

Fairpoint Outdoors A/S

Gydevang 4, 1., 3450 Allerød

CVR no. 27 90 87 80

Annual report 2025

Approved at the Company's annual general meeting on 25 March 2026

Chair of the meeting:

.....
Jesper Lund Andersen

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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 Fairpoint Outdoors A/S for the financial year 1 January - 31 December 2025.

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 financial position of the Company at 31 December 2025 and of the results of the Company's operations for the financial year 1 January - 31 December 2025.

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.

Allerød, 25 March 2026

Executive Board:

.....
Hans Maasbøl
CEO

Board of Directors:

.....
Ulla Iversen
Chair

.....
Jens Buhl Jørgensen
Vicechair

.....
Erik Balleby Jensen

.....
Thomas Petersen Eldor

.....
Thomas Lund Jespersen

.....
Jens Thøger Hansen

.....
Danny Espersen

Independent auditor's report

To the shareholders of Fairpoint Outdoors A/S

Opinion

We have audited the financial statements of Fairpoint Outdoors A/S for the financial year 1 January - 31 December 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2025 and of the results of the Company's operations for the financial year 1 January - 31 December 2025 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 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 Company 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 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 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.

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.

Independent auditor's report

- ▶ 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 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 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 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.

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.

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 Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 25 March 2026
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Ole Becker
State Authorised Public Accountant
mne33732

Management's review

Company details

Name	Fairpoint Outdoors A/S
Address, Postal code, City	Gydevang 4, 1., 3450 Allerød
CVR no.	27 90 87 80
Established	7 May 2004
Financial year	1 January - 31 December
Website	www.fairpoint.dk
Telephone	+45 48 10 38 00
Board of Directors	Ulla Iversen, Chair Jens Buhl Jørgensen, Vicechair Erik Balleby Jensen Thomas Petersen Eldor Thomas Lund Jespersen Jens Thøger Hansen Danny Espersen
Executive Board	Hans Maasbøl, CEO
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Financial highlights

DKK'000	2025	2024	2023	2022	2021
Key figures					
Gross profit	98,846	82,404	52,258	66,831	66,537
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	27,160	16,310	-4,843	18,457	25,053
Profit before interest and tax (EBIT)	23,949	13,910	-8,261	17,782	24,578
Net financials	-6,657	-7,984	-8,013	-3,805	-4,508
Profit for the year	13,391	4,615	-12,762	10,805	15,620
Balance sheet					
Total assets	146,699	120,550	107,631	136,151	126,840
Investments in property, plant and equipment	2,370	1,399	3,018	2,187	1,413
Equity	47,316	31,483	26,868	39,630	25,762
Financial ratios					
Equity ratio	32.3%	26.1%	25.0%	29.1%	20.3%
Return on equity	34.0%	15.8%	-38.4%	33.0%	87.0%
Personnel					
Average number of full-time employees	77	81	75	59	53

EBITDA = EBIT adjusted for amortisation/depreciation of intangible assets and property, plant and equipment, and other operating expenses

Equity ratio = Equity, year-end / Total equity and liabilities, year-end

Return on equity = Profit for the year / Average equity

Management's review

Operating review

Principal activities

Fairpoint Outdoors is developing and selling sport fishing equipment under our own two Brands Westin® and Kinetic®. The company's products are sold through a broad and partly selective network of retailers and distributors across Europe.

Development in activities and financial matters

Fairpoint Outdoors achieved a profit of DKK 13.4 million in 2025, with total assets of DKK 146.7 million and equity of DKK 47.3 million as of 31 December 2025. Management considers the result satisfactory and in line with expectations, as we had forecasted a profit in the range of DKK 10–13 million for the year.

At the end of 2024, as part of our strategic plans, we discontinued our focus on Fly Fishing and ended our long-standing Scandinavian distribution of the brands Sage and Rio.

By the end of 2025, we decided to discontinue our US sales activities. The decision was driven by several emerging challenges and an increasingly uncertain market outlook in the United States, which were not favorable to our business.

