ANNUAL REPORT 2024
UNITEDLABELS AG






“WIR MACHEN AUS MILLIONEN FANS MILLIONEN KUNDEN“

“WE TURN MILLIONS OF FANS INTO MILLIONS OF CUSTOMERS”

MISSION STATEMENT

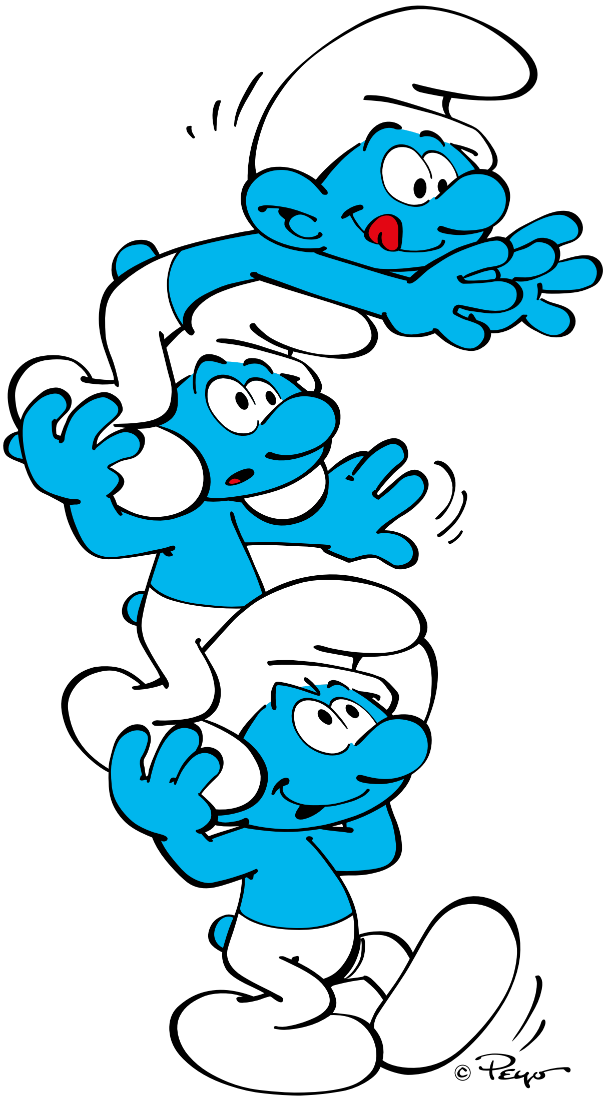
"**UNITED**LABELS AG is the link between the media industry and the retail sector.

We design, market, and sell consumer products that are based on successful international Media & Entertainment brands, with the aim of generating value and growth for our customers and shareholders.

That is what our company is all about – now and in future."

Key Figures (k€)	**2024**	**2023**	**2022**
Revenue	**22,453**	24,819	22,343
EBITDA*	**1,415**	1,325	1,099
EBIT	**1,139**	1,014	812
Consolidted profit/loss for the year	**156**	632	445
Operating Cash flow	**1,628**	800	1,721
Net income per share (€)	**0.02**	0.09	0.06
Equity	**2,769**	2,699	2,218
Equity ratio (%)	**10%**	13%	9%
Net debt	**7,629**	6,849	7,025
Total assets	**26,975**	20,953	24,597
Bookvalue per share (€)	**0.40**	0.39	0.32
Shareprice per year end (€)	**1.60**	2.24	3.60
Market capitalization	**11,088**	15,523	24,948
Staff member (average)	**52**	59	69
Employees converted to full-time equivalents (on average)	**36**	42	43
Revenue per full-time equivalents	**623**	590	520

* Including amortisation of usage rights.



THE SMURFS

UNITEDLABELS AG ...

… is one of the leading specialists in Europe for branded products in the area of Media/Entertainment. Committed to turning screen stars into real-life celebrities “you can touch”, **UNITED**LABELS AG focuses on the development, production and marketing of licensed consumer goods featuring well-known cartoon characters. The independent media company works with licensors that include world-leading media and entertainment enterprises such as Peanuts, Warner Bros., Hasbro, Mattel, Z.A.G., Paramount and many more.

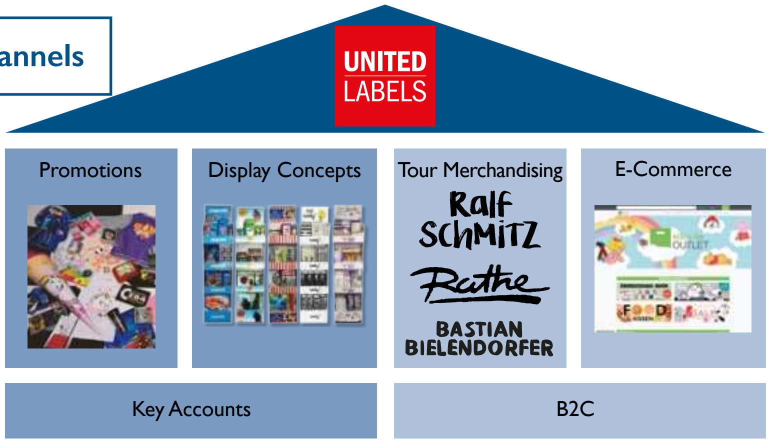
The corporate group

- Over 1,000 customers
- Over 20,000 sales outlets
- Over 20 million items sold annually
- Over 30 brands covering more than 150 characters
- Over 20 sales regions in Europe
- Over 30 years of brand expertise

Established across Europe

Going public in 2000 established **UNITED**LABELS AG to offer a broad product portfolio based on major brands in the area of Media/Entertainment across all key distribution channels. Based in Germany, the company has subsidiaries in Belgium, United Kingdom and Hong Kong.

Our distribution channels



Animation you can touch

UNITEDLABELS has a high distribution density for comicware in Europe, selling branded products through more than 20,000 outlets operated by around 1,000 clients in various distribution channels. The Company‘s key clients include specialist retailers, wholesalers, discounters and purchasing associations as well as some of the biggest mass-market retailers in Europe.

Some of our key customers

kik, WOOLWORTH, TAKKO FASHION, Ernsting's family, Kaufland, NETTO, amazon.com, Müller, OTTO, PENNY, REWE, ALDI, EDEKA, ROSSMANN, TEDi, NORMA, TK maxx, ROFU and many more

Some of our licensed brands

and many more

Extensive brand portfolio

UNITEDLABELS AG benefits from long-standing partnerships with major licensors of the Media/Entertainment Industry. These licensors ensure the long-term popularity of their licensed brands around the globe – and thus also the popularity of **UNITED**LABELS AG produced merchandise – through marketing campaigns, movies, TV series, theme parks and DVD releases. The portfolio spans not just current movie-based collections but also all-time classics like Snoopy and Hello Kitty; it caters to all age groups, from baby to adult. For this reason, **UNITED**LABELS AG can promise its retail partners precisely tailored cross-product and cross-licence campaigns that ensure strong sales.

Our product range

UNITEDLABELS creates merchandise ranges for the key product categories with more than 1,000 items.

Clothing

nightwear, underwear, hosiery, boxer shorts, trousers, shorts, swimwear, sweatshirts, pullovers, t-shirts, jackets

Gift items

mugs, cereal bowls, eggcups, crockery, glassware, eyeglass cases, money boxes, cookie jars, figurines, candles, alarm clocks, clocks

Plush

plush toys, beanbags, cushions, slippers

Stationery

paper, writing pads, pen boxes, desk pads, pencil cases, bookends, pens, stationery boxes, storgae boxes

Home textiles

towels, flannels, tea towels, bathrobes, slippers, bed linen, pillows, aprons, serviettes

Bags and Accessories

travel bags, sports bags, handbags, backpacks, wallets, belts, hair accessories, caps, scarves, gloves, keyrings

Quality Assurance Partners

Some of the standards we comply with:

OEKO TEX® STANDARD 100 www.oeko-tex.com · SA 8000 · LFGB · BUREAU VERITAS · SGS · TÜV SÜD · TÜV Rheinland · CE · HOHENSTEIN INSTITUTE · QIMA YOUR EYES IN THE SUPPLY CHAIN · amfori BSCI Trade with purpose · intertek Total Quality. Assured.

- Production tests
- Production supervision
- Supplier checks (audits)
- Observance of fundamental social and ethical standards
- Shipment controls (inspections)
- Quality controls and product tests

Quality and legal regulations

UNITEDLABELS conforms to all product requirements in accordance with EEC guidelines and standards. In addition, the Company applies its own stringent quality controls and carries out regular checks and inspections of factories in order to ensure maximum product safety, efficient order processing and business relationships based on trust.

Trade fair appearance

UNITEDLABELS is represented with an exhibition stand at important trade fairs. At the International Toy Fair in Nuremberg, **UNITED**LABELS uses this event to showcase entire licensed product ranges for retailers and thereby inspire fresh ideas for sales campaigns.

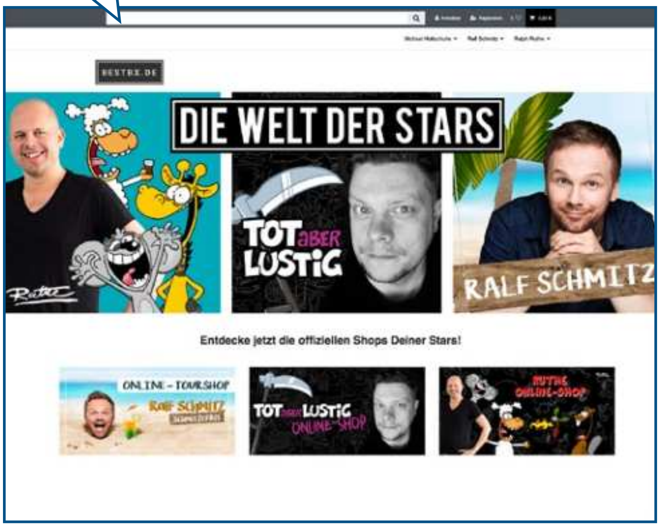
Nuremberg‘s International Toy Fair

Our awards

Frequently **UNITED**LABELS has been awarded. The Company received on the Las Vegas Licensing Show the “Krusty Seal of Approval Award” from “Twentieth Century Fox”. On the international “Disney Day” in Warsaw **UNITED**LABELS received the “Disney Dyplom”. In previous years, the Company has already received numerous international awards – including the “Homey International Award” in gold, silver and bronze, the “Golden Pencil” and also multiply the “Licensing Award” of the Licensing International Inc., the world largest association in the licensing industry.

elfen.de

bestbx.de



E-Commerce

With the Elfen Service GmbH, the Company is expanding its end-customer business (B2C) by selling it in the e-commerce sector. The entire brand assortment is marketed here in various own internet shops as well as various platforms.

By selling to end customers, the Company benefits from the entire value chain; from the production price from the factory to the sales price to the end consumer. With the expansion of the product range and the gradual expansion of the supplier countries, further growth potential will be used.

Partner platforms

amazon.com ebay

Kaufland.de Ihr Marktplatz OTTO

zalando and many more

Tour merchandising

Peter Boder
CEO

Dear shareholders,

UNITEDLABELS AG can look back on another successful financial year:
As part of our strategy for the future, as presented at the last Annual General Meeting in July of last year, we began the transformation process to strengthen the Special Retail/e-commerce segment and the end customer business in the previous year. As a result, strong sales and earnings growth was already achieved in this area in 2024.
In contrast, the market environment in the Key Account segment has become even more challenging than originally assumed. The reasons for this include volatile freight rates, longer transportation times and general pressure on margins. This reinforces our strategic decision to focus on the Special Retail/e-commerce segment. With this earnings-optimized focus, we will continue our strategic efforts over the next five years, even if this means accepting slower overall growth.

In the 2024 financial year, **UNITED**LABELS AG's consolidated sales amounted to € 22.4 million, down 9.5% on the previous year due to lower sales with Key Accounts.
At the same time, the gross profit margin rose significantly by 9.8 percentage points to 37.1% (previous year: 27.3%) due to the shift in revenue from the Key Account segment to the higher-margin Special Retail/e-commerce segment. The delivery ratio remained high and amounted to around 99%. Consolidated earnings before interest, taxes, depreciation and amortization (EBITDA) also rose to € 1.4 million, while EBIT increased by 10% to € 1.1 million.

Sales in the Key Account segment fell by 19% to € 17.4 million, while sales in the Special Retail/e-commerce segment rose by 47% to € 5.0 million

Segment earnings increased in both segments and amounted to € 4.8 million (+7%) in the Key Account segment and € 3.5 million (+52%) in the Special Rtail/e-commerce segment.
In the Special Retail/e-commerce segment, we recorded an increase of 91% in the e-commerce area alone, resulting from the expansion of the connected sales platforms and the greatly increased product range. This area therefore continues to have the greatest growth potential for the company.

As in the previous year, all of the Group's operating subsidiaries closed the 2024 financial year with a positive net profit. This applies to "Elfen Service GmbH", which operates the Group's e-commerce business directly to end consumers, the Belgian "Colombine bvba" and "House of Trends europe GmbH". In addition, we have driven forward our b2c business by expanding our e-commerce activities, our outlet store and tour merchandising.

We also recorded a positive development in the order backlog. Our good delivery performance, even under difficult conditions, continued to result in good incoming orders. As at the reporting date, the order backlog amounted to € 8.5 million, and we also recorded good incoming orders in the first quarter of 2025

In the first few months of the current financial year 2025, business development is expected to remain solid. It is already apparent that sales will be significantly higher in the fourth quarter this year. Major customers have moved many promotions to the Christmas period and e-commerce traditionally generates the highest sales in the fourth quarter.

We monitor geopolitical developments and their potential impact on our sales markets and production countries, among other things, very closely and have therefore developed appropriate measures in the various areas of the company.

Our focus for the coming years will be on further increasing sales with a strong emphasis on profitability. **UNITED**LABELS AG is concentrating primarily on expanding the e-commerce segment. The Key Account business remains high in volume and important, but orders here must always be assessed according to special profitability criteria

With regard to the development and results of the past financial year, the company considers itself to be well positioned in organizational and market terms. This assessment is supported by the good delivery performance, sales with food retail customers, the increase in e-commerce business, the expansion of the company's own outlet store and the solid order situation for the current financial year 2025.

For the coming year, we have focused our sales activities on the e-commerce business, where we want to further accelerate growth. To this end, we will expand our sales platforms in European countries and extend our product range for e-commerce.

UNITEDLABELS AG will remain a pan-European company in the future. In order to generate further international growth, we will concentrate on Eastern Europe and the UK in the coming year. Our market potential is the demand for branded products from the media/entertainment sector in all member states of the European Union and still offers us great potential for growth.

Further new themes and an expansion of existing brand ranges are planned for 2025. In the second half of the year, numerous campaigns will be delivered to food retailers (LEH) with major advertising support. These include themes such as "Lilo & Stitch" and "The Grinch" in particular. Disney", "Snoopy", "Paw Patrol" and "Peppa Pig" remain attractive brands in sales.

Due to the geopolitical impact on customers and procurement, which is currently very difficult to assess, it is not possible to make a valid forecast at present. While the demand and ordering behavior of textile chains, chain stores and food retailers is good, general consumer behavior and structures on the procurement side are subject to uncertainty. Overall, however, we anticipate an increase in sales and earnings.

I would particularly like to thank our employees for their great commitment and high level of motivation

I would also like to thank all our business partners, the members of the Supervisory Board and above all you, our shareholders, for your trust and support.

Peter Boder
CEO

Dr. David Strack
Chairman

Report of the Supervisory Board of **UNITED**LABELS Aktiengesellschaft on the 2024 financial year

In the 2024 financial year, the Supervisory Board regularly informed itself about the business and strategic development of the company, advised the Management Board and monitored its management in accordance with the duties and responsibilities imposed on it by law and the Articles of Association as well as the provisions of the German Corporate Governance Code. The Supervisory Board thus gained sufficient knowledge of the strategy, business policy, business planning, risk situation, compliance and the net assets, financial position and results of operations of both **UNITED**LABELS Aktiengesellschaft and the **UNITED**LABELS Group.

This took place in personal discussions between the Chairman of the Supervisory Board or an individual member of the Supervisory Board and the Management Board, through regular written and verbal information and telephone conferences between the Management Board and the Supervisory Board on the course of business, as well as at five Supervisory Board meetings (February 28, April 23, July 2, October 1 and December 18).

Meetings of the Supervisory Board 2024

Member of the Supervisory Board	Number of participations / number of meetings
Dr. David Strack (Chairman of the Supervisory Board)	5 / 5
Albert Hirsch	5 / 5
Silvia Lubitz	5 / 5

At the meetings of the Supervisory Board, both in the presence of the Management Board and in separate consultations in accordance with the recommendations of the German Corporate Governance Code, the current business development was analyzed and strategic decisions were discussed. In the meetings not attended by the Management Board, the focus was particularly on the composition of the Management Board, remuneration issues, internal matters and the organizational structure of the Supervisory Board.

