

Independent auditor's report on extended review

The procedures performed in an extended review are less than those performed in an audit and accordingly we do not express an audit opinion on these financial statements.

Statement on management's review
Management is responsible for management's review.

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

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

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

Based on the work we have performed, we conclude that 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 management's review.

Roskilde, 28 June 2025

Boreco
Statsautoriseret revisionspartnerselskab
CVR no. 36 07 49 81

Simon Daniel Elvemand
state authorized public accountant
mne45890

Company details

The company	Cornered Audio ApS Farum Gydevej 65, st. 3520 Farum	
	Telephone:	43661088
	Website:	www.cornered.dk
	CVR no.:	32 83 45 15
	Reporting period:	1 January - 31 December 2024
	Incorporated:	12 marts 2010
	Financial year:	15th financial year
	Domicile:	Farum
Supervisory board	Finn Halken, chairman Hans Viggo Madsen Peter Zachariassen	
Executive board	Hans Viggo Madsen	
Auditors	Boreco Statsautoriseret revisionspartnerselskab Vindingevej 10 4000 Roskilde	

Management's review

Business review
The company's purpose is to operate with the development, production and sale of speaker systems and related products.

Recognition and measurement uncertainties
The recognition and measurement of items in the annual report is not associated with any uncertainty.

Unusual matters
The company's financial position at 31 December 2024 and the results of its operations for the financial year ended 31 December 2024 are not affected by any unusual matters.

Financial review
The company's income statement for the year ended 31. december 2024 shows a profit of DKK 3.565.288, and the balance sheet at 31 December 2024 shows equity of DKK 2.683.943.

Significant events occurring after the end of the financial year
No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Disclosure of treasury shares
Information on treasury shares in the company's portfolio
Number of treasury shares in the company's portfolio: 168.124 shares

Nominal value of treasury shares in the company's portfolio: kr. 168.124

Accounting par value of treasury shares in the company's portfolio: kr. 1.072.404

Percentage of the contributed capital, etc. of treasury shares in the company's portfolio: 40,2 %

Information on treasury shares acquired in the financial year
Number of treasury shares acquired in the financial year: 168.124 shares

Nominal value of treasury acquired in the financial year: kr. 168.124

Percentage of the contributed capital, etc. of treasury shares acquired in the financial year: 40,2 %

Total purchase price of treasury shares acquired in the financial year: kr. 1.900.000

Explanation of the reason for the company's acquisition of treasury shares in the financial year: Former owners wanted to sell their shares.

Accounting policies

The annual report of Cornered Audio ApS for 2024 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B and applying to reporting class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2024 is presented in DKK

Basis of recognition and measurement
Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Income statement

Gross profit
In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue
Revenue from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

Accounting policies

Expenses for raw materials and consumables
Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other operating income
The item Other operating income includes items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment, operating losses, indemnities relating to operating losses and conflicts as well as payroll refunds. Indemnities are recognised when it is more probable than not that the company is going to be indemnified.

Other operating expenses
Other operating expenses comprise items of a secondary nature relative to the company's activities, including losses on the sale of intangible assets and items of property, plant and equipment.

Other external costs
Other external costs include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Staff costs
Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment comprise the year's depreciation, amortisation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses
Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Net financials include interest income and expenses, realised and unrealised capital/exchange gains and losses on securities and foreign currency transactionsand surcharges and allowances under the advance-payment-of-tax scheme, etc.

Tax on profit/loss for the year
Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Accounting policies

Balance sheet

Intangible assets

Development projects, patents and licences

Developments projects recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

Following the completion of the development work, development costs are amortised on a straight-line basis over the estimated useful life. The amortisation period is usually five 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 patent period, and licences are amortised over the term of the licence, however not more than 8 years.

Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The net realisable value of stocks is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

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 is impaired, an impairment loss for that individual asset is recognised.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Accounting policies

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

Liabilities
Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Income statement 1 January - 31 December

	Note	2024 DKK	2023 DKK
Gross profit	1	**5.623.187**	**911.434**
Staff costs	2	-770.294	-874.061
Profit/loss before amortisation/depreciation and impairment losses		**4.852.893**	**37.373**
Depreciation, amortisation and impairment of intangible assets and equipment		-113.716	-125.985
Profit/loss before net financials		**4.739.177**	**-88.612**
Financial income		861	27.373
Financial costs		-178.903	-354.161
Profit/loss before tax		**4.561.135**	**-415.400**
Tax on profit/loss for the year	3	-995.847	88.283
Profit/loss for the year		**3.565.288**	**-327.117**

Recommended appropriation of profit/loss

Transferred to reserve for development expenditure	77.644	-20.678
Retained earnings	3.487.644	-306.439
	3.565.288	**-327.117**

Balance sheet 31 December

	Note	2024 DKK	2023 DKK
Assets			
Completed development projects		405.811	306.268
Acquired patents		37.559	50.590
Intangible assets	4	**443.370**	**356.858**
Deposits	5	38.400	38.400
Fixed asset investments		**38.400**	**38.400**
Total non-current assets		**481.770**	**395.258**
Finished goods and goods for resale		3.422.299	4.540.741
Stocks		**3.422.299**	**4.540.741**
Trade receivables		203.251	556.995
Other receivables		1.060.360	99.616
Deferred tax asset		0	984.140
Prepayments		191.840	291.927
Receivables		**1.455.451**	**1.932.678**
Cash at bank and in hand		**304.835**	**38.409**
Total current assets		**5.182.585**	**6.511.828**
Total assets		**5.664.355**	**6.907.086**

Balance sheet 31 December

	Note	2024 DKK	2023 DKK
Equity and liabilities			
Share capital		418.457	418.457
Reserve for development expenditure		316.533	238.889
Retained earnings		1.948.953	361.309
Equity		**2.683.943**	**1.018.655**
Provision for deferred tax		11.707	0
Total provisions		**11.707**	**0**
Other payables		730.000	430.000
Total non-current liabilities	7	**730.000**	**430.000**
Short-term part of long-term debt	7	0	487.650
Banks		26.547	1.811.080
Trade payables		1.378.005	2.330.647
Payables to shareholders and management		1.961	0
Other payables		832.192	829.054
Total current liabilities		**2.238.705**	**5.458.431**
Total liabilities		**2.968.705**	**5.888.431**
Total equity and liabilities		**5.664.355**	**6.907.086**
Special items	1		
Rent and lease liabilities	8		

Statement of changes in equity

	Share capital	Reserve for development expenditure	Retained earnings	Total
Equity at 1 January 2024	418.457	238.889	361.309	1.018.655
Purchase of treasury shares	0	0	-1.900.000	-1.900.000
Net profit/loss for the year	0	77.644	3.487.644	3.565.288
Equity at 31 December 2024	**418.457**	**316.533**	**1.948.953**	**2.683.943**

Notes

		2024	2023
		DKK	DKK
1	**Special items**		
	Income, Sale of activity		
	Gain, sale of activity	5.585.442	0
		5.585.442	**0**
2	**Staff costs**		
	Wages and salaries	822.264	893.053
	Other social security costs	6.544	6.606
	Other staff costs	58.486	57.202
		887.294	**956.861**
	Transfer to development costs	-117.000	-82.800
		770.294	**874.061**
	Number of fulltime employees on average	1	1
3	**Tax on profit/loss for the year**		
	Deferred tax for the year	995.847	-88.283
		995.847	**-88.283**

Notes

4 Intangible assets

	Completed development projects	Acquired patents
Cost at 1 January 2024	1.768.516	123.125
Additions for the year	198.665	1.563
Cost at 31 December 2024	1.967.181	124.688
Impairment losses and amortisation at 1 January 2024	1.462.248	72.535
Amortisation for the year	99.122	14.594
Impairment losses and amortisation at 31 December 2024	1.561.370	87.129
Carrying amount at 31 December 2024	**405.811**	**37.559**

The additions to the completed development projects in 2024 consist of the development of products for residential installation, as well as the development of a new amplifier series.

5 Fixed asset investments

	Deposits
Cost at 1 January 2024	38.400
Cost at 31 December 2024	38.400
Carrying amount at 31 December 2024	**38.400**

	2024	2023
	DKK	DKK

6 Receivable from shareholders and management

Receivables from members of the Management

Executive Board

Loans raised and repaid in year	4.456	0
Interest rate (%)	13,75%	0,00%

Notes

7 Long term debt

	Debt at 1 January 2024	Debt at 31 December 2024	Instalment next year	Debt outstanding after 5 years
Other payables	430.000	730.000	0	0
	430.000	**730.000**	**0**	**0**

8 Rent and lease liabilities

	2024 DKK	2023 DKK
Rent liabilities, 6-month period of interminability	38.400	38.400