Environment

Fairpoint Outdoors is committed to continuously improve its employees' physical and psychological working environment.

Recognition and measurement uncertainties

Recognition and measurement in the Annual Report have not been subject to any significant uncertainty.

Financial risks and use of financial instruments

As an international business, Fairpoint Outdoors is exposed to a number of financial risks in relation to currency and interest rate fluctuations, funding, liquidity, credit and counterparty risks. The Company has used financial instruments to hedge currency risks in 2025 – we are not hedging interests.

Research and development activities

Successful introduction of new products is a key prerequisite for Fairpoint Outdoors' continued growth. It is therefore essential that new products achieve market acceptance and that they meet — or actively help drive — demands and new trends in our markets.

Our product development strategy is built on close, ongoing dialogue with our network of prostaff and brand ambassadors, supported by detailed market analyses and a targeted focus on innovative product solutions and more sustainable packaging designs.

A key strength in this process is Fairpoint Outdoors' own dedicated development team, whose deep product knowledge, craftsmanship, and close collaboration with partners ensure that new concepts are transformed into market-relevant, high quality products. Their ability to combine user insights, technical expertise, and creative design is a central driver behind our product innovation.

As part of our strategic ambition to create growth through the strengthening of Fairpoint Outdoors' own brands, we are exposed to the risk that these brands may not achieve the desired recognition or demand in selected markets.

To mitigate this risk, Fairpoint Outdoors works systematically to define the optimal product mix and supporting sales activities for each market — particularly through active participation in marketing initiatives and promotional content on SoMe channels.

Management's review

Events after the balance sheet date

After the balance sheet date and until today, no events have occurred, which could influence the evaluation of this annual report.

Outlook

Gross profit and the net result for 2026 are expected to exceed the fiscal year 2025 - with profit for the year in the range of DKK 25-30 million. Our various markets are currently experiencing positive momentum, which is expected to contribute to the growth of our business.

Financial statements 1 January - 31 December

Income statement

Note	DKK'000	<u>2025</u>	<u>2024</u>
	Gross profit	98,846	82,404
3	Staff costs	-71,686	-66,094
4	Amortisation/depreciation of intangible assets and property, plant and equipment	<u>-3,211</u>	<u>-2,400</u>
	Profit before net financials	23,949	13,910
5	Financial income	110	101
	Write-down on investments	-711	0
6	Financial expenses	<u>-6,056</u>	<u>-8,085</u>
	Profit before tax	17,292	5,926
7	Tax for the year	<u>-3,901</u>	<u>-1,311</u>
	Profit for the year	<u><u>13,391</u></u>	<u><u>4,615</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	<u>2025</u>	<u>2024</u>
	ASSETS		
	Fixed assets		
9	Intangible assets		
	Completed development projects	4,820	5,029
	Goodwill	2,205	2,659
	Development projects in progress and prepayments for intangible assets	<u>4,078</u>	<u>1,720</u>
		<u>11,103</u>	<u>9,408</u>
10	Property, plant and equipment		
	Plant and machinery	802	545
	Fixtures and fittings, other plant and equipment	2,867	2,450
	Leasehold improvements	<u>1,765</u>	<u>2,048</u>
		<u>5,434</u>	<u>5,043</u>
11	Investments		
	Investments in group entities	0	711
	Deposits	<u>1,756</u>	<u>1,752</u>
		<u>1,756</u>	<u>2,463</u>
	Total fixed assets	<u>18,293</u>	<u>16,914</u>
	Non-fixed assets		
	Inventories		
	Finished goods for sale	95,426	55,949
	Prepaid goods	<u>1,517</u>	<u>6,420</u>
		<u>96,943</u>	<u>62,369</u>
	Receivables		
	Trade receivables	27,576	27,546
	Receivables from group entities	59	1,258
14	Deferred tax assets	0	2,112
	Joint taxation contribution receivable	786	0
	Other receivables	146	423
12	Prepayments	<u>1,413</u>	<u>996</u>
		<u>29,980</u>	<u>32,335</u>
	Cash	<u>1,483</u>	<u>8,932</u>
	Total non-fixed assets	<u>128,406</u>	<u>103,636</u>
	TOTAL ASSETS	<u><u>146,699</u></u>	<u><u>120,550</u></u>

Financial statements 1 January - 31 December

Balance sheet

Note	DKK'000	<u>2025</u>	<u>2024</u>
	EQUITY AND LIABILITIES		
	Equity		
13	Share capital	1,926	1,865
	Reserve for development costs	6,940	5,264
	Hedging reserve	-425	0
	Retained earnings	<u>38,875</u>	<u>24,354</u>
	Total equity	<u>47,316</u>	<u>31,483</u>
	Provisions		
14	Deferred tax	<u>1,286</u>	<u>0</u>
	Total provisions	<u>1,286</u>	<u>0</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Payables to group entities	0	10,000
	Bank overdraft	37,550	53,848
	Trade payables	48,835	13,009
	Other payables	<u>11,712</u>	<u>12,210</u>
		<u>98,097</u>	<u>89,067</u>
	Total liabilities other than provisions	<u>98,097</u>	<u>89,067</u>
	TOTAL EQUITY AND LIABILITIES	<u><u>146,699</u></u>	<u><u>120,550</u></u>

1 Accounting policies

2 Events after the balance sheet date

8 Appropriation of profit

16 Contractual obligations and contingencies, etc.

17 Related parties

Financial statements 1 January - 31 December

Statement of changes in equity

Note	DKK'000	Share capital	Reserve for development costs	Hedging reserve	Retained earnings	Total
	Equity at 1 January 2024	1,865	3,516	0	21,487	26,868
8	Transfer, see "Appropriation of profit"	0	0	0	4,615	4,615
	Reserve for development costs	0	1,748	0	-1,748	0
	Equity at 1 January 2025	1,865	5,264	0	24,354	31,483
	Capital increase	61	0	0	2,806	2,867
8	Transfer, see "Appropriation of profit"	0	0	0	13,391	13,391
	Adjustment of hedging instruments at fair value	0	0	-425	0	-425
	Reserve for development costs	0	1,676	0	-1,676	0
	Equity at 31 December 2025	<u>1,926</u>	<u>6,940</u>	<u>-425</u>	<u>38,875</u>	<u>47,316</u>

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies

The annual report of Fairpoint Outdoors A/S for 2025 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

Pursuant to section 112(1) of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements. The financial statements of Fairpoint Outdoors A/S are included in the consolidated financial statements of TopCo FX ApS.

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

Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the parent company, as its cash flows are reflected in the consolidated cash flow statement for the ultimate parent company TopCo FX ApS.

Reporting currency

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

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.

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.

Non-current assets acquired in foreign currency are measured at the exchange rate at the transaction date.

Income statement

Revenue

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

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

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, 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 from the sale of goods where delivery has been postponed at the buyer's request is recognised in revenue when ownership of the goods is transferred to the buyer.

Gross profit

The items revenue, cost of sales and external expenses have been aggregated into one item in the income statement called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Other operating income

Other operating income and expenses comprises items secondary to the Company's activities, including gains and losses on disposal of property, plant, and equipment.

Administrative expenses

Administrative expenses include expenses incurred in the year for company management and administration, including expenses relating to administrative staff, Management, office premises and expenses as well as amortisation/depreciation of assets used for administrative purposes.

Staff costs

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

Incentive programs

The Company has established a warrant-based equity program; hence no recognition is made under Danish Financial Statements Act.

Amortisation/depreciation

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

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

Development projects	7 years
Goodwill	7 years

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

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:

Plant and machinery	20 years
Fixtures and fittings, other plant and equipment	5 years
Leasehold improvements	5 years

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

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.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Tax

The Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish group entities. Group entities are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

TopCo FX ApS is the administration company in respect of the joint taxation arrangement and accordingly settles all corporation taxes to the tax authorities on behalf of the company.

On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period of 7 years.

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 are identifiable 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 7 years.

Gains and losses on the disposal of development projects, patents and licences are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating expenses, respectively.

Property, plant and equipment

Plant and machinery and fixtures and fittings, tools and equipment and leasehold improvement are measured at cost less accumulated depreciation and impairment losses. The basis of depreciation is cost less any expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

All other leases are considered operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed under contingencies, etc.

Investments in group entities

Investments in group entities and associates are measured at cost. Dividends received that exceed the accumulated earnings in the group entity or the associate during the period of ownership are treated as a reduction in the cost of acquisition.

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.

Receivables

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

Receivables are measured at amortised cost.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Cash

Cash comprise cash that are not subject to any restrictions.

Equity

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.

Hedging reserve

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

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".

Corporation tax and deferred tax

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 assets, including the tax value of tax loss carryforwards, 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 and jurisdiction.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Deferred income

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

Financial statements 1 January - 31 December

Notes to the financial statements

1 Accounting policies (continued)

Fair value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/or transport costs.

All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

If a reliable fair value cannot be stated according to the above levels, the asset or liability is measured at cost.

Financial statements 1 January - 31 December

Notes to the financial statements

2 Events after the balance sheet date

After the balance sheet date and until today's date, no events have occurred, which could influence the evaluation of this annual report.

DKK'000	<u>2025</u>	<u>2024</u>
3 Staff costs and incentive programmes		
Wages/salaries	66,315	61,700
Pensions	5,582	4,813
Other social security costs	549	526
Capitalized staff costs	-760	-945
	<u>71,686</u>	<u>66,094</u>
Average number of full-time employees	<u>77</u>	<u>81</u>

Remuneration of the Executive Board and the Board of Directors amounts to DKK 3,915 thousand in 2025 (2024: DKK 3,816 thousand).

Incentive programmes

In 2025 some members of the Board of Directors and Executive Board have received 20,117 warrants and further a number of Key-employees (not Executive Board and Board of Directors) has received 8,761 warrants in 2025 and 27,800 warrants in 2022, which grant the Board of Directors and Executive Board the right to exercise 10.059 shares of nominal DKK 1 and Key employees 36.561 shares of nominal DKK 1 at an ongoing hurdle-rate value. The exercise value per warrant in 2025 is between DKK 93.32-96.02 and for 2022 program between DKK 155.83-187.42. The programs are fully vested 3 years after allocation and if employment is still in place at the Company. The warrants can only be exercised at exit. The value depends on the valuation at exit.

4 Amortisation/depreciation of intangible assets and property, plant and equipment

Amortisation of intangible assets	1,294	1,001
Depreciation of property, plant and equipment	1,917	1,399
	<u>3,211</u>	<u>2,400</u>

5 Financial income

Other interest income	110	101
	<u>110</u>	<u>101</u>

6 Financial expenses

Interest expenses, group entities	283	775
Foreign exchange expense, net	60	197
Other financial expenses	5,713	7,113
	<u>6,056</u>	<u>8,085</u>

7 Tax for the year

Estimated tax charge for the year	590	0
Deferred tax adjustments in the year	3,519	1,311
Tax adjustments, prior years	-208	0
	<u>3,901</u>	<u>1,311</u>

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Notes to the financial statements

8 Appropriation of profit

Recommended appropriation of profit

Retained earnings	13,391	4,615
	<u>13,391</u>	<u>4,615</u>

9 Intangible assets

DKK'000	Completed development projects	Goodwill	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 January 2025	5,645	3,135	1,720	10,500
Additions	<u>631</u>	<u>0</u>	<u>2,358</u>	<u>2,989</u>
Cost at 31 December 2025	<u>6,276</u>	<u>3,135</u>	<u>4,078</u>	<u>13,489</u>
Impairment losses and amortisation at 1 January 2025	616	476	0	1,092
Amortisation for the year	<u>840</u>	<u>454</u>	<u>0</u>	<u>1,294</u>
Impairment losses and amortisation at 31 December 2025	<u>1,456</u>	<u>930</u>	<u>0</u>	<u>2,386</u>
Carrying amount at 31 December 2025	<u><u>4,820</u></u>	<u><u>2,205</u></u>	<u><u>4,078</u></u>	<u><u>11,103</u></u>

10 Property, plant and equipment

DKK'000	Plant and machinery	Fixtures and fittings, other plant and equipment	Leasehold improvements	Total
Cost at 1 January 2025	1,838	3,951	3,536	9,325
Additions	708	1,160	502	2,370
Disposals	<u>-226</u>	<u>0</u>	<u>0</u>	<u>-226</u>
Cost at 31 December 2025	<u>2,320</u>	<u>5,111</u>	<u>4,038</u>	<u>11,469</u>
Impairment losses and depreciation at 1 January 2025	1,293	1,501	1,488	4,282
Depreciation	389	743	785	1,917
Depreciation and impairment of disposals	<u>-164</u>	<u>0</u>	<u>0</u>	<u>-164</u>
Impairment losses and depreciation at 31 December 2025	<u>1,518</u>	<u>2,244</u>	<u>2,273</u>	<u>6,035</u>
Carrying amount at 31 December 2025	<u><u>802</u></u>	<u><u>2,867</u></u>	<u><u>1,765</u></u>	<u><u>5,434</u></u>

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Notes to the financial statements

11 Investments

DKK'000	Investments in group entities	Deposits	Total
Cost at 1 January 2025	711	1,752	2,463
Additions	0	4	4
Cost at 31 December 2025	711	1,756	2,467
Impairment losses	-711	0	-711
Value adjustments at 31 December 2025	-711	0	-711
Carrying amount at 31 December 2025	0	1,756	1,756

Group entities

Name	Interest	Equity DKK'000	Profit/loss DKK'000
Fairpoint Outdoors US LLC	100.00%	77	59
Fairpoint Outdoors UK LTD	100.00%	0	0

12 Prepayments

DKK'000	2025	2024
Prepayments leasing	156	123
Prepayments IT	576	547
Other prepaid costs	681	326
	1,413	996

13 Share capital

A capital increase was completed in April 2025 of DKK 61 thousand. The share capital amounts to DKK 1,925 thousand.

14 Deferred tax

Deferred tax at 1 January	-2,112	-3,423
Deferred tax adjustment in the result	3,518	1,311
Deferred tax adjustment for the year on equity	-120	0
Deferred tax at 31 December	1,286	-2,112

15 Derivative financial instruments

Fair values

DKK'000	Carrying amount	Fair value	Level for calculating fair value
FX forward contracts	-545	-545	2

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16 Contractual obligations and contingencies, etc.

The Company is jointly taxed with its Danish group entities. The Company has unlimited joint and several liability, together with the Danish group entity, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group. Any subsequent adjustments to the joint taxation income and withholding taxes, etc. may entail that the Company's liability will increase.

Other financial obligations

DKK	<u>Operating lease commitments</u>
Within 1 year	4,290
Between 1 and 5 years	<u>1,771</u>
	<u><u>6,061</u></u>

The Company's entities have entered into operating leases with an average annual lease payment of DKK 4,290 thousand and a remaining term of 23 months. The remaining nominal lease commitment totals DKK 1,771 thousand.

Pledges

The Company has a company charge (virksomhedspant) of DKK 10 million vis-a-vis the credit institutions related to property, plant and equipment and inventories.

Pledge prohibition in trade receivables and transport in trade receivables from the factoring company.

The Company has, as part of its normal course of business, entered into customary executory contracts.

17 Related parties

Fairpoint Outdoors A/S' related parties comprise the following:

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
TopCo FX ApS, which exercises control.	Gydevang 4, 1. tv., 3450 Allerød	Shareholders' agreement

Related party transactions

Fairpoint Outdoors A/S was engaged in the below related party transactions:

DKK'000	<u>2025</u>	<u>2024</u>
Management fee	2,165	0
Interest expenses, group entities	283	775
Receivables from group entities	58	1,258
Payables to group entities	0	10,000
Joint taxation contribution receivable	786	0

Remuneration of the Company's Executive Board and the Board of Directors is disclosed in note 3.

No other transactions were carried out with the current shareholders during the year.