With a particular focus on the future viability of the company, the Supervisory Board dealt intensively with the key strategic directions in the 2024 financial year. In particular, the focus was on the end customer structure - which now exists primarily in German wholesale and only occasionally in Special Retail - the further development of the product range with own and licensed products and the targeted expansion of the e-commerce business.

Particular attention was paid to the profit-oriented development of the e-commerce segment for B2B and B2C customers, which plays a decisive role in long-term competitiveness. As part of the "Fit-for-Fifty" project, measures were discussed to further develop the online business through new product ranges and adapt it to changing market requirements.

Furthermore, the earnings and liquidity situation and the associated overall planning and management of the Group were analyzed in detail. A particular focus was placed on the ability to adjust costs, especially in connection with the development of modern, e-commerce-capable product ranges and their successful distribution on European platforms. The results of these analyses were discussed in close consultation with the Management Board in order to make well-founded decisions on the company's future strategic direction. This comprehensive analysis underlines the company's efforts to actively meet the challenges of the market and ensure sustainable future viability.

The sales, distribution and logistics situation of **UNITED**LABELS AG was another central focus of the exchange of information between the Supervisory Board and the Management Board. Both national and international political developments continue to have an impact on global supply chains and can lead to delays in the availability of goods. In addition to challenges in delivery reliability, these geopolitical and economic uncertainties also have the potential to have a significant impact on consumer demand.

Where individual transactions required the approval of the Supervisory Board in accordance with the Articles of Association or statutory provisions, the Supervisory Board examined these and decided on their approval.

The Supervisory Board dealt in detail with the principles of responsible and transparent corporate governance, which is largely based on the recognition of the current requirements of the German Corporate Governance Code. Any deviations from the recommendations are set out and explained in the declaration of compliance issued in accordance with Section 161 AktG. This declaration is published both in the annual report and on the company website at www.unitedlabels.com.

To ensure continuous and sustainable corporate management, the Supervisory Board, in cooperation with the Management Board, negotiated and resolved in May 2024 to extend the Management Board contract until December 31, 2029. The agreed conditions and remuneration meet the high requirements and are appropriate in comparison to similar positions and companies.

To assess the efficiency of its activities, the Supervisory Board of **UNITED**LABELS Aktiengesellschaft conducted a self-assessment in the 2024 financial year. With the help of a detailed questionnaire, the internal organization of the Supervisory Board, the procedures of the meetings and the quality of the information provided were examined and evaluated.

With Silvia Lubitz, Albert Hirsch and Dr. David Strack, the Supervisory Board continues to consist of a total of three members. In the opinion of the Supervisory Board, this number of Supervisory Board members is appropriate for the size of the company; the formation of committees is therefore not expedient and for this reason was not undertaken by the Supervisory Board in the 2024 financial year. The full Supervisory Board therefore also performed the duties of the Audit Committee in accordance with Section 107 para. 4 sentence 2 AktG.

Overall, the joint work of the Supervisory Board is characterized by an atmosphere of mutual trust, respect and appreciation. There were no conflicts of interest between members of the Management Board and Supervisory Board during the reporting period that had to be disclosed to the Supervisory Board without delay and about which the Annual General Meeting should be informed.

In accordance with the recommendation of the GCGC, the company generally supports the members of the Supervisory Board in their training and further education. In the reporting period, the Supervisory Board took part in an external training course dealing with the legal aspects of Supervisory Board activities. This included a workshop led by a capital market law expert, which dealt with key amendments to the German Stock Corporation Act and new regulations on the Annual General Meeting and provided an outlook on planned legal changes for Supervisory Board members. In addition, the Supervisory Board regularly dealt with new legal provisions and other relevant regulations at its meetings.

The Supervisory Board duly awarded the audit mandate for the annual financial statements and the consolidated financial statements for the 2024 financial year to the auditing company FRTG AG Wirtschaftsprüfungsgesellschaft, Düsseldorf, which was elected as auditor by the Annual General Meeting.

The annual financial statements of **UNITED**LABELS Aktiengesellschaft as at December 31, 2024 and the management report for **UNITED**LABELS Aktiengesellschaft and the **UNITED**LABELS Group were prepared in accordance with HGB principles, while the consolidated financial statements as at December 31, 2024 were prepared in accordance with International Financial Reporting Standards (IFRS) and audited by FRTG AG Wirtschaftsprüfungsgesellschaft, Düsseldorf, the auditors appointed by the Annual General Meeting, who issued an unqualified audit opinion on 29.04.2025.

The Supervisory Board examined the annual financial statements prepared by the Management Board, the management report for **UNITED**LABELS Aktiengesellschaft and the **UNITED**LABELS Group as well as the consolidated financial statements and discussed them with the auditor at the meeting on 25.04.2025. At this meeting, the Supervisory Board dealt in particular with the key audit matters described in the respective auditor's report. All of the Supervisory Board's questions were answered by the auditor. The Supervisory Board received the auditor's report in good time before the balance sheet meeting. According to the final result of the audit conducted by the Supervisory Board, there were no objections to the annual financial statements, the management report for **UNITED**LABELS Aktiengesellschaft and the **UNITED**LABELS Group and the consolidated financial statements, and the auditor's findings on the aforementioned documents were approved.

REPORT OF THE SUPERVISORY BOARD

The annual financial statements and the consolidated financial statements were approved by the Supervisory Board on 29.04.2025 in the version prepared by the Management Board, audited by the auditor and with the auditor's unqualified opinion.The annual financial statements of **UNITED**LABELS Aktiengesellschaft are thus adopted.

In accordance with Section 312 AktG, the Management Board has also prepared a report on relationships with affiliated companies (dependent company report) for the reporting period from January 1 to December 31, 2024. The report contains the final declaration by the Management Board that, according to the circumstances known to the Management Board at the time of the legal transactions, the company received appropriate consideration for each legal transaction. No measures were undertaken or omitted at the instigation of or in the interests of the controlling person or a company affiliated with this person.

The Supervisory Board received and reviewed the dependent company report in good time. The auditor reported to the Supervisory Board on the key findings of its audit and was available to provide additional information.

In addition, the report of the Management Board of **UNITED**LABELS Aktiengesellschaft on relationships with affiliated companies in accordance with Section 312 AktG (dependent company report) was by FRTG AG Wirtschaftsprüfungsgesellschaft, Düsseldorf, and issued with an audit certificate in accordance with Section 313 (3) AktG on 29.04.2025.

As there are no objections to the report of the Management Board of **UNITED**LABELS Aktiengesellschaft on the company's relationships with affiliated companies in the 2024 financial year following the final result of the due audit, FRTG AG Wirtschaftsprüfungsgesellschaft, Düsseldorf, issues the following audit opinion in accordance with Section 313 (3) AktG:

"Following our audit and assessment in accordance with professional standards, we confirm that
1. the actual disclosures in the report are correct,
2. in the case of the legal transactions listed in the report, the company's performance was not unreasonably high under the circumstances known at the time they were carried out, insofar as it was, whether the disadvantages were compensated."

Even after the final result of the Supervisory Board's review, there are no objections to the declaration by the Management Board at the end of the dependent company report.

The Supervisory Board would like to thank the Management Board and all employees of the **UNITED**LABELS Group for their tireless commitment in the face of the challenges of the 2024 financial year.

Muenster, April 29, 2025

The Supervisory Board

Dr. David Strack
Chairman

“A good character pays off!”

Declaration on Corporate Governance (DCGK)

Declaration on Corporate Governance/ German Corporate Governance Code

The following (Group) declaration on corporate governance in accordance with Sections 289f and 315d HGB is a key element of our corporate governance reporting and includes the report by the Management Board and Supervisory Board on corporate governance in accordance with Principle 23 of the German Corporate Governance Code in the version of the GCGC dated April 28, 2022, information on key corporate governance practices and on the working methods and composition of the Supervisory Board and Management Board, including information on the company's corporate governance, the diversity concept for the Supervisory Board and Management Board and the legal requirements for the equal participation of women and men in management positions.

1) Declaration of Conformity with the German Corporate Governance Code

With its internationally and nationally established standards of good and responsible corporate governance, the German Corporate Governance Code (GCGC) is intended to promote trust in the management and supervision of German listed stock corporations. **UNITED**LABELS AG would like to maintain and build on the trust placed in its company by its shareholders, customers, suppliers, employees and the public through openness and transparency. For these reasons, **UNITED**LABELS AG largely complies with the recommendations of the German Corporate Governance Code.

The current declaration of compliance with the German Corporate Governance Code pursuant to Section 161 AktG is printed at the end of this chapter and published on the company's website at the following link: https:

The current declarations of compliance with the German Corporate Governance Code and those of previous years are permanently available to the public on the company's website atwww.unitedlabels.com/investor-relations/corporate-governance.

2) Shareholders and Annual General Meeting

Our shareholders exercise their rights at the company's Annual General Meeting. The Annual General Meeting takes place in the first eight months of the financial year. The Annual General Meeting is chaired by the Chairman of the Supervisory Board. The Annual General Meeting decides on all tasks assigned to it by law. These include resolutions on the appropriation of the net profit reported in the annual financial statements, the discharge of the Supervisory Board and the Management Board, the election of the auditor, the election of members of the Supervisory Board, the approval of the remuneration system and the remuneration report for members of the Management Board and Supervisory Board of the listed company as well as decisions on amendments to the Articles of Association or measures to raise or reduce capital. The Annual General Meeting also serves as a platform for shareholders to engage in dialog with the Management Board and Supervisory Board.

Our aim is to make it as easy as possible for shareholders to participate in the Annual General Meeting. All documents required for participation are published on the Internet in advance. In addition to the option of authorizing an intermediary, a shareholders' association or another person, shareholders are appointed a proxy for the Annual General Meeting, whom they can instruct to exercise their voting rights in accordance with their instructions. We publish the voting results on the Internet immediately after the Annual General Meeting.

3) Disclosures on corporate governance practices

Code of conduct for manufacturers

In order to promote compliance with ethical standards in the age of global production, the **UNITED**LABELS Group has developed a Code of Conduct for manufacturers. The **UNITED**LABELS Group comprises the headquarters **UNITED**LABELS AG (Germany), **UNITED**LABELS Belgium, N.V. (Belgium), **UNITED**LABELS Comicware Ltd (Hong Kong), **UNITED**LABELS Ltd (England), House of Trends europe GmbH (Germany), Open Mark United Labels GmbH (Germany) and Elfen-Service GmbH (Germany). The Code of Conduct is based on the conventions of the International Labor Organization (ILO) and the United Nations as well as on the national legislation of the respective country of production. The full text of the Code of Conduct is published on the company's website at www.unitedlabels.com/unternehmen/code-of-conducts .

4) Working methods of the Management Board and Supervisory Board and the composition and working methods of their committees

The German Stock Corporation Act stipulates a two-tier board structure for **UNITED**LABELS AG, consisting of a Management Board and a Supervisory Board. In the dual management system, management and control are strictly separated. The **UNITED**LABELS Group is managed by the Management Board on the basis of statutory provisions and the rules of procedure adopted by the Supervisory Board. The Management Board is advised and monitored by the Supervisory Board. The Supervisory Board appoints the members of the Management Board; significant transactions by the Management Board require its approval. The Management Board and Supervisory Board observe the rules of proper corporate governance.

The Executive Board

The company's Management Board is the Group's management body and consists of one person. The Management Board is bound by the interests of the company and is committed to increasing the sustainable value of the company. It develops the corporate strategy, including for the subsidiaries. The Management Board ensures compliance with the statutory provisions and works towards their observance by the Group companies.

The Management Board works closely with the Supervisory Board for the benefit of the company. It coordinates the strategic direction of the company with the Supervisory Board and discusses the status of strategy implementation with it at regular intervals.

The Management Board informs the Supervisory Board regularly, promptly and comprehensively about all issues relevant to the company relating to planning, business development, the risk situation, risk management and compliance. In doing so, it addresses deviations in the course of business from the established plans and targets, stating the reasons.

Management Board reports and documents required for decision-making, in particular the annual financial statements, the management report, the consolidated financial statements, the Group management report and the audit report, are forwarded to the members of the Supervisory Board as far as possible in good time before the meeting, usually eight days before the meeting. In addition, the Chairman of the Supervisory Board and the Management Board are also in regular contact outside of Supervisory Board meetings. If necessary, the members of the Supervisory Board are also informed verbally or in writing at short notice outside of meetings or can be called to extraordinary meetings.

The Supervisory Board

The Supervisory Board of **UNITED**LABELS AG consists of three members who were elected by the Annual General Meeting.

The Supervisory Board appoints the members of the Management Board and represents the company in dealings with them. It monitors and advises the Management Board on the management of the company and decides on all significant transactions of the company for which approval is required. It regularly discusses business development, planning and strategy. At its regular meetings, the Supervisory Board discusses the monthly information and quarterly reports. It examines the annual financial statements of **UNITED**LABELS AG, the consolidated financial statements and the management report of the company and the Group with the assistance of the auditor, who reports directly to the Supervisory Board, and decides on their adoption or approval.

The Supervisory Board has adopted rules of procedure for its work, which can be viewed at https://www.unitedlabels.com/investor-relations/geschaeftsordnung-aufsichtsrat/. The main content of the rules of procedure is to regulate the composition and responsibilities of the Supervisory Board, its convening, preparation and chairing of meetings as well as the rules on committees and quorums.

As the Supervisory Board consists of only three members, the Supervisory Board assumes the tasks of an audit committee and records these under separate agenda items.

In accordance with the recommendation in section C.1 of the German Corporate Governance Code, **UNITED**LABELS AG believes that the Supervisory Board has an appropriate number of independent members. This is because, in the opinion of the Supervisory Board, all members are to be regarded as independent

Dr. David Strack, Mr. Albert Hirsch and Ms. Silvia Lubitz were elected to the Supervisory Board at the Annual General Meeting on 2 July 2024. The Supervisory Board members were elected with effect from the end of the Annual General Meeting on July 2, 2024 until the end of the Annual General Meeting that resolves on the discharge for the third financial year after the start of the term of office, whereby the financial year in which the term of office begins is not counted, i.e. until the end of the Annual General Meeting in 2028.

The Supervisory Board does not see the need for professionally qualified committees in relation to the company and its specific circumstances, given that it only consists of three people.

The Supervisory Board has neither specified concrete objectives for the composition of the Supervisory Board nor drawn up a skills profile for the entire Board. Reporting in the form of a skills matrix has also been dispensed with.

Detailed information on the Supervisory Board's main areas of work and consultation in the 2024 financial year is explained in the Report of the Supervisory Board, which is in the 2024 Annual Report. The Chairman of the Supervisory Board is prepared to hold discussions with investors on Supervisory Board-specific topics to an appropriate extent.

Self-assessment of the effectiveness of the Supervisory Board's work
The Supervisory Board has carried out the regular self-assessment of the effectiveness of the Supervisory Board's work as required by the Code. The self-assessment was last carried out in January 2025 by means of a questionnaire by the members of the Supervisory Board and a subsequent discussion within the Supervisory Board.

5) Provisions to promote the equal participation of women and men in management positions

The "Act on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector" (FüPoG), which came into force on May 1, 2015, obliged the management and supervisory boards of certain companies in Germany to set targets for the proportion of women on the supervisory board, management board and the two management levels below and to determine by when the respective proportion of women should be achieved. The companies had to decide on their targets and implementation deadlines by September 30, 2015.

When the targets were set for the first time, the implementation deadline for the targets was not permitted by law to extend beyond June 30, 2017. The "Act to Supplement and Amend the Regulations for the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector (Second Leadership Positions Act - FüPoG II)", which came into force on August 12, 2021, further developed the FüPoG, which came into force in 2015. Companies must now justify why they have set themselves the goal of not appointing women to the Management Board.

The Supervisory Board of **UNITED**LABELS AG last resolved on June 15, 2021 that a target of 0% for the proportion of women regard to the composition of both the Supervisory Board and the Management Board will be in place by June 30, 2026 with regard to the equal participation of women and men. Nevertheless, the aim is to pay greater attention to compliance with the quota regulation when making new appointments to the executive bodies. The composition of the Management Board reflects the objective; with regard to the composition of the Supervisory Board, one third of its members are women. At the Annual General Meeting on July 2, 2024, a female member, Silvia Lubitz, was elected to the Supervisory Board at the proposal of the Supervisory Board.

On June 15, 2021, the Management Board of **UNITED**LABELS AG resolved to increase the proportion of women at the first management level to and to maintain this target until June 30, 2026. As at December 31, 2024, the management level (management circle) consisted of four women and three men. The target was therefore achieved.

6) Description of the diversity concept for the composition of the Management Board and Supervisory Board

UNITEDLABELS AG does not currently pursue a diversity concept with regard to the composition of the authorized representative body and the Supervisory Board beyond the objectives for the composition of the Management Board and Supervisory Board described in this declaration.

7) Remuneration of board members

The remuneration system submitted to and approved by the Annual General Meeting in accordance with Section 87a (1) and (2) sentence 1 AktG, the remuneration reports for the past financial years with the auditor's report and the most recent remuneration resolution in accordance with Section 113 (3) AktG are published in the Investor Relations section the following link: https://www.unitedlabels.com/investor-relations/verguetungssysteme-und-verguetungsberichte

8) Transparency

UNITEDLABELS AG attaches great importance to providing uniform, comprehensive and timely information. Reporting on the business situation and results of **UNITED**LABELS AG takes place within the specified deadlines in the annual report, the quarterly reports and the 6-month report. **UNITED**LABELS AG also participates in press and analyst conferences.

Information is also provided in the form of press releases and ad hoc announcements where required by law. All announcements and notifications can be viewed on the Internet at www.unitedlabels.com/investor-relations. The planned dates of the main recurring events and publications - such as the Annual General Meeting, annual report and financial reports during the year - are compiled in a financial calendar, which is published sufficiently in advance and can be accessed on the company's website at http://www.unitedlabels.com/investor-relations/finanzkalender.

UNITEDLABELS AG has established compliance structures for its current company size and will continue to develop these in view of the growing requirements from the regulatory environment and with a view to the company's development.

Violations of applicable law and internal guidelines are appropriately sanctioned.

Declaration of Conformity by the Management Board and Supervisory Board of **UNITED**LABELS Aktiengesellschaft pursuant to § 161 AktG on the German Corporate Governance Code

The Management Board and Supervisory Board of **UNITED**LABELS Aktiengesellschaft declare that the recommendations of the "Government Commission on the German Corporate Governance Code" published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette have generally been complied with in the past and will be complied with in the future. The following declaration refers to the recommendations of the 'Government Commission on the German Corporate Governance Code' in the version dated April 28, 2022, published in the Federal Gazette on June 27, 2022 ('Code 2022' or 'Code').

Furthermore, the Management Board and Supervisory Board declare that the recommendations of the "Government Commission on the German Corporate Governance Code" were only deviated from as follows and will probably be deviated from in future:

A. Management and monitoring

Recommendation A.1
According to recommendation A.1, the Management Board should identify and assess the risks and opportunities for the company associated with social and environmental factors as well as the ecological impact of the company's activities. Furthermore, environmental and social objectives should also be appropriately considered in the corporate strategy. Corporate planning should include corresponding financial and sustainability-related targets.

The Management Board and Supervisory Board generally recognize sustainability aspects as important and take them into account appropriately in their activities for the company. However, the aforementioned recommendations are vague and any statement regarding compliance with them is therefore subject to considerable uncertainty. The Management Board and Supervisory Board therefore declare a deviation in this respect as a precautionary measure.

Recommendation A.3
According to recommendation A.3, the internal control system and the risk management system should also cover sustainability-related objectives, unless already required by law. This should include the processes and systems for recording and processing sustainability-related data.

The design of the internal control system and the risk management system is currently based on the legal requirements. Sustainability-related objectives that go beyond these legal requirements are not yet covered by the internal control system and the risk management system due to the size of the company.

Recommendation A.4
There is no whistleblower system for employees or third parties. Due to the size of the company and an open corporate culture, the formal establishment of a whistleblower system is not considered necessary.

Recommendation A.5
In accordance with recommendation A.5, the management report should describe the main features of the internal control system and the risk management system and should comment on the appropriateness and effectiveness of these systems.

The company has an internal control system and risk management system. However, the recommendations regarding the disclosures in the management report go well beyond the statutory requirements. The company currently complies with the statutory requirements with regard to the management report and considers these to be sufficient.

B. Composition of the Management Board

Recommendation B.1
The Code recommends paying attention to diversity in the composition of the Management Board. As the Management Board consists of only one member, diversity cannot be achieved. The Supervisory Board will also include the aspect of diversity in its considerations when expanding the composition of the Management Board.

Recommendation B.2
UNITEDLABELS AG deviates from this recommendation. As the Supervisory Board believes that the Management Board remains well staffed, there is currently no need to ensure long-term succession planning.

C. Composition of the Supervisory Board

Recommendations C.1/C.2:
In addition, the Supervisory Board should specify concrete objectives for its composition and draw up a profile of skills and expertise for the entire Board. The status of implementation should be disclosed in the form of a skills matrix in the corporate governance statement. This should also provide information on what the shareholder representatives consider to be an appropriate number of independent shareholder representatives on the Supervisory Board and the names of these members.

In the opinion of the Management Board and Supervisory Board, the composition of the Supervisory Board must be based on the interests of the company and must ensure the effective monitoring and advising of the Management Board. The Supervisory Board therefore selects candidates for nomination to the Annual General Meeting solely on the basis of their professional and personal expertise and experience; other characteristics such as gender, nationality and age were and are irrelevant for these nominations for reasons of equal opportunity. In addition to these selection criteria, the company considers the aspects listed in the Code to be worthy of consideration and the Supervisory Board will include them in its decision at the time of the respective election proposals, taking into account the company-specific situation at that time. However, for the reasons stated, it is not possible to commit to this, even taking into account the small number of Supervisory Board mandates to be filled.

For these reasons, no specific objectives are set for the composition of the Supervisory Board, nor is a skills profile drawn up for the entire Board. For the same reasons, reporting in the form of a skills matrix is also refrained from.

The Code recommends setting age limits for members of the Supervisory Board and disclosing these in the declaration on corporate governance. The assessment of suitability should also be carried out in future regardless of age. An age limit is also not considered appropriate in view of the prohibition of discrimination.

D. Working methods of the Supervisory Board

Recommendation D.2/D.3:
The Code recommends forming professionally qualified committees depending on the specific circumstances of the company and the number of its members. The Supervisory Board consists of only three members. It has therefore not formed any committees. The Supervisory Board does not see the need for professionally qualified committees to increase the efficiency of the Supervisory Board's work in relation to the company and its specific circumstances in view of the fact that it only consists of three members.

Recommendation D.4:
The Supervisory Board consists of only three members. These are elected exclusively by the shareholders. The Supervisory Board therefore sees no need to set up a nomination committee.

F. Transparency and external reporting

Recommendation F.2
The Code's recommendation stipulates that the consolidated financial statements should be publicly accessible within 90 days of the end of the financial year and interim reports within 45 days of the end of the reporting period. As the company gives priority to the quality of the financial reports over compliance with the aforementioned deadlines, this may mean that the company is unable to comply with the publication deadlines recommended by the German Corporate Governance Code. Instead, the consolidated financial statements and interim reports are published within the statutory deadlines set by Deutsche Börse for the Prime Standard.

G. Remuneration of the Executive Board and Supervisory Board

Recommendation G I
With regard to remuneration in section G.I., the Code contains a large number of recommendations on the remuneration of the Management Board. The current remuneration system with regard to the sole member of the Executive Board, Peter Boder, does not fully comply with the new regulations and the company therefore declares a deviation in section G.I. as a precautionary measure, even if the existing Executive Board contract is protected.

In particular, the current remuneration system does not fully comply with the following recommendations: G.3 (peer group comparison of Management Board salaries), G.4 (comparison of Management Board salaries with top management), G.8 (exclusion of subsequent changes to targets), G.11 sentence 2 (possibility of the Supervisory Board reclaiming or withholding variable remuneration), G.16 (offsetting of remuneration for external Supervisory Board mandates).

In accordance with its statutory obligation, the Supervisory Board of **UNITED**LABELS Aktiengesellschaft has adopted a remuneration system for the Management Board, which was approved by the 2021 Annual General Meeting and is also to be taken into account in particular for Management Board contracts concluded thereafter. The remuneration system submitted to the 2021 Annual General Meeting for approval and the resolution are available at
https://www.unitedlabels.com/investor-relations/hauptversammlung/ published.

Recommendation G.17.
The recommendation of the Code stipulates that the remuneration of the Supervisory Board should also take into account, among other things, the chairmanship and membership of committees. The amount of remuneration for Supervisory Board members is conclusively regulated in Section 10 of the Articles of Association. There are still no committees, meaning that the chairmanship and membership of committees are not taken into account in the remuneration of the Supervisory Board.

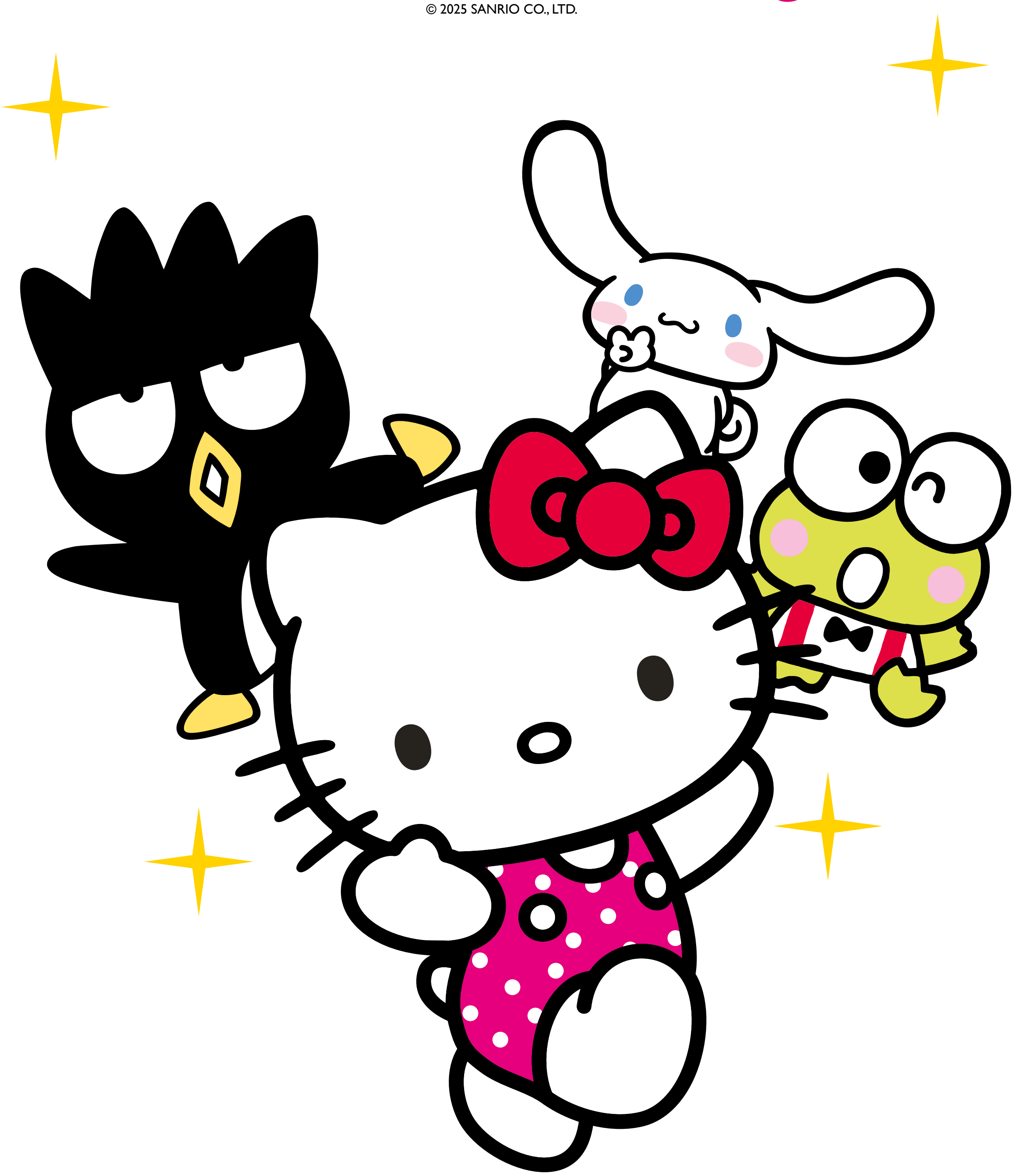
Muenster, March 2025

signed

The Executive Board

The Supervisory Board

Hello Kitty



UNITEDLABELS Aktiengesellschaft, Muenster

Group management report for the 2024 financial year

Outline

1. Foundations of the Group

Business model of the Group

UNITEDLABELS Aktiengesellschaft, hereinafter also referred to as **UNITED**LABELS AG, is a manufacturer and marketer of branded media/entertainment products in Europe with a focus on Germany, Benelux, the UK and Eastern Europe. The company is headquartered in Muenster. The Group has three operating subsidiaries. The company occupies a key position between brand owners and retailers, as its extensive product range and attractive portfolio of more than 30 well-known brands make it a competent partner for both sides.
On the one hand, **UNITED**LABELS AG offers retailers strong and successful brands in the product areas of clothing, gifts, plush, stationery, bags, bathroom and household goods from a single source. On the other hand, the company's many years of experience in the brand business and its distribution density make it a preferred partner for brand owners who benefit directly from the sales success of the brand products.
UNITEDLABELS AG reaches end customers via various sales channels, firstly through the e-commerce stores of its own subsidiary Elfen Service GmbH, and secondly via chain stores, discounters and Special Retail throughout Europe. **UNITED**LABELS AG's key customers include well-known purchasing associations and major European retailers.

UNITEDLABELS AG is listed in the Prime Standard of the German Stock Exchange. The Group is managed by the Management Board, consisting of Mr. Peter Boder. The Management Board is monitored by the Supervisory Board.

Goals and strategies

UNITEDLABELS AG and its subsidiaries aim to be one of the leading manufacturers and marketers of branded media/entertainment products in Europe. For this reason, the company has been focusing on a multi-channel approach for several years, i.e. sales via Special Retail and chain stores as well as direct sales to end customers via its own and external Internet stores. In this way, **UNITED**LABELS AG establishes a wide reach throughout Europe through which its various products are distributed. The declared aim is to further consolidate, maintain and expand this strategy on the market.

Control system

The most important key performance indicator for the success of the **UNITED**LABELS Group, alongside sales, is earnings before interest and taxes (EBIT). Liquidity plans are also drawn up, which are taken into account when making decisions. Every order in the Group is evaluated in terms of its contribution to earnings and only if the company's targets are met or if the order is classified as strategically important is the order accepted.

Research and development

Due to its business model, the **UNITED**LABELS Group does not conduct research and development, as is customary in the industry.

2. Economic report

General conditions

The International Monetary Fund expects global growth of 3.3% in 2025 and 3.3% in 2026. At 0.3%, the growth forecast for Germany is well below the global average. Due to falling inflation, central banks are easing their interest rate policy in order to stimulate economic development. Despite the ECB lowering its key interest rate to 2.5%, Russia's war in Ukraine continues to weigh on economic activity. Inflation in the eurozone is expected to fall to 2.1% in 2025 and 2.0% in 2026. Other challenges for the global economy relate in particular to the recovery of private consumer spending, climate change and continued geopolitical tensions, including in Eastern Europe and East Asia, as well as the emerging trade disputes between the EU and the US. [1]

In 2024, the German economy was also hit hard by the effects of the war in Ukraine and other geopolitical tensions. According to the German government's annual economic report for 2025, the price-adjusted gross domestic product (GDP) fell by -0.2% in 2024 compared to the previous year and will only recover slightly to 0.3% in 2025.

Price-adjusted private consumer spending rose by 0.3% in 2024. For 2025, the German government expects a price-adjusted increase in private consumer spending of 0.5% compared to the previous year. Real government consumer spending rose by 2.6% compared to the previous year and gross investment fell by -2.8%. Inventories in the economy rose by 0.1% in 2024. [2]

According to the German E-Commerce and Distance Selling Trade Association (bevh), gross sales of goods in German e-commerce rose again in 2024 for the first time since 2021, reaching EUR 80.6 billion after EUR 79.7 billion in 2023. The share of online trade in goods in total retail in the narrower sense (including food, but excluding pharmacy sales) stabilized at an almost unchanged level of 10.1% (2023: 10.2%). Sales growth with digital services has also normalized after the sometimes strong catch-up effects of recent years. A more differentiated look at the development shows that sales growth in 15 of the 20 product groups under review was up again in 2024. The highest growth rates were achieved by the product groups medicines (+6.3%), food (+5.5%) and pet supplies (+5.4%). The toys category also saw a significant increase of 4.3% compared to the previous year. The clothing product group remained almost at the previous year's level with growth of 0.1%. In a joint forecast, the bevh and the EHI Retail Institute expect the market recovery to continue over the course of 2025 and (nominal) sales growth in e-commerce with goods of 2.5%. [3]

In 2024, toys based on licensed themes in particular enjoyed growing popularity. While the market for non-licensed products fell by -5%, licensed themes grew by +2% in comparison. As a result, the license share in Germany has increased to 28%. An unprecedented figure.

In addition to the major license themes such as Star Wars, Harry Potter, Minecraft, Pokemon and Paw Patrol, the German Toy Trade Association (BVS) sees many other licenses with a strong increase in demand. Gabby's Dollhouse, Lilo & Stich and Bluey are particularly notable for their strong growth. [4]

1 https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025

2 https://www.bmwk.de/Redaktion/DE/Artikel/Wirtschaft/Projektionen-der-Bundesregierung/projektionen-der-bundesregierung-jahresprojektion-2025.html

3 https://bevh.org/detail/e-commerce-zurueck-auf-wachstumskurs

4 I https://www.bvspielwaren.de/News/Pressemitteilung/Weihnachten-150-Euro-f%C3%BCr-Spielzeug

UNITEDLABELS AG believes it can meet these challenges with the continued expansion of sales via Key Accounts, chain stores and online retail, the introduction of new brands and the existing portfolio of classic brands.

The persistently high level of geopolitical and political uncertainty is likely to weigh on economic growth in the eurozone and slow down the expected recovery. Growth was already somewhat weaker than expected at the end of 2024. Despite these adverse factors, however, the conditions are in place for GDP growth in the eurozone to regain momentum over the projection period. Rising real wages and employment figures are likely to support a recovery against the backdrop of a strong, albeit cooling, labor market, to which consumption will continue to make a significant contribution to growth. Domestic demand should also be supported by an easing of financing conditions resulting from market expectations regarding future interest rate trends. The labor market should remain robust, with the unemployment rate averaging 6.3% in 2025 and falling to 6.2% in 2027. The average annual growth rate of real GDP is expected to be 0.9% in 2025 and rise to 1.2% and 1.3% in 2026 and 2027 respectively. Compared to the Eurosystem experts' macroeconomic projections of December 2024, the GDP growth outlook has been revised downwards by 0.2 percentage points for both 2025 and 2026. They have remained unchanged for 2027. [1]

Changes in consumer demand in the EU economic area and developments in the sourcing countries are particularly relevant for **UNITED**LABELS AG.

The quality requirements that **UNITED**LABELS AG places on itself, but also the demands that customers place on its products, are an important factor affecting the company's purchasing, as is the exchange rate between the euro and the dollar. The company procures a large proportion of its goods in Asian countries, where purchases are predominantly made on a US dollar basis. The average euro/dollar exchange rate for the year was 1.08 dollars per euro. The closing rate at the end of the year was 1.04 dollars per euro.

The textile business continues to be **UNITED**LABELS AG's strongest product line in terms of sales. New collections were developed and marketed via retail partners and in the direct end customer business.

Business performance and position of the Group as well as non-financial performance indicators

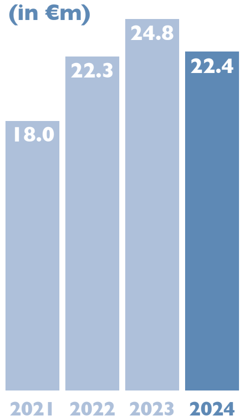
In the 2024 financial year, turnover fell by 9.5% to € 22.4 million. At € 1.1 million, EBIT was € 0.1 million above the previous year's level. Due to the Russian war of aggression in Ukraine and global geopolitical tensions, it was not possible to provide a valid forecast. In view of the net profit for the year and taking into account the order backlog of € 8.5 million for 2025 as at December 31, 2024, we consider the Group's performance in the past year to be positive, despite the difficult overall economic conditions. The Group's revenue and EBIT were below expectations for 2024.

Overall, after three years of double-digit sales growth, the Group suffered a decline in sales in the past financial year. The delivery performance remained very good.

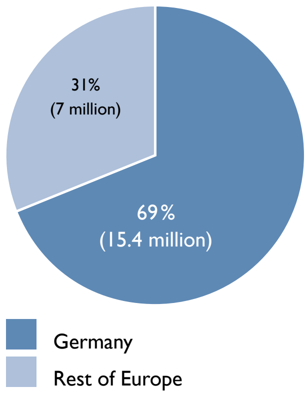
The diversified customer structure with a focus on food retail (LEH) led to a continuous and stable sales trend.

The portfolio still includes more than 30 brand rights. As in previous years, individual contracts that are no longer profitable from the company's perspective were not renewed. The most successful brands in terms of sales in the past year include "Paw Patrol", "Disney", "Peanuts" and "Grinch". In 2025, the company will continue to review the commercial viability of each new brand and decide accordingly.

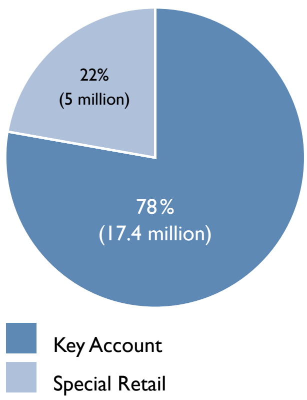
Sales Performance (in €m)



Breakdown of sales in 2024 in Europe in % (€ m)



Breakdown of sales in 2024 for Key Account and Special Retail in % (€ m)



1. https://www.ecb.europa.eu/press/projections/html/ecb.projections202503_ecbstaff~106050a4fa.de.html

Earnings situation
In the past financial year, **sales** fell by 9.5% to € 22.4 million (previous year: € 24.8 million). Sales in the Key Accounts segment decreased by € 4.0 million (-18.5%) from € 21.4 million to € 17.4 million. The Key Accounts segment primarily includes large discounters and chain stores in the food and textile retail sectors.

In the Special Retail segment (including e-commerce), sales increased by 46.2% from € 3.4 million to € 5.0 million. Of the total turnover, the Group generated € 15.4 million in Germany and € 7.0 million in other European countries.

For the 2025 financial year, the company expects higher returns on goods already delivered compared to the previous year. This estimate led to a reduction in sales of € -3.4 million and a reduction in gross profit of € -0.4 million as part of a risk provision. Other assets from expected returns of € 3.2 million and provisions for repayment obligations from returns of € 3.4 million are reported in the balance sheet. In the previous year, provisions of € 1.2 million were recognized for returns.

The **cost of goods sold in the Group** comprises the cost of materials and amortization of right-of-use assets. A total of € 14.1 million (previous year: € 18.1 million) was reported for the financial year. In relation to consolidated sales, this results in a cost of goods sold ratio that has fallen from 72.7% to 62.9%. The following factors have a fundamental impact on the margin: the development of the dollar/euro exchange rate, freight costs for goods purchased from overseas, quality requirements for goods and the ratio of sales between the two segments (Key Accounts and Special Retail). Due to the lower cost of goods sold ratio in the financial year, the gross profit for the previous year was exceeded by € 1.5 million and reached € 8.3 million.

Other operating income amounted to € 0.3 million and mainly resulted from the derecognition of liabilities, the reversal of provisions, exchange rate differences and income from the reclassification of plan assets in connection with the pension provision.

Personnel expenses rose to € 2.8 million after € 2.6 million in the previous year. On average, the company employed 36 people on a full-time equivalent basis (previous year: 42 employees). Revenue per employee in relation to full-time employees rose from k€ 590 to k€ 623.
As at the balance sheet date, the company had 57 employees (38 employees converted to full-time equivalents), 30% of whom worked in sales, purchasing and design. The decrease was primarily attributable to full-time and part-time employees at the head office.

Other operating expenses rose from € 3.5 million to € 4.3 million. The increase in costs compared to the previous year is primarily due to the very significant increase in e-commerce sales and the related linear sales fees of the sales portals as well as increased outgoing freight at the Group parent company.

EBITDA increased to € 1.4 million (previous year: € 1.3 million), which corresponds to an EBITDA margin of 6.3%. The increase of € 0.1 million compared to the previous year is due to a better cost of sales ratio in the sales mix despite declining sales. Increased and higher other sales expenses partially compensated for this effect.

At € 0.3 million, **amortization** of intangible assets (excluding amortization of right-of-use assets) and depreciation of property, plant and equipment remained at the previous year's level. Amortization of rights of use (license fees) increased from € 0.4 million to € 0.7 million and is reported separately before gross profit.

Earnings before interest and taxes (EBIT) rose to € 1.1 million (previous year: € 1.0 million), which corresponds to an EBIT margin of 5.1%. This increase was due to the improved cost of sales ratio.

The **financial result** of € -0.7 million (previous year: € -0.5 million) includes financing income and expenses.

Tax expenses of € -0.3 million (previous year: € 0.1 million) were calculated under **income taxes**, which were attributable to deferred tax assets (€ -0.2 million) and income taxes in the Belgian subgroup (€ -0.1 million).

Consolidated net income decreased to € 0.2 million (previous year: € 0.6 million), which corresponds to a return on sales of 0.7%. Earnings per share therefore amounted to € 0.02 (previous year: € 0.09).

The segment result in the large customer business, calculated on the basis of gross profit, amounted to € 4.8 million (previous year: € 4.5 million). In the Special Retail segment, the result based on gross profit was € 1.2 million higher than in the previous year at € 3.5 million.

Development in the subsidiaries

Results of the most important subsidiaries:

	Colombine b.v.b.a., Belgium		Elfen Service GmbH, Germany		House of Trends europe GmbH, Germany	
	k€	k€	k€	k€	k€	k€
	2024	2023	2024	2023	2024	2023
Revenue	3,042	2,677	4,203	2,212	471	113
EBITDA	237	122	504	154	110	189
EBIT	237	122	501	126	110	189
Profit for the year	83	45	500	124	114	193
Inventories	0	0	367	131	0	0
Cash and cash equivalents	10	0	69	90	1	8
Payables to banks	0	0	0	0	0	0

Financial position

The **consolidated cash flow statement** shows a **cash flow from operating activities** of € 1.6 million (previous year: € 0.8 million) for the financial year. Payments of € -0.8 million (previous year: € -0.2 million) were made for investments, in particular for the acquisition and extension of trademark rights. **Cash flow from financing activities** amounted to € -1.2 million (previous year: € -0.1 million).
As a result, **cash and cash equivalents** decreased by € -0.4 million to € 0.4 million at the end of the financial year. As at the reporting date of December 31, 2024, a total of € 2.4 million (previous year: € 2.6 million) in receivables had been sold to a factoring company. Of this amount, € 1.9 million was attributable to **UNITED**LABELS AG and € 0.5 million to the Belgian subsidiary Colombine BVBA.

The Group finances itself mainly through loans, credit lines and letters of credit provided to the Group companies by banks. As at the balance sheet date, short-term bank loans amounted to € 0.9 million (previous year: € 0.4 million), long-term bank loans amounted to € 0.5 million (previous year: € 0.7 million) and letter of credit lines remained unchanged at k€ 750. In addition, there is another long-term loan of € 3.3 million, to be repaid by 2031, three policy loans (€ 1.8 million), a long-term loan from the Management Board and a related party (€ 0.0 million, previous year € 0.9 million). The loans from the Management Board and the related party are available up to an amount of € 2.1 million until March 31, 2026. Liabilities from leases account for € 1.5 million, which are recognized as liabilities in accordance with IFRS 16. The parent company's unsecured receivables serve as collateral for the short-term bank credit lines provided. Real estate liens on the logistics center in Muenster serve as collateral for the long-term loans from a bank and an investor. Of the short-term credit lines amounting to € 1.0 million, € 0.1 million had not been utilized as at the balance sheet date.

Net worth

Non-current assets amounted to € 11.3 million (previous year: € 11.4 million). Intangible assets increased by € 0.2 million to € 4.4 million. This still includes goodwill in the amount of € 3.1 million, which corresponds to 11.6% of the balance sheet total. Brand rights account for € 1.3 million and property, plant and equipment for € 3.4 million (previous year: € 3.7 million). The deferred taxes item fell slightly to € 1.1 million (previous year: € 1.3 million).

Current assets increased by € 6.1 million to € 15.7 million. Inventories (including floating stock) grew to € 6.3 million compared to € 5.0 million in the previous year. Other assets increased to € 4.9 million compared to € 2.3 million in the previous year. 3.2 million of the increase in other assets is attributable to the increase in assets on estimated goods returns.

Trade receivables increased to € 4.1 million as at the reporting date compared to € 1.6 million in the previous year.

Bank balances fell from € 0.8 million to € 0.4 million.
Overall, the **balance sheet** total increased to € 27.0 million (previous year: € 20.9 million).

On the liabilities side, **equity** increased by € 0.1 million to € 2.8 million. The total number of shares issued amounted to 6,930,000. The equity ratio fell to 10.3% (previous year: 12.9%). In the individual financial statements of **UNITED**LABELS AG, equity amounted to € 5.8 million (previous year: € 5.7 million), which corresponds to an equity ratio of 19.5% (previous year: 24.3%).

Non-current liabilities rose to € 8.8 million (previous year: € 8.4 million), while **current liabilities** increased by a total of € 5.5 million to € 15.4 million.

Non-current assets amounting to € 11.3 million account for 42% (previous year: 54%) of the balance sheet total. Current assets amounted to € 15.7 million and accounted for 58% (previous year: 46%) of the balance sheet total. Current assets exceed current liabilities by € 0.3 million. It should be noted that current liabilities include overdraft facilities of the financing banks in the amount of € 1.0 million, which are assumed to be available on a long-term basis.

Overall, Group debt as at December 31, 2024 was € 24.2 million, € 6.0 million higher than in the previous year.

Non-financial performance indicators

Employees
As at December 31, 2024, there were 57 employees (previous year: 56). The average number of employees was 52 (previous year: 59). Converted into full-time equivalents, there were 38 employees at the end of the financial year (previous year: 40). The converted average headcount was 36 employees (previous year: 42).

The Group is not affiliated or bound by any collective wage agreement. Remuneration is based on performance and position.

The **UNITED**LABELS Group is particularly keen to continuously develop its employees and improve the service it provides to its customers. To this end, the Group conducted internal training courses in the past financial year.
The Group has also established a personnel development program in Germany to support and motivate each employee individually. In Germany, this includes regular information events for all employees, at which current topics are presented and employees have the opportunity to enter into discussions with the management.
Diversity in human resources is a priority topic and a core element of the HR strategy. The **UNITED**LABELS Group wants to further expand its internationality and also promote the inclusion of women in management positions.
The proportion of women at the second management level is currently over 50%. The Group is continuing its efforts to promote the increased presence of women in management positions. In this context, we also refer to our homepage (http://www.unitedlabels.com/investor-relations/corporate-governance).

3. Forecast, opportunity and risk report

Outlook, opportunities and risks of future development

The **UNITED**LABELS Group systematically attempts at all times to recognize and seize opportunities at an early stage in order to sustainably improve the result. Certain risks must be taken in order to make the best possible use of opportunities. The principles of risk and opportunity management ensure that business activities can be carried out in a well-controlled corporate environment.
The Group is regularly confronted with risks and opportunities that can have both positive and negative effects on the Group's assets, profit and cash flow, as well as on intangible assets such as brand rights. Risks are understood as the potential occurrence of internal and external events that could have a negative impact on the achievement of short-term goals or the implementation of the long-term strategy. Risks can also be missed or poorly utilized opportunities. Opportunities can generally be defined as internal and external, strategic and operational developments which, if used correctly, can have a positive impact on the Group. The Group uses various information channels to identify risks and opportunities. For example, assessments of the relevant markets result from discussions with our customers and suppliers, information from the internet and other media, from trade fairs and also from analyses of our competitors. This information flows into the Group's risk management system via quarterly queries. The risks are assessed according to the probability of occurrence and the amount of potential damage. The probability of occurrence is divided into the following four categories: unlikely (<10%), possible (10% to <50%), probable (50% to <75%), highly probable (>75%). In addition, the loss categories (C (< k€50), B (k€ 50 to k€ 300) and A (> k€ 300)) are defined, which quantify the range of expected losses. In some cases, there are also risks whose losses cannot be quantified. On this basis, the Executive Board decides which of the respective risks to accept or avoid and which opportunities to pursue. In some cases, certain risks and the responsibility for exploiting opportunities are transferred to third parties (e.g. through insurance, outsourcing, sales and purchasing agreements).

The Group sees significant risks in the following areas in particular:

Market risks
- Deterioration in consumer behavior in the Group's markets due to geopolitical uncertainties
- Intensification of competition with key customers

Business risks
- Impairment of supply chains
- Rising prices, increasing freight costs and longer delivery times from suppliers
- Adverse effects on suppliers, customers and the Group due to cybercrime
- Loss of key customers
- Loss of important trademark rights
- Loss of important employees in key positions and the recruitment of sufficiently qualified employees
- Reputational risks as a result of violations by suppliers of minimum standards for working time regulations, minimum wages, occupational safety and the prohibition of child labor, for which **UNITED**LABELS agrees a "Code of Conduct" with suppliers
- Impairment of goodwill in the event of a permanent decline in business activities

Legal risks
- Infringement of property rights by third parties or by the Group
- Violation of complex tax issues

Financial risks
- Outstanding receivables could be settled late
- Cash and cash equivalents may not be sufficient to settle financial obligations at a specific point in time
- Withdrawal, rescission or claims for damages due to non-compliant delivery by the Group or the supplier
- Exchange rate fluctuations that cannot be allocated promptly

In addition to the risks described above, other customary business risks such as price change, default and interest rate risks are also recorded by our own risk management system and continually updated . Our main risk management objectives are to secure and monitor the margin situation by means of calculation targets and dollar hedging, to strictly monitor costs by means of budget controls and to secure liquidity by means of planning and control. Essentially, the risk management system involves identifying risks at an early stage, assessing the extent and probability of occurrence and initiating suitable countermeasures.

UNITEDLABELS AG sees risk aggregations in the areas of purchasing and sales, where disruptions in the supply chain can have a negative impact on both procurement and sales. Further aggregations exist in the inventory area, as customer returns can have an impact on earnings in addition to the negative liquidity effect due to increased capital commitment.

UNITEDLABELS AG assesses the company's ability to bear the aforementioned risks on the basis of their impact on liquidity and earnings. All liquidity-related risks up to € 0.5 million are assessed as non-critical for the risk-bearing capacity, even if the risks should accumulate. Earnings-related risks of up to € 3.0 million are also not considered critical for the risk-bearing capacity. Critical risks include the liquidity risk, the loss of a key customer and other serious effects on the market that call into question the business model of **UNITED**LABELS AG as a whole.

Ability of the company to continue as a going concern

The annual financial statements were prepared on a going concern basis. Due to the potential geopolitical impact of the conflict in Ukraine on supply chains, there is uncertainty that existing orders may not be fulfilled or not fulfilled on time and that existing debts may not be paid on time as a result.
UNITEDLABELS AG covers part of its liquidity requirements via short-term bank overdraft and letter of credit facilities and the utilization of a loan from the Management Board and Facility Management Muenster GmbH. The bank credit lines amounted to a total of € 1.0 million as at December 31, 2024 and were utilized in the amount of k€ 928 as at the balance sheet date. The letter of credit lines remained unchanged at k€ 750 and were utilized in the amount of k€ 241 as at the balance sheet date. There are VAT liabilities from the returns for the 2022 and 2023 assessment periods, which amounted to k€ 1,809 at the end of April 2025. The company has applied to the responsible tax office for payment in 12 monthly installments. The application was rejected. The company then filed a lawsuit with the tax court. The Management Board has taken the VAT payments into account in its liquidity planning. The loan from the Management Board and Facility Management Muenster GmbH comprises an agreed framework of up to € 2.1 million, of which k€ 19 had been utilized as at the balance sheet date. The Management Board has subjected the corporate and liquidity planning to a stress test in order to analyze any negative effects on the Group's liquidity. On the basis of the liquidity planning, the Group's ability to continue as a going concern assumes that the financing banks will maintain their current account and letter of credit lines in full, that the loan from the Management Board and Facility Management Muenster GmbH will be provided within the agreed framework if necessary and that the customer orders already received for the 2025 financial year will be processed through to receipt of payment without significant impairment.

Developments in the past financial year 2024 have shown that the Group is in a position to master the challenges as far as possible.

In the previous sections, we present risks that, from today's perspective, could have a significant negative impact on our net assets, financial position and results of operations. These are not necessarily the only risks to which the Group is exposed. Other influences that are not yet known to us or that we do not yet consider to be significant could also affect our business activities.

Overall statement on risks and opportunities

The risk situation of **UNITED**LABELS AG and its change compared to the previous year can be summarized as follows:

There are generally increased risks due to the current geopolitical situation, which may result in customers reducing, postponing or canceling their orders or suppliers not being able to deliver ordered goods on time. There is also a risk that some customers may exercise any contractually agreed rights to return goods for orders that have already been delivered due to the reluctance of end consumers to make purchases. Further risks arise from cyberattacks on the company's IT systems.

Based on the current order backlog and the current liquidity planning, however, the Management Board assumes that the liquidity required for the 2025 financial year will be available to a sufficient extent on the basis of the existing loan commitments . The higher e-commerce revenue included in the planning, which is accompanied by significantly higher margins and much shorter payment terms and from which **UNITED**LABELS AG will benefit indirectly via Elfen Service GmbH, is expected to have a positive effect on liquidity. New brand rights for 2025 have primarily created opportunities to improve gross profit as well as new sales opportunities for these products abroad.
With regard to the development and results of the past financial year, the Group considers itself to be well positioned in terms of organization and market technology. This assessment is supported by the good delivery performance in the 2024 financial year, the focus on food retail customers, the increase in e-commerce business and the high order backlog for the following year 2025.

Forecast report

The Group's performance is influenced by macroeconomic developments in Germany and the rest of Europe. It can currently be assumed that the global economy, the economy in Germany and in Europe will continue to suffer from the consequences of the Ukraine conflict and the trade restrictions resulting from the tariff conflict with the USA. The European Commission's autumn forecast predicts growth of 1.5% in the EU and 1.3% in the eurozone for 2025. Growth rates of 1.8% (EU) and 1.6% (euro area) are assumed for 2026.
Good order behavior can be observed in textile retail at the start of 2025, and the Group even expects sales to increase year-on-year in the second half of the year. Non-food sales by customers in the food retail sector are also good. The extent to which this is also reflected in the Group's articles will have to be assessed in the coming months. There are currently no signs of disruptions in the supply chain, as the majority of goods are manufactured in India, Bangladesh and China. The longer throughput times due to the avoidance of transit through the Suez Canal have already been taken into account in the planning.
Under these conditions, the Group believes it is well positioned strategically and operationally for the current financial year 2025.

Business in the German Key Account segment will continue to account for the majority of **UNITED**LABELS AG's revenue in the 2025 financial year. The Group continues to see great potential for growth and earnings here. However, the sale of products directly to end customers via the online platforms of Elfen Service GmbH will increase in importance to a much greater extent than before. The significant increases in revenue in the final months of the past financial year and in the first months of the current financial year 2025 show immense growth potential, which the Group will exploit immediately and consistently.

In order for **UNITED**LABELS AG to position itself on the German and European market and expand its market share, the focus remains on high-quality and safe branded media/entertainment products that are in demand on the market. In particular, the e-commerce business via Elfen Service GmbH and the Key Account business are to be expanded and intensified.

1 https://germany.representation.ec.europa.eu/news/herbstprognose-2024-allmahliche-erholung-unter-widrigen-bedingungen-2024-11-15-0_de

To this end, **UNITED**LABELS AG and its subsidiary Elfen Service GmbH plan to further expand the end customer-oriented (B2C) e-commerce business area by offering its own products from the brand portfolio and targeted marketing measures. Overall, the brand range for the company's own end customer presence is to be supplemented by the parent company's complete range of textiles and, in particular, branded articles developed for e-commerce. The Group expects sales in the end customer business to continue to rise sharply. This assumption is supported by the increase in sales in the past financial year, a comparatively high gross profit margin in the e-commerce business and numerous new marketing measures.

In order to spread the risk as far as possible and exploit any opportunities that arise, **UNITED**LABELS focuses on acquiring additional trading partners with strong sales and earnings as well as securing and expanding existing customer relationships. The geographical focus is on Germany, Benelux, the UK and Eastern Europe. However, **UNITED**LABELS AG will continue to focus on improving its business in Germany. To this end, new brand rights were acquired and Key Account sales intensified. Stable sales in Germany remain crucial for a further increase in the Group's earnings. Based on the existing order backlog, the Group anticipates a slight increase in sales and a moderate increase in EBIT for the 2025 financial year. Depending on their duration and extent, the economic consequences of the Russian war of aggression in Ukraine and the emerging global trade conflicts may have an impact on planned sales and earnings. Due to the current uncertainty, it is not possible to make a valid forecast of any effects.

The aim of this overall plan is to exploit growth opportunities in all of the Group's business areas while spreading risk across the customer, country and brand portfolio.

This management report contains estimates and assessments as well as forward-looking statements that reflect the current views of the management of **UNITED**LABELS AG and its subsidiaries with regard to future events and expectations. Even if these statements, estimates and expectations are based on valid plans, such statements are subject to risks and uncertainties that are usually difficult to assess and are generally beyond the control of the **UNITED**LABELS Group. If these or other risks and uncertainties materialize, or if the assumptions underlying any of these statements prove incorrect, the **UNITED**LABELS Group's actual results may be materially different from those expressed or implied by such statements, expectations, estimates and projections. The **UNITED**LABELS Group does not intend to update such statements about future events and developments as well as expectations and estimates, unless there is an obligation to do so. The **UNITED**LABELS Group disclaims any responsibility and, to the extent permitted by law, any liability for such statements, expectations or estimates and plans.

The above applies accordingly to key figures that are mentioned in this annual report but are not part of commercial accounting standards. Such key figures can only be compared with the corresponding key figures of other companies to a limited extent.

4. Risk report in relation to financial instruments

When using financial instruments, the Group is exposed to the usual risks, such as default risks, market price risks and liquidity risks. If necessary and depending on the situation, the Group enters into forward exchange transactions and currency options to hedge existing orders, which result in exchange rate gains or losses at the respective spot rate. As in the previous year, no forward exchange transactions or currency options were concluded in 2024. The Group's aim is to minimize risks without compromising operational opportunities. For information on the characteristics of the risks and the precautions taken by the Group, please refer to section 3 of this Group management report.

5. Disclosures pursuant to Section 315a HGB, 315d HGB and remuneration report

Disclosures in accordance with § 315a HGB

The subscribed capital remained unchanged at k€ 6,930 as at December 31, 2024 and consists of 6.93 million no-par value bearer shares. Each share grants one vote at the Annual General Meeting. All shares carry the same rights and obligations. There are no restrictions on voting rights or the transfer of shares. However, due to insider knowledge, there are blocking periods for the Group's executive bodies and corresponding employees in connection with the publication of quarterly and annual results. Restrictions on voting rights may also exist due to provisions of the German Stock Corporation Act (AktG), for example in accordance with Section 136 AktG or for treasury shares in accordance with Section 71b AktG.

On February 7, 2025, the Management Board member Peter Boder announced in accordance with Section 160 para. 1 no. 8 AktG that he and his related party Facility Management Muenster GmbH hold a total of 2,488,419 shares in the company (35.9%). Compared to the previous year, 42,468 shares were purchased from Facility Management GmbH, a related party of Mr. Boder, in the 2024 financial year. There were no sales of shares by Mr. Boder or Facility Management Muenster GmbH in the 2024 financial year. The company is not aware of any other shareholdings in the share capital that exceed 10% of the voting rights. The Management Board of **UNITED**LABELS AG currently consists of one person. The number of Management Board members and their appointment and dismissal is determined by the Supervisory Board in accordance with Section 5 of the Articles of Association and Section 84 AktG. According to the Articles of Association, the Supervisory Board is also authorized to resolve amendments to the Articles of Association that only affect their wording. In all other cases, the Annual General Meeting decides on amendments to the Articles of Association.
The main agreements of **UNITED**LABELS AG that could be subject to a change of control relate to credit, license and customer agreements. However, no explicit agreements have been made for credit and customer contracts. Some license agreements contain a consent clause. There are also no agreements with employees regarding compensation payments in the event of a takeover bid. It has been agreed with the Management Board that the severance payment may not exceed 150% of two years' remuneration in the event of a change of control.

Corporate governance declaration in accordance with Section 315d HGB

The Group declaration on corporate governance in accordance with Section 315d HGB has been made publicly available on the **UNITED**LABELS AG website at http://www.unitedlabels.com/investorrelations/corporate-governance.

Remuneration systems for company bodies

For the 2024 financial year, the Group will prepare a separate remuneration report for the Management Board and Supervisory Board in accordance with Section 162 AktG. The report will be presented to the Annual General Meeting in the 2025 financial year for discussion. It provides detailed information on the structure of the remuneration system for the Management Board approved by the Annual General Meeting in June 2021 in accordance with Section 87a AktG and contains all the necessary information on the remuneration of the Supervisory Board. The remuneration report for the 2024 financial year, the auditor's report on the formal audit of the remuneration report, the applicable remuneration system for the members of the Management Board and Supervisory Board and the most recent resolutions of the Annual General Meeting on the remuneration system are available on the **UNITED**LABELS AG website at https://www.unitedlabels.com/investor-relations/verguetungssysteme-und-verguetungsberichte/.

Internal control and risk management system

The **UNITED**LABELS Group has an internal control and risk management system with regard to the (Group) accounting process, in which suitable and appropriate structures and processes are defined and implemented in the organization. This is designed to ensure that all business processes and transactions are recorded promptly, uniformly and correctly in the accounts. It ensures compliance with legal standards and accounting regulations for financial reporting, which is binding for all companies included in the consolidated financial statements. Changes to laws, accounting standards and other pronouncements are continuously analyzed with regard to their relevance and impact on the consolidated financial statements and the resulting changes are incorporated into the Group's internal guidelines and systems. The internal control system is based on defined control mechanisms, e.g. systematic and manual reconciliation processes, the separation of functions and compliance with guidelines and work instructions. The **UNITED**LABELS Group's accounting process is managed by the Treasury and Controlling department. Treasury and Controlling also check and monitor the reliability of the accounting system of the domestic and foreign companies. The following aspects in particular are taken into account:

- Compliance with legal requirements as well as Management Board directives, other guidelines and internal instructions,
- Formal and material compliance of the accounting and the reporting based on it,
- Functionality and effectiveness of internal control systems to prevent asset losses,
- Proper performance of tasks and compliance with economic principles.

However, it should be noted that an internal control system, regardless of its design, does not provide absolute certainty that material accounting misstatements will be avoided or detected.

6. Declaration pursuant to § 312 AktG

In addition to his 35.9% stake in **UNITED**LABELS AG, the Management Board member of **UNITED**LABELS AG, Mr. Peter Boder, holds 100% of the shares in Facility Management Muenster GmbH. Facility Management Muenster GmbH has a business relationship with **UNITED**LABELS AG. There are also direct business relationships between Mr. Boder and **UNITED**LABELS AG.

In accordance with Section 312 AktG, the Management Board submits a report on **UNITED**LABELS AG's relationships with affiliated companies, which concludes with the following declaration:

"The Management Board declares that **UNITED**LABELS AG received appropriate consideration for each legal transaction in accordance with the circumstances known to it at the time the legal transaction was carried out. There were no reportable measures in the reporting year."

Muenster, April 29, 2025

UNITEDLABELS AG
Management Board

signed Peter Boder

UNITEDLABELS Aktiengesellschaft, Muenster
Consolidated Statement of Financial Positions (IFRS) as at 31 December 2024

ASSETS

	Notes	31.12.2024 €	31.12.2023 €
Assets			
Non-current assets			
Property, plant and equipment	C.1.	3,377,941.47	3,713,794.39
Intangible assets	C.1.	4,369,313.44	4,153,212.01
Other assets	C.5.	2,472,695.31	2,265,152.43
Deferred taxes	C.2.	1,071,774.75	1,253,183.88
		11,291,724.97	**11,385,342.71**
Current Assets			
Inventories	C.3.	6,269,698.04	4,981,348.64
Trade receivables	C.4. / C.7	4,065,887.48	1,553,094.17
Other current assets	C.5. / C.7	4,934,265.20	2,271,212.10
Cash and cash equivalents	C.6.	413,599.99	762,475.54
		15,683,450.71	**9,568,130.45**
Total Assets		**26,975,175.68**	**20,953,473.16**

EQUITY

	Notes	31.12.2024 €	31.12.2023 €
Equity			
Capital and reserves attributable to the shareholders of the parent company			
Issued capital	C.8.	6,930,000.00	6,930,000.00
Capital reserves	C.8.	2,058,267.41	2,058,267.41
Retained Earnings	C.8.	1,498,242.70	1,461,901.49
Currency translation	C.8.	-524,384.29	-582,496.35
Consolidated unappropriated result	C.8.	-7,210,644.56	-7,185,895.10
Shareholders' equity		**2,751,481.26**	**2,681,777.45**
Non-contolling interests	C.8.	17,471.17	17,714.63
Total Equity		**2,768,952.43**	**2,699,492.08**
Non-Current liabilities			
Provision for pensions	C.9.	1,679,874.20	1,644,366.00
Financial liabilities	C.11.	7,115,110.79	6,701,717.34
Deferred tax liabilities	C.2.	7,593.46	7,870.16
		8,802,578.45	**8,353,953.50**
Current liabilities			
Other provisions	C.10.	3,731,681.56	1,235,815.74
Current tax payable	C.11.	720,501.09	34,761.82
Financial liabilities	C.11.	928,115.68	909,264.87
Trade and other payables	C.11.	10,023,346.47	7,720,185.15
		15,403,644.80	**9,900,027.58**
Total Liabilities		**24,206,223.25**	**18,253,981.08**
Total Equity and liabilities		**26,975,175.68**	**20,953,473.16**

UNITEDLABELS Aktiengesellschaft, Muenster
Consolidated Statement of Comprehensive Income (IFRS)

for the period from 1 January to 31 December 2024

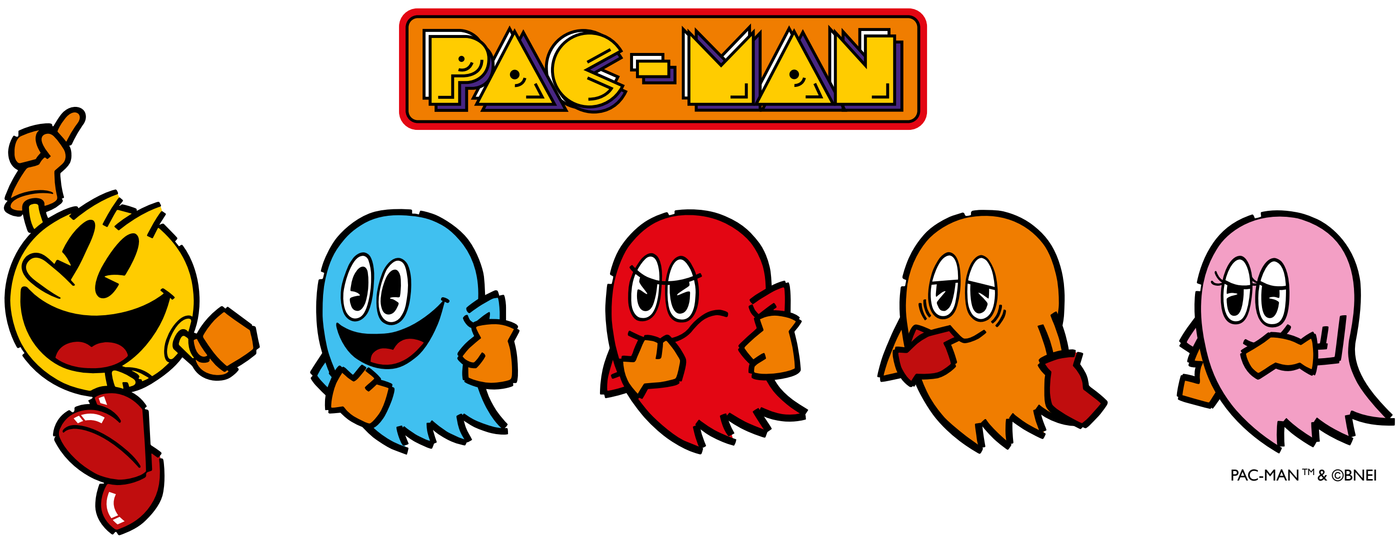
	Notes	2024 €	2023 €
Revenue	**D.1.**	**22,453,131.86**	**24,818,982.85**
Cost of materials		-13,419,266.47	-17,702,250.98
Amortization/write-down of usage rights	D.2.	-702,301.42	-351,816.21
		8,331,563.97	**6,764,915.66**
Other operating income		278,263.20	676,668.45
Staff costs		-2,844,865.85	-2,600,331.68
Depreciation of property, plant and equipment, and amortisation of assets (excl. amortisation/ writedown of usage rights)	D.3.	-276,516.39	-310,942.20
Other operating expenses		-4,349,549.90	-3,532,262.79
Result of the operating business activity		**1,138,895.03**	**998,047.44**
Financial income	D.4.	86,863.08	77,764.30
Finance costs	D.4.	-809,874.87	-592,193.54
Net finance costs		**-723,011.79**	**-514,429.24**
Result before tax		**415,883.24**	**483,618.20**
Taxes on income	D.5.	-259,926.16	148,488.04
Consolidated result of the year		**155,957.08**	**632,106.24**
Result attributable to the shareholders		156,200.54	632,246.57
Result attributable to non-controlling interests	C.8.	-243.46	-140.33
Other comprehensive income („OCI“):			
Not to reclassify result:			
Actuarial gains and losses		53,388.00	-119,239.00
Deferred taxes on actuarial gains and losses		-17,046.79	38,073.01
To reclassify result:			
Exchange difference on translating foreign operations		58,112.06	-69,244.01
Total other comprehensive income		94,453.27	-150,410.00
Total comprehensive result		**250,410.35**	**481,696.24**
Result attributable to the shareholders		250,653.81	481,836.57
Result attributable to non-controlling interests	C.8.	-243.46	-140.33
Consolidated loss (according to P&L) per share			
basic	C.8.	0.02	0.09
diluted	C.8.	0.02	0.09
Weighted average shares outstanding			
basic	C.8.	6,930,000 pcs.	6,930,000 pcs.
diluted	C.8.	6,930,000 pcs.	6,930,000 pcs.

UNITEDLABELS Aktiengesellschaft, Muenster - Cash Flow Statement

Notes to the Consolidated Statement of Cash Flows. cf. C.14.	**Notes**	**2024 k€**	**2023 k€**
Consolidated annual result		156	632
Interest income from financing activities		723	514
Amortisation/write-down of usage rights	C.1.D. 2/3	702	352
Amortisation of intangible assets	C.1.D. 2/3	3	40
Depreciation of property, plant and equipment	C.1.D. 2/3	118	108
Depreciation and amortisation of financial assets	C.1.D. 2/4	156	148
Change in provisions		2.532	-3.498
Other non cash income		87	-150
Change in deferred taxes		182	-190
Result from the disposal of non-current assets		-25	0
Change in inventories, trade receivables and other assets not attributable to investing or financing activities	C.3-5	-6.672	4.036
Change in trade payables and other liabilities not attributable to investing or financing activities	C.10-11	3.762	-1.178
Payments for tax on profit		-96	-14
Cash flows from operating activities		**1.628**	**800**
Proceeds from disposals of property, plant and equipment		135	0
Payments for investments in property, plant and equipment	C.1	-7	-13
Payments for investments in intangible assets		-916	-204
Cash flows from investing activities		**-788**	**-217**
Deposits from financial loans		825	0
Payments for the repayment of financial loans		-153	0
Payments to main shareholder		-877	724
Repayment of financial and other loans		-132	-285
Repayment of Leasing liabilities		-231	-226
Interests paid		-620	-298
Cash flows from financing activities		**-1.188**	**-85**
Net change in cash and cash equivalents		-348	498
Cash and cash equivalents at the beginning of the period		762	264
Cash and cash equivalents at the end of the period	**C.6.**	**414**	**762**
Gross debt financial liabilities		8.043	7.611
Gross debt financial liabilities		**7.629**	**6.849**
Composition of cash and cash equivalents:			
Cash and cash equivalents		**414**	**762**

UNITEDLABELS Aktiengesellschaft, Muenster
Consolidated Statement of Changes in Equity

	Issued capital €	Capital reserves €	Retained earnings €	Consolidated unappro-priated result €	Balance Item for currency translation €	Equity €	Minority Interest €	Total (Group Equity) €
As at 01.01.2023	**6,930,000.00**	**2,058,267.41**	**1,543,067.48**	**-7,818,141.67**	**-513,252.34**	**2,199,940.88**	**17,854.96**	**2,217,795.84**
Consolidated result 2023	0.00	0.00	0.00	632,246.57	0.00	632,246.57	-140.33	632,106.24
Other gains and losses								
Currency translation	0.00	0.00	0.00	0.00	-69,244.01	-69,244.01	0.00	-69,244.01
Actuarial gains and losses	0.00	0.00	-119,239.00	0.00	0.00	-119,239.00	0.00	-119,239.00
Deferred taxes	0.00	0.00	38,073.01	0.00	0.00	38,073.01	0.00	38,073.01
Total results 2023	**0.00**	**0.00**	**-81,165.99**	**632,246.57**	**-69,244.01**	**481,836.57**	**-140.33**	**481,696.24**
As at 31.12.2023	**6,930,000.00**	**2,058,267.41**	**1,461,901.49**	**-7,185,895.10**	**-582,496.35**	**2,681,777.45**	**17,714.63**	**2,699,492.08**
As at 01.01.2024 before correction	6,930,000.00	2,058,267.41	1,461,901.49	-7,185,895.10	-582,496.35	2,681,777.45	17,714.63	2,699,492.08
Adjustment of opening balance	0.00	0.00	0.00	-180,950.00	0.00	-180,950.00	0.00	-180,950.00
As at 01.01.2024 after correction	6,930,000.00	2,058,267.41	1,461,901.49	-7,366,845.10	-582,496.35	2,500,827.45	17,714.63	2,518,542.08
Consolidated result 2024	0.00	0.00	0.00	156,200.54	0.00	156,200.54	-243.46	155,957.08
Other gains and losses								
Currency translation	0.00	0.00	0.00	0.00	58,112.06	58,112.06	0.00	58,112.06
Actuarial gains and losses	0.00	0.00	53,388.00	0.00	0.00	53,388.00	0.00	53,388.00
Deferred taxes	0.00	0.00	-17,046.79	0.00	0.00	-17,046.79	0.00	-17,046.79
Total results 2024	**0.00**	**0.00**	**36,341.21**	**156,200.54**	**58,112.06**	**250,653.81**	**-243.46**	**250,410.35**
As at 31.12.2024	**6,930,000.00**	**2,058,267.41**	**1,498,242.70**	**-7,210,644.56**	**-524,384.29**	**2,751,481.26**	**17,471.17**	**2,768,952.43**



UNITEDLABELS **Aktiengesellschaft, Muenster**

Notes to the consolidated financial statements for the 2024 financial year

A. General Information

1. General information about the company

UNITEDLABELS Aktiengesellschaft has its registered office at Gildenstraße 6, 48157 Muenster, Germany. It is registered at Muenster Local Court under the number HRB 2739. The company manufactures and distributes branded media/entertainment products in Europe with a focus on Germany, Benelux, the UK and Eastern Europe.
UNITEDLABELS Aktiengesellschaft is listed in the Prime Standard on the regulated market in Frankfurt and on the open market on the stock exchanges in Berlin, Bremen, Stuttgart, Munich, Hamburg and Düsseldorf.
The consolidated financial statements as at December 31, 2024 were approved by the Supervisory Board on April 29, 2025 and thus adopted and released for publication.

2. Application of IFRS regulations, accounting principles

The consolidated financial statements of **UNITED**LABELS Aktiengesellschaft as at December 31, 2024 were prepared in accordance with internationally recognized accounting standards on the basis of the International Financial Reporting Standards (IFRS) adopted by the European Union and the additional requirements of German commercial law pursuant to Section 315e (1) HGB. The notes to the financial statements comply with the IFRS that had become mandatory by the balance sheet date. The previous year's figures have been calculated according to the same principles.

The components of the financial statements are the balance sheet, the statement of comprehensive income, the cash flow statement, the statement of changes in equity and the notes. The consolidated financial statements are prepared on the basis of historical cost.

The financial year of all companies included in the consolidated financial statements corresponds to the period from January 1 to December 31, 2024. The individual financial statements are prepared using uniform accounting policies. The reporting currency is the euro. As a general rounding level, figures in these notes are rounded to the nearest thousand; other rounding levels are indicated accordingly.

The preparation of the consolidated financial statements requires the Management Board to make estimates and assumptions that affect the amounts reported under assets and liabilities, in the statement of comprehensive income and in the notes. The actual results may differ from the estimates. Areas with greater scope for judgment or greater complexity, or areas where assumptions and estimates are of crucial importance for the consolidated financial statements, are listed in the notes on goodwill, provisions, deferred taxes and trademark rights. Deviations from the planning may result from changes in consumer behavior, changes in the behavior of brand owners or trading partners (customers, suppliers).

Due to the payment terms in Asia (letter of credit business) and the long payment terms of selected major customers, a corresponding financing framework is necessary. There can be a period of up to ten months between the placement of orders with the supplier and thus the use of letter of credit lines and the final payment by the customer, which must be financed with equity or borrowed funds. The Group has therefore introduced an adequate liquidity monitoring system to ensure that order financing runs smoothly. The Group operates factoring at the German parent company and Colombine in Belgium. Liquidity risks cannot be ruled out for customers not included in factoring if high payment amounts are settled unusually late by the customer or if supplier payments have to be made unusually early.

The Group has prepared the consolidated financial statements on a going concern basis. This is based on comprehensive liquidity planning, which requires the Group to have sufficient financial resources by utilizing existing credit lines and loans throughout the year. In this context, we also refer to the comments on liquidity in section C.17 of the notes to the consolidated financial statements.

New International Financial Reporting Standards (IFRS) and Interpretations (IFRIC)

The company has applied the following new or amended standards and interpretations for the first time in the current financial year.

Amendments to IAS 1 Classification of liabilities as current or non-current

The amendments to IAS 1 only affect the recognition of liabilities as current or non-current in the balance sheet and not the amount or timing of the recognition of assets, liabilities, income or expenses or the information to be disclosed about these items.

The amendments clarify that the classification of liabilities as current or non-current is based exclusively on existing substantive rights at the reporting date to defer settlement for at least twelve months. Classification is independent of the probability of whether or not an entity will exercise its right to defer settlement. If this right is linked to compliance with certain conditions, the existence of such a right is only assumed if these conditions were actually met on the reporting date. The amendments also include an explanation of the criterion "fulfillment". "Settlement" refers to the transfer of cash, equity instruments and other assets or services to the counterparty.

The changes had no material impact on the financial statements.

Amendments to IAS 1 Non-current liabilities with ancillary conditions

These amendments clarify that, with regard to the classification of liabilities as current or non-current, only those ancillary conditions that an entity must fulfill on or before the reporting date affect this classification. Such ancillary conditions affect whether the right exists on the reporting date, even if compliance is not assessed until after the reporting date (e.g. an ancillary condition based on the balance sheet as at the reporting date, compliance with which is only assessed after the reporting date).

It was also determined that the right to defer settlement of a liability for at least twelve months is not affected if an entity does not have to comply with the covenant until after the reporting date. However, an entity must disclose information in the notes that enables users of financial statements to understand the risk that non-current liabilities with ancillary conditions could become repayable within twelve months. This includes information about the covenants (including their nature and when they are to be settled), the carrying amount of the related liabilities and, where appropriate, facts and circumstances that indicate that the entity may have difficulty settling the covenants.

The changes had no material impact on the financial statements.

Amendments to IFRS 16 Lease Liability in a Sale and Leaseback Transaction

The amendments include requirements for the subsequent measurement of leases in the context of a sale and leaseback (SLB) for seller-lessees.

Accordingly, in the subsequent measurement of lease liabilities under an SLB, the payments expected at the beginning of the term must be determined in such a way that profit realization in relation to the retained right of use is excluded. In each period, the lease liability is reduced by the underlying expected payments and the difference to the actual payments is recognized in profit or loss.

The amendments are mandatory for the first time for financial years beginning on or after January 1, 2024. The amendments have an impact on the financial statements as the company does not generally enter into sale and leaseback agreements with variable lease payments.

Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements

The amendments add a further disclosure objective to IAS 7 Statement of Cash Flows, which requires an entity to disclose information about its supplier finance arrangements that enables users of financial statements to evaluate the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 Financial Instruments: Disclosures was amended to include financing arrangements with suppliers as an example in the requirements to disclose information regarding an entity's liquidity risk.

The term "supplier finance arrangements" is not defined. Instead, it describes the features that characterize such arrangements. To meet the disclosure objective, an entity shall disclose the following information in aggregate for its supplier finance arrangements:

- the terms of the agreements
- for liabilities that are part of such an agreement, their carrying amount and the balance sheet item in which they are recognized
- the carrying amount and balance sheet items of the liabilities for which the suppliers have already received payments from the financial services provider the range of due dates both for financial liabilities that are part of these agreements and for comparable trade payables that are not part of such agreements
- Information on liquidity risk

The amendments, which contain specific transitional relief for first-time application, must be applied for the first time for financial years beginning on or after January 1, 2024.

The management does not expect the amendments to lead to additional disclosures in the notes.

Future requirements and new standards that are not yet applied

The following new or amended standards and interpretations have already been adopted by the IASB, but are not yet mandatory or have not yet been adopted into European law. The company has not applied the regulations early.

• IAS 21	Lack of exchangeability of a currency	from 01.01.2025
• IFRS 9 and IFRS 7	Changes to the classification and measurement of financial instruments	from 01.01.2026*)
• IFRS 18	Presentation and disclosures in the financial statements	from 01.01.2027*)
• IFRS 19	Subsidiaries without public accountability: Disclosures	from 01.01.2027*)

*) EU endorsement is still pending

Amendments to IAS 21 Lack of exchangeability of a currency

The amendments require an entity to apply a consistent approach in assessing whether a currency is not exchangeable and, if so, in determining the exchange rate to be used and the disclosures required in the notes.

The amendments are mandatory for the first time for financial years beginning on or after January 1, 2025.

The Management Board does not expect the application of the amendments to have a material impact on the consolidated financial statements, as no transactions are generally conducted in non-exchangeable currencies.

Amendments to IFRS 9 and IFRS 7 Amendments to the classification and measurement of financial instruments

The changes affect the following areas:
- Classification of financial assets
  - Interest components as part of an elementary loan agreement
  - Contractual terms that change the timing or amount of contractual cash flows
  - Financial assets not subject to recourse ("non-recourse")
  - Contractually linked instruments
- Derecognition of a financial liability settled by electronic payment transactions
- Disclosures on financial assets and financial liabilities with contractual terms that change the timing or amount of the contractual cash flows
- Disclosures on equity instruments measured at fair value through other comprehensive income

First-time application of the amendments is mandatory for financial years beginning on or after January 1, 2026.

The Management Board does not expect the application of the amendments to have a material impact on the consolidated financial statements.

IFRS 18 Presentation and disclosures in the financial statements

IFRS 18 replaces IAS 1, with many of the requirements in IAS 1 being adopted unchanged and supplemented by new requirements. In addition, some paragraphs from IAS 1 have been moved to IAS 8 and IFRS 7. The IASB has also made minor amendments to IAS 7 and IAS 33.

IFRS 18 introduces the following new requirements in particular:
- Presentation of certain categories and defined subtotals in the income statement,
- Disclosure of key performance indicators defined by management (management performance measures or MPMs) in the notes; and
- Observance of new guidelines on the grouping of information in IFRS financial statements (aggregation and disaggregation).

An entity must apply IFRS 18 for the first time for financial years beginning on or after January 1, 2027, although earlier application is permitted. The amendments to IAS 7 and IAS 33 as well as the revised IAS 8 and IFRS 7 come into force when an entity applies IFRS 18, meaning that all amendments must be applied for the first time at the same time. IFRS 18 requires retrospective application with specific transitional provisions.

The Executive Board assumes that the application of the new standard will not have any significant impact on the consolidated financial statements, particularly with regard to the presentation of the income statement.

IFRS 19 Subsidiaries without public accountability: disclosures

The new IFRS 19 standard enables qualified subsidiaries to apply the full IFRS, but with reduced disclosure requirements.

A subsidiary may apply IFRS 19 if it is not subject to public reporting requirements and its ultimate or intermediate parent company prepares publicly available consolidated financial statements that comply with full IFRS.

By contrast, a subsidiary is publicly accountable if
- its debt or equity instruments are traded on a public market or it is in the process of issuing such instruments for trading on a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets), or
- it holds assets in trust for a broad group of outsiders as one of its main businesses (this criterion is usually met by banks, credit unions, insurance companies, securities brokers/dealers, investment funds and investment banks, for example).

The new standard applies to financial years beginning on or after January 1, 2027, although earlier application is permitted. The Management Board does not assume that IFRS 19 can be applied for the purposes of the company's financial statements.

3. Information on consolidation

Companies included

Included companies are all investees over which the Group can exercise control. This is the case if the Group is exposed, or has rights, to variable returns from its involvement and has the ability to affect those returns through its power over the investee. When assessing whether control exists, the existence and effect of potential voting rights that are currently exercisable or convertible are taken into account.

Subsidiaries and associated companies are included in the consolidated financial statements from the date on which control is transferred to the Group. They are deconsolidated at the date on which control ends. Acquired subsidiaries and associated companies are accounted for using the purchase method. The cost of the acquisition corresponds to the fair value of the assets given or equity instruments issued at the time of the transaction. Assets and liabilities identifiable as part of a business combination are measured on initial consolidation at their fair value at the acquisition date. The excess of the cost of the acquisition over the fair value of the net assets acquired is recognized as goodwill. If the acquisition costs are lower than the net assets of the acquired subsidiary measured at fair value, the difference is recognized directly in the statement of comprehensive income.

In addition to **UNITED**LABELS Aktiengesellschaft as the parent company, the following affiliated companies under the control of **UNITED**LABELS Aktiengesellschaft were included in the consolidated financial statements as at December 31, 2024 in accordance with the provisions of full consolidation:

	Share in capital	Period included in the consolidated financial statements
UNITEDLABELS Belgium N.V., Bruges, Belgium	99.999 %	01.01.-31.12.2024
as its wholly owned subsidiary		
Colombine b.v.b.a., Bruges, Belgium	100.000 %	01.01.-31.12.2024
UNITEDLABELS Ltd., Nottinghamshire, Great Britain	100.000 %	01.01.-31.12.2024
UNITEDLABELS Comicware Ltd., Hong Kong	100.000 %	01.01.-31.12.2024
Open Mark United Labels GmbH, Muenster	90.000 %	01.01.-31.12.2024
Elfen Service GmbH, Muenster	100.000 %	01.01.-31.12.2024
House of Trends europe GmbH, Muenster	100.000 %	01.01.-31.12.2024

All subsidiaries pursue the same business model, which was explained in section A.1. In addition to this business model, Elfen Service GmbH also carries out B2C sales of **UNITED**LABELS Aktiengesellschaft branded products.
Intragroup transactions, balances and unrealized gains and losses from transactions between Group companies are eliminated. The accounting and valuation methods of subsidiaries were changed where necessary to ensure uniform Group accounting in accordance with IFRS.

The annual financial statements and the consolidated financial statements of **UNITED**LABELS Aktiengesellschaft are published in the company register.

4. Composition of non-controlling interests

The Italian company Open Mark Srl. owns 10% of the shares in Open Mark United Labels GmbH. The key figures of Open Mark United Labels GmbH that must be disclosed are as follows:

	Open Mark United Labels GmbH	
	2024	2023
	k€	k€
Revenue	0	0
Result for the year	-2	-1
Profit/loss for the period attributable to non-controlling interests	0	0
Effects of consolidation	0	0
Total comprehensive income	-1	-1
Comprehensive income attributable to non-controlling interests	0	0
Current assets	120	122
Non-current assets	0	0
Current liabilities	0	0
Non-current liabilities	0	0
Equity	118	120
Equity attributable to non-controlling interests	12	12
Effects of consolidation	14	6
Equity attributable to non-controlling interests after the effects of consolidation	26	18

B. Accounting and valuation methods

1. Property, plant and equipment

Property, plant and equipment are valued at acquisition or production cost less scheduled depreciation based on use. Land is not depreciated. Borrowing costs are not included in the acquisition costs, as the requirements for qualifying assets are not generally met. All other property, plant and equipment is depreciated using the straight-line method, whereby the acquisition costs are written down to the residual carrying amount over the expected useful life of the assets as follows:

• Building	10 – 33 years
• Technical equipment and machinery	3 – 13 years
• Office equipment	3 – 14 years

Gains and losses from the disposal of property, plant and equipment are determined as the difference between the proceeds from the sale and the carrying amounts of the property, plant and equipment and recognized in profit or loss. The residual carrying amounts and economic useful lives are reviewed at each balance sheet date and adjusted if necessary. If the carrying amount of an item of property, plant and equipment exceeds its estimated recoverable amount, it is immediately written down to the latter.

2. Identifiable intangible assets

a) Goodwill

Goodwill represents the excess of the cost of the business combination over the fair value of the Group's share of the net assets of the acquired company at the acquisition date. Goodwill arising from the acquisition of a company is allocated to intangible assets.

Goodwill is tested for impairment at least once a year or in the event of triggering events. The impairment test is carried out at CGU (cash-generating unit) level. The Group's cash-generating units are identified in accordance with the management's internal reporting. Accordingly, the **UNITED**LABELS Group has identified the company in the respective country as a cash-generating unit (see also section 3.). Gains and losses from the disposal of a company include the carrying amount of the goodwill allocated to the company being disposed of.

b) Concessions, industrial property rights

Trademarks, licenses and brand rights are recognised at historical cost. Trademarks and licenses (not brand rights from the Media / Entertainment segment) have specific useful lives and are measured at cost less accumulated amortization. They are amortized on a straight-line basis over an estimated useful life of 3 to 10 years. Domains with a carrying amount of k€ 31 are capitalized at cost as intangible assets and are not amortized as they have an indefinite useful life.

Acquired computer software licenses are capitalized at cost plus the costs of bringing them to a usable condition. These costs are amortized over the estimated useful life (3 to 5 years).

Trademark rights from the Media/Entertainment segment for commercial use are also included in this item and are capitalized with the guarantee purchase prices arising from the license agreements and carried as liabilities under trade payables accordingly. A related trademark right is characterized by a specific period, a defined geographical sales area, the product and the trademark usage fee. Trademark rights from the Media / Entertainment segment are amortized in accordance with their economic utilization. This is determined by a contractually agreed percentage of the sales generated with the respective branded products. **UNITED**LABELS adheres to this accounting method against the background of the regulations in IAS 16/IAS 38 on acceptable amortization methods, as there is a strong correlation between the wear and tear of the brand rights and the sales revenues generated from them.

3. Impairment and reversal of impairment of intangible assets, goodwill and property, plant and equipment

Assets with an indefinite useful life are not depreciated or amortized; they are tested annually for impairment. Assets that are subject to scheduled depreciation are tested for impairment if corresponding events or changes in circumstances indicate that the carrying amount may no longer be recoverable. An impairment loss is recognized in the amount by which the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of the fair value of the asset less costs to sell and the value in use. For the impairment test, assets are summarized at the lowest level for which cash flows can be identified separately (cash-generating units). The level of the CGUs are the respective legally independent Group companies. In the event of impairment, the goodwill allocated to the CGU is written down first and any remaining amount is allocated to the other assets of the CGU in proportion to their carrying amounts. In the case of goodwill, impairment losses are reversed in proportion to the carrying amounts of the assets. The carrying amount of the individual asset may not exceed its recoverable amount.

4. Deferred taxes

Deferred taxes are recognized using the liability method for all temporary differences between the tax base of the assets/liabilities and their carrying amounts in the IFRS financial statements. However, if a deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting nor taxable profit or loss, the deferred tax is not recognized. Deferred taxes are measured using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are only recognized to the extent that it is probable that taxable profit will be available against which the temporary difference can be utilized.

Deferred tax liabilities arising from temporary differences in connection with investments in subsidiaries are recognized unless the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

5. Inventories

Inventories are recognized at the lower of acquisition or production cost and net realizable value. The acquisition costs are determined using a standard valuation method that corresponds to the average cost method. Incidental acquisition costs are also capitalized in addition to direct acquisition costs. The lower realizable value is estimated on a Group-wide basis using indicators such as age or expected storage period. Borrowing costs are not included in the acquisition costs, as the requirements for qualifying assets are not generally met.

6. Trade receivables and other assets

Trade receivables and other assets are generally recognized at amortized cost. All trade receivables sold and transferred to a factor are derecognized upon transfer to the factor. All trade receivables that are not transferred to a factor are current in nature.

Impairment losses are recognized on the basis of IFRS 9 using the expected credit loss model. The majority of trade receivables in the **UNITED**LABELS Group are either assigned as part of factoring or secured against payment defaults through trade credit insurance. As there is no default risk for these receivables, they are not taken into account when determining the value adjustment. For the remaining receivables, which are all due in less than one year, the default risk is assessed on the basis of past experience and overdue receivables as at the balance sheet date. The amount of the impairment is measured as the difference between the carrying amount of the receivable and the present value of the estimated future cash flows from this receivable. The impairment is recognized in profit or loss.

7. IFRS 9 measurement categories

The financial instruments used by **UNITED**LABELS are divided into the following measurement categories: These are financial assets measured at amortized cost (FAK) for trade receivables and other contractual financial assets held to maturity and financial liabilities measured at amortized cost (FLAC). The Group measures financial liabilities using the effective interest method. Please refer to section C.11 for more information. In addition, the Group makes use of derivative financial instruments in the form of forward exchange contracts as required, which are recognized at fair value through profit or loss (FVPL). However, as at December 31, 2024 and in the 2024 financial year, only financial assets in the FAK category and financial liabilities in the FLAC category were held.

8. Equity

Equity is made up of subscribed capital, valued at the nominal value of the shares, the capital reserve, the revenue reserve, exchange differences and the consolidated balance sheet loss. When treasury shares are acquired, they are deducted from equity at cost using the cost method. Costs directly related to the issue of new shares are recognized directly in equity in the capital reserve.

9. Provisions

Provisions for pensions are measured in accordance with IAS 19. The Group has a pension obligation for the Management Board member Peter Boder. The resulting obligation is determined by means of an actuarial report. The pension provision was calculated using the projected unit credit method. Actuarial gains and losses are recognized directly in equity.

Tax and other provisions take into account all identifiable external risks and obligations of the Group and were recognized in the amount of their expected utilization. They are recognized at the present value of future expenses as soon as the discounting effect is material. Provisions are generally recognized when the Group has a present legal or constructive obligation as a result of a past event and it is more likely than not that the settlement of the obligation will lead to a charge on assets and the amount of the provision can be measured reliably. If there are a number of similar obligations, the probability of a charge on assets is determined on the basis of the group of these obligations

10. Financial liabilities and other liabilities

Financial liabilities are initially recognized at fair value, net of transaction costs. In subsequent periods, they are measured at amortized cost; any difference between the disbursement amount (after deduction of transaction costs) and the repayment amount is distributed over the term of the loan using the effective interest method and recognized in the statement of comprehensive income. Loan liabilities are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liabilities to a date at least 12 months after the balance sheet date. Non-current loans are also measured using the effective interest method.

11. Leasing

For rented and leased property, plant and equipment, a right-of-use asset and a liability for the outstanding lease payments are recognized from the date on which the leased asset is available for use by **UNITED**LABELS. The cost of the right-of-use asset is calculated as the present value of the future lease payments plus the lease payments made at or before the beginning of the lease term and the initial direct contract costs. Any incentive payments received from the lessor are deducted. The right-of-use asset is amortized on a straight-line basis over the shorter of the useful life of the leased asset and the expected term of the lease. The right-of-use assets are presented in the balance sheet under the respective items of property, plant and equipment. Amortization of right-of-use assets is reported in the income statement under depreciation and amortization.

The lease liability is initially recognized at the present value of the future lease payments. In subsequent measurement, the carrying amount of the lease liability is compounded and reduced by the lease payments made without affecting profit or loss . Lease liabilities are shown as part of financial liabilities and the interest expense is reported under net interest income. In the cash flow statement, the repayment portion of the lease payments is shown as an outflow of funds from financing activities.

The lease payments on which the measurement of the right-of-use asset and the lease liability are based consist exclusively of fixed lease payments. There are no indexations, expected payments from residual value guarantees or purchase options. If the exercise of a contract extension option is sufficiently certain, the corresponding payments are included in the lease payments. Payments for periods for which the lessee has a unilateral termination option are only included in the lease payments if it is reasonably certain that the termination option will not be exercised. When assessing options, all facts and circumstances that provide an economic incentive to exercise or not exercise the option are taken into account.

In accordance with IFRS 16, lease payments must be discounted using the interest rate underlying the lease. As this cannot usually be determined for the leases concluded by **UNITED**LABELS, discounting is carried out using the incremental borrowing rate. The incremental borrowing rate of a lease corresponds to the risk-free interest rate with a matching maturity in the relevant currency plus a premium for the credit risk.

The determination of lease payments, including the lease term underlying the lease payments and the discount rate, is subject to estimates and assumptions that may differ from actual developments.
UNITEDLABELS makes use of the practical expedients for short-term leases and for leases of low-value assets.

12. Principles of revenue recognition

Revenue is recognized as follows:
All sales of the **UNITED**LABELS Group are recognized at a point in time; sales are not recognized over time. The performance obligation of **UNITED**LABELS consists primarily of the delivery of goods. The related sales revenues are recognized at the point in time at which the contractually agreed transfer of risk occurs upon delivery of goods to a customer and if the collectability of the resulting receivable can be considered sufficiently certain at this point in time. The time of the transfer of risk is generally determined by the Incoterms concluded with the customer. For deliveries ex warehouse of **UNITED**LABELS Aktiengesellschaft this is the case when the goods have been handed over to the forwarding agent. As a rule, the goods are delivered to the customer by the carrier on the same day. In the case of drop shipments, where the goods are sent directly from the supplier to the customer , revenue is recognized as soon as the goods are received by the customer and can be disposed of. **UNITED**LABELS also provides services to a small extent (around 0.8% of Group sales). In this case, sales are recognized as soon as the service has been provided.

The contracts concluded with customers do not contain any variable remuneration components.

There are no options for the customer to acquire additional goods or services free of charge or at a discount. The contracts also do not provide for repurchase agreements, commission agreements or bill-and-hold agreements.

UNITEDLABELS has granted individual customers the right to return goods sold. If there are no individual indications of the level of the return rate as at the balance sheet date, past experience is used as the basis for estimating the return rate. Sales are reduced by the amount of the expected returns and a corresponding liability is recognized. The cost of materials is also reduced in the amount of the expected return of goods and an other asset is capitalized in this regard. As at December 31, 2024, provisions from expected returns amounted to € 3.4 million (previous year: € 1.2 million) and the corresponding asset to € 3.2 million (previous year: € 0.9 million). Turnover was reduced by € -3.4 million and gross profit by € 0.4 million.

13. Interest

Interest is recognized as income or expense at the time it accrues and is not capitalized.

14. Currency conversion

The balance sheets of the foreign Group companies were prepared in the respective local currency or in euros. Assets and liabilities were translated into euros at the respective closing rate, equity at the historical rate. Income and expenses were translated at the weighted average exchange rates for the year. The difference resulting from the currency translation was reported as a change in equity with no effect on income.

The balance sheet of the subsidiary in Hong Kong, as an integrated foreign entity, was prepared in Hong Kong dollars. The average exchange rate for the financial year was € 0.12 / HK$ (previous year: € 0.12 / HK$) and the closing rate as at December 31, 2024 was € 0.12 / HK$ (previous year: € 0.12 / HK$). The balance sheet of **UNITED**LABELS Ltd. in the UK was prepared in pounds sterling. This resulted in an average exchange rate for the 2024 financial year of € 1.18 / £ (previous year: € 1.15 / £) and a closing rate as at December 31, 2024 of € 1.21 / £ (previous year: € 1.15 / £).

Foreign currency receivables and liabilities were translated at the closing rate. Currency-related differences from the consolidation of liabilities were recognized in profit or loss.

15. Derivative financial instruments

The Group uses derivative financial instruments such as forward exchange contracts to hedge its exchange rate risks. During the 2024 financial year and as at December 31, 2024, however, the Group had no such derivative financial instruments in its portfolio. In accordance with its treasury principles, the Group does not hold any derivative financial instruments for trading purposes.

If derivative financial instruments are used, they are initially measured at the fair value attributable to them on the date the contract is concluded. Subsequent measurement also takes place at the fair value applicable on the respective balance sheet date. In accordance with IFRS 9, the Group recognizes changes in the fair value of forward exchange contracts attributable to the forward component in equity in the reserve for hedging instruments. The deferred hedging costs are included in the original cost of the related hedged item when it is recognized. In the case of forward exchange contracts, this is measured using externally observable market parameters ("Level II").

16. Estimation uncertainties

The preparation of financial statements in conformity with IFRS requires management to make assumptions and estimates that affect the reported amounts and related disclosures. Although these estimates are made to the best of management's knowledge based on current events and measures, subsequent actual results may differ from these estimates.

These assumptions and estimates relate, among other things, to the recognition and measurement of provisions. In the case of provisions for pensions, the discount factor is an important estimate.

In the case of long-term contracts for the use of trademark rights, it must be estimated whether the guarantee amounts can be amortized through future sales.

The impairment test for goodwill is based on forward-looking assumptions regarding sales and costs as well as interest rates. From today's perspective, changes to these assumptions will not result in the carrying amounts of the cash-generating units exceeding their recoverable amount and will therefore have to be adjusted in the next financial year.
In the case of contracts with major customers who have been granted a right of return, an estimate must be made of the actual amount of returns so that appropriate provisions can be recognized.
Deferred tax assets based on tax loss carryforwards are recognized to the extent that it is probable that future tax benefits can be realized. The actual taxable income situation in future periods and thus the actual usability of deferred tax assets may differ from the estimate at the time the deferred taxes are capitalized.

All assumptions and estimates are based on the circumstances and assessments on the balance sheet date. In estimating future business development, the future economic environment in the sectors and countries in which the Group operates, which was assumed to be realistic at that time, was also taken into account. Actual amounts may differ from the estimates due to developments in these general conditions that deviate from the assumptions. In such cases, the assumptions and, if necessary, the carrying amounts of the assets and liabilities concerned are adjusted.

At the time of preparing the consolidated financial statements, no significant changes to the underlying assumptions and estimates are expected. From the current perspective, no material adjustment to the carrying amounts of the recognized assets and liabilities is therefore expected in the 2025 financial year.

C. Notes to individual items in the consolidated balance sheet

I. Property, plant and equipment and intangible assets

The breakdown and development of fixed assets is shown in the following statement of changes in fixed assets. The rights of use from brand agreements in the Media/Entertainment segment are reported under intangible assets at k€ 1,279 (previous year: k€ 1,063). Land charges for loans amounting to k€ 2,838 (previous year: k€ 2,838) are registered on land and buildings with a carrying amount of k€ 1,850 (previous year: k€ 2,051).

Fixed Assets Schedule

Development of Group fixed assets 2024

	Cost of purchase or conversion				
	Balance at 01.01.2024	Acquisition	Reclassifications	Disposals	Balance at 31.12.2024
	€	€	€	€	€
I. Property and equipment					
1. Property and equipment Land and leasehold rights and buildings, as well as buildings on third-party land	5,912,215.88			110,214.93	5,802,000.95
2. Technical equipment and machinery	142,228.93			0.00	142,228.93
3. Other plant, operating and office equipment, furniture and fixtures	2,515,470.23	48,573.00		0.00	2,564,043.23
	8,569,915.04	**48,573.00**	**0.00**	**110,214.93**	**8,508,273.11**
II. Intangible assets					
1. Concessions, industrial property rights, and similar rights and assets, as well as licences in such rights and assets	6,534,218.31	916,021.17		494,160.88	6,956,078.60
2. Goodwill	7,234,876.08			0.00	7,234,876.08
	13,769,094.39	**916,021.17**	**0.00**	**494,160.88**	**14,190,954.68**
	22,339,009.43	**964,594.17**	**0.00**	**604,375.81**	**22,699,227.79**

Amounts in which the Group was the lessee in a finance lease within the meaning of IFRS 16 are to be added to land and buildings and operating and office equipment as at December 31, 2024. The right-of-use assets from leasing transactions as defined by IFRS 16 comprise land and buildings in the amount of k€ 1,420 (previous year: k€ 1,543) and operating and office equipment in the amount of k€ 57 (previous year: k 50).

Accumulated depreciation/amortisation				**Net Amounts**	
Balance at 01.01.2024	Acquisition	Disposals	Balance at 31.12.2024	Balance at 31.12.2024	Balance at 31.12.2023
€	€	€	€	€	€
2,318,265.38	213,922.88	0.00	2,532,188.26	3,269,812.69	3,593,950.50
130,749.65*	9,562.05	0.00	140,311.70	1,917.23	11,481.32
2,407,107.66	50,724.02	0.00	2,457,831.68	106,211.55	108,362.57
4,856,122.69	**274,208.95**	**0.00**	**5,130,331.64**	**3,377,941.47**	**3,713,794.39**
5,466,787.65*	704,608.86*	494,160.88	5,677,235.63	1,278,842.97	1,062,741.54
4,144,405.61	0.00	0.00	4,144,405.61	3,090,470.47	3,090,470.47
9,611,193.26	**704,608.86**	**494,160.88**	**9,821,641.24**	**4,369,313.44**	**4,153,212.01**
14,467,315.95	**978,817.81**	**494,160.88**	**14,951,972.88**	**7,747,254.91**	**7,867,006.40**

* of which €702,301.42 is attributable to amortisation of right-of-use assets, which is reported separately in the statement of comprehensive income after the cost of materials. €2,307.44 is attributable to amortisation of other intangible assets (mainly software), which is reported in the statement of comprehensive income together with depreciation of property, plant and equipment (€276,516.39 in total). Depreciation and amortisation of Elfen Service GmbH included in the 2023 consolidated financial statements (old € 32,965.08; new € 28,278.00), correcting entries were made at Elfen Service GmbH as part of the final preparation of the 2023 annual financial statements. The difference of € 4,687.08 was recognised accordingly in the 2024 consolidated financial statements in the statement of changes in non-current assets.

Fixed Assets Schedule

Development of Group fixed assets 2023

	Cost of purchase or conversion				
	Balance at 01.01.2023	Acquisition	Reclassifications	Disposals	Balance at 31.12.2023
	€	€	€	€	€
I. Property and equipment					
1. Property and equipment Land and leasehold rights and buildings, as well as buildings on third-party land	5,912,215.88			0.00	5,912,215.88
2. Technical equipment and machinery	138,368.93	3,860.00		0.00	142,228.93
3. Other plant, operating and office equipment, furniture and fixtures	2,506,483.68	8,986.55		0.00	2,515,470.23
	8,557,068.49	**12,846.55**	**0.00**	**0.00**	**8,569,915.04**
II. Intangible assets					
1. Concessions, industrial property rights, and similar rights and assets, as well as licences in such rights and assets	6,340,615.28	204,390.43		10,787.40	6,534,218.31
2. Goodwill	7,234,876.08			0.00	7,234,876.08
	13,575,491.36	**204,390.43**	**0.00**	**10,787.40**	**13,769,094.39**
	22,132,559.85	**217,236.98**	**0.00**	**10,787.40**	**22,339,009.43**

Accumulated depreciation/amortisation				Net Amounts	
Balance at 01.01.2023	Acquisition	Disposals	Balance at 31.12.2023	Balance at 31.12.2023	Balance at 31.12.2022
€	€	€	€	€	€
2,102,948.61	215,316.77	0.00	2,318,265.38	3,593,950.50	3,809,267.27
123,585.38	7,162.23	0.00	130,747.61	11,481.32	14,787.59
2,351,014.58	56,093.08	0.00	2,407,107.66	108,362.57	132,480.13
4,577,548.57	**278,572.08**		**4,856,120.65**	**3,713,794.39**	**3,956,534.99**
5,098,077.84	384,186.33*	10,787.40	5,471,476.77	1,062,741.54	1,250,743.12
4,144,405.61	0.00	0.00	4,144,405.61	3,090,470.47	3,090,470.47
9,242,483.45	**384,186.33**	**10,787.40**	**9,615,882.38**	**4,153,212.01**	**4,341,213.59**
13,820,032.02	**662,758.41**	**10,787.40**	**14,472,003.03**	**7,867,006.40**	**8,297,748.58**

* of which € 351,816.21 is attributable to amortisation of right-of-use assets, which is reported separately in the statement of comprehensive income after the cost of materials. € 32,370.12 is attributable to amortisation of other intangible assets (mainly software), which is reported in the statement of comprehensive income together with depreciation of property, plant and equipment (€ 310,942.20 in total).

Goodwill amounts to k€ 3,090, of which k€ 3,058 is almost entirely attributable to the Belgian subsidiary Colombine bvba. Any need for impairment was tested on the basis of the value in use using a capitalization rate of 8.36% (previous year: 8.28%). Please refer to sections B.2 and B.3 for the general procedure.
Impairment tests are carried out for the defined cash-generating units on the basis of the provisions of IAS 36. The individual national companies are defined as CGUs. The recoverable amount of the cash-generating units is determined by the value in use. The value in use is determined on the basis of the discounted cash flow method. The calculation is based on corporate planning data with a planning horizon of three years. These plans are based on past experience and expectations of future market developments. The key parameters used for this are the order backlog already available on the reporting date and the cost planning derived from the business model. The planning for Colombine bvba envisages sales of € 4.2 million for the last planning year. The gross profit margin is expected to increase to 14% and the EBITDA margin to 12.8%. An inflation-related growth rate of 1.0% (previous year: 1.0%) was assumed after the end of the planning period. The impairment tests have confirmed the recoverability of goodwill.

2. Deferred tax assets

Deferred tax assets of k€ 1,072 (previous year: k€ 1,253) were recognized for future realizable loss carryforwards of k€ 775 (previous year: k€ 947) and k€ 297 (previous year: k€ 306) for temporary differences between the tax base and the IFRS carrying amounts. Deferred tax liabilities from temporary balance sheet differences amounted to k€ 8 (previous year: k€ 8). Current deferred tax assets amounted to k€ 297 (previous year: k€ 306) and current deferred tax liabilities amounted to k€ 8 (previous year: k€ 8).
The development and composition of deferred tax assets and liabilities are as follows:

	31.12.2024		**31.12.2023**		**2024**	**2024**	**2023**	**2023**
	Deferred Tax assets k€	Deferred Tax Liabilities k€	Deferred Tax assets k€	Deferred Tax Liabilities k€	Expense (-) Income (+) k€	Not affecting net Income k€	Expense (-) Income (+) k€	Not affecting net Income k€
Loss carryforwards	775	0	947	0	-172	0	131	0
Intangible assets	0	0	0	0	0	0	0	0
Receivables from deliveries and services	0	0	2	0	2	0	0	0
Inventories	10	0	16	0	7	0	12	0
Other Assets	76	0	66	0	10	0	66	0
Pension provisions	211	0	222	0	6	-17	-52	38
Liabilities affiliated companies	0	3	0	3	0	0	0	0
Other liabilities	0	5	0	5	5	0	5	0
	1,072	**8**	**1,253**	**8**	**-165**	**-17**	**162**	**38**

Deferred taxes for domestic companies and domestic permanent establishments of foreign companies are valued at a tax rate of 31.93% (previous year: 31.93%).
The domestic tax rate results from trade tax with a future assessment rate of 460% (previous year: 460%), corporation tax of 15% (previous year: 15%) and a solidarity surcharge on corporation tax of 5.5% (previous year: 5.5%). The loss carryforwards result from both corporation tax and trade tax and are not limited in time. The recoverability was determined using a planning calculation based on a detailed planning period of three years.

Deferred taxes for foreign companies are measured at the respective national rate.

Deferred taxes for accounting in accordance with IFRS 16 for the balance sheet items property, plant and equipment and financial liabilities are reported net. On an unnetted basis, these amount to k€ 504 and k€ 509 respectively (previous year: k€ 503 and k€ 508). Netted, deferred tax assets for the balance sheet item financial liabilities amounted to k€ 5 (previous year: deferred tax assets of k€ 5).
Deferred tax assets are only recognized for tax loss carryforwards if they are likely to be realized in the future. The deferred tax assets on loss carryforwards relate to Elfen Service GmbH, House of Trends europe GmbH and **UNITED**LABELS AG.
Deferred tax assets of k€ 7,794 (previous year: k€ 7,779) were not recognized at **UNITED**LABELS Aktiengesellschaft for corporation and trade tax loss carryforwards of k€ 26,212 (previous year: k€ 26,078) and k€ 22,637 (previous year: k€ 22,679). In addition, no deferred taxes were recognized for corporation tax loss carryforwards of subsidiaries in the amount of k€ 2,202 (previous year: k€ 2,190). Of this amount, k€ 2,175 (previous year: k€ 2,171) is attributable to foreign countries.
Temporary differences in connection with subsidiaries amounted to k€ 2 in the 2024 financial year (previous year: k€ 2).

3. Inventories

Inventories totaling k€ 6,270 (previous year: k€ 4,981) are attributable to **UNITED**LABELS AG in the amount of k€ 5,932 (previous year: k€ 4,900). The remainder is attributable to Elfen Service GmbH. The inventories of the German parent company have been assigned as collateral for a long-term loan.

4. Trade receivables

Trade receivables increased to k€ 4,066 compared to the previous year. It is **UNITED**LABELS' policy to insure all receivables with a balance above a certain limit against the risk of default. Exceptions can only be made in writing and for a limited period of time.
As at the balance sheet date, trade receivables that were not impaired had the following age structure:

Aging of Receivables	**2024 k€**	**2023 k€**
Not due	3,178	834
Due		
due for 0 - 30 days	195	191
due for 31 - 60 days	418	520
due for 61 - 90 days	21	3
due for more than 90 days	253	6
Total	**4,066**	**1,553**

The maximum default risk, without taking into account the existing credit insurance, therefore amounted to k€ 4,066.

UNITEDLABELS assumes that the credit insurer itself has no default risk. Since 44% of the reported receivables are covered by credit insurance, 56% of the receivables would not be covered by credit insurance in the event of a maximum default.
Accumulated value adjustments on receivables amounted to k€ 0 as at the reporting date (previous year: k€ 0). The valuation allowances are measured on the basis of the expected credit loss model. As a matter of principