



M DK Operations ApS

Balticagade 15 C, 2. tv
8000 Aarhus
CVR No. 41859148

Annual report 2024

The Annual General Meeting adopted the
annual report on 04.04.2025

Claus Gade Løvgreen

Chairman of the General Meeting

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Entity details

Entity

M DK Operations ApS
Balticagade 15 C, 2. tv
8000 Aarhus

Business Registration No.: 41859148
Registered office: Aarhus
Financial year: 01.01.2024 - 31.12.2024

Executive Board

Aaron David Womack
Claus Gade Løvgreen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management

The Executive Board has today considered and approved the annual report of M DK Operations 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 financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Aarhus, 04.04.2025

Executive Board

Aaron David Womack

Claus Gade Løvgreen

Independent auditor's report

To the shareholders of M DK Operations ApS

Opinion

We have audited the financial statements of M DK Operations 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. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

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

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aarhus, 04.04.2025

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Henrik Vedel

State Authorised Public Accountant

Identification No (MNE) mne10052

Chris Middelhede

State Authorised Public Accountant

Identification No (MNE) mne45823

Management commentary

Primary activities

The activity is primarily to operate in trade and in related business.

Development in activities and finances

The company has realized a profit of DKK 1,9m for the financial year 2024 compared to a loss of DKK 1,6m last year. The company is now in full operation, and the result for the financial year 2024 is in line with management's expectations for the year. Management considers profit for the year satisfactory.

Outlook

Management expects an unchanged level of activity for the coming financial year, all else being equal, which will result in a profit in line with the realized profit for the financial year 2024. However, the profit may be affected by geopolitical factors, such as wars and tariffs, which can be beyond the company's control.

Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 2024

	Notes	2024 DKK'000	2023 DKK'000
Gross profit/loss		2,269	(1,975)
Depreciation, amortisation and impairment losses		(11)	(1)
Other operating expenses		(47)	0
Operating profit/loss		2,211	(1,976)
Other financial income	1	167	19
Other financial expenses	2	0	(39)
Profit/loss before tax		2,378	(1,996)
Tax on profit/loss for the year	3	(515)	438
Profit/loss for the year		1,863	(1,558)
Proposed distribution of profit and loss			
Retained earnings		1,863	(1,558)
Proposed distribution of profit and loss		1,863	(1,558)

Balance sheet at 31.12.2024

Assets

	Notes	2024 DKK'000	2023 DKK'000
Acquired intangible assets		20	78
Intangible assets	4	20	78
Deposits		186	186
Financial assets	5	186	186
Fixed assets		206	264
Manufactured goods and goods for resale		1,189	2,518
Inventories		1,189	2,518
Trade receivables		14,218	3,630
Receivables from group enterprises		3,046	0
Deferred tax		31	0
Other receivables		219	116
Joint taxation contribution receivable		0	449
Prepayments		40	34
Receivables		17,554	4,229
Cash		7	254
Current assets		18,750	7,001
Assets		18,956	7,265

Equity and liabilities

		2024	2023
	Notes	DKK'000	DKK'000
Contributed capital		100	100
Retained earnings		5,646	3,783
Equity		5,746	3,883
Deferred tax		0	24
Provisions		0	24
Trade payables		743	772
Payables to group enterprises	6	9,124	2,442
Joint taxation contribution payable		570	0
Other payables		2,773	144
Current liabilities other than provisions		13,210	3,358
Liabilities other than provisions		13,210	3,358
Equity and liabilities		18,956	7,265
Employees	7		
Contingent liabilities	8		
Assets charged and collateral	9		

Statement of changes in equity for 2024

	Contributed capital DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	100	3,783	3,883
Profit/loss for the year	0	1,863	1,863
Equity end of year	100	5,646	5,746

Notes

1 Other financial income

	2024 DKK'000	2023 DKK'000
Other interest income	27	7
Exchange rate adjustments	105	12
Other financial income	35	0
	167	19

2 Other financial expenses

	2024 DKK'000	2023 DKK'000
Financial expenses from group enterprises	0	33
Other interest expenses	0	6
	0	39

3 Tax on profit/loss for the year

	2024 DKK'000	2023 DKK'000
Current tax	570	(449)
Change in deferred tax	(55)	11
	515	(438)

4 Intangible assets

	Acquired intangible assets DKK'000
Cost beginning of year	79
Disposals	(47)
Cost end of year	32
Amortisation and impairment losses beginning of year	(1)
Impairment losses for the year	(11)
Amortisation and impairment losses end of year	(12)
Carrying amount end of year	20

5 Financial assets

	Deposits DKK'000
Cost beginning of year	186
Cost end of year	186
Carrying amount end of year	186

6 Payables to group enterprises

The company participates together with other Danish Group enterprises in a cash pool arrangement in which another company is liable as a sole contracting party towards the bank.

Receivables and payables in relation to the cash pool arrangement are recognised as intercompany receivables and payables, respectively. At 31 December 2024, the item payables to group enterprises includes an amount of DKK 2.4m.

7 Employees

The Entity has no employees other than the Executive Officers. The Executive Officers has not received any remuneration.

8 Contingent liabilities

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

9 Assets charged and collateral

The company has provided a guaranty of payment to the bank for affiliated Danish companies. As of 31 December 2024 bank debt is DKK 46 million.

Accounting policies

Reporting class

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

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

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

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

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, other operating income, cost of raw materials and consumables and external expenses.

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue from the sale of services is recognised in the income statement when delivery is made to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

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.

Depreciation, amortisation and impairment losses

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

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including loss from the sale of intangible assets and property, plant and equipment.

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.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc.**

Intellectual property rights etc. comprise acquired intellectual property rights.

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

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

Inventories

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

Cost consists of purchase price plus delivery costs.

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

Receivables

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

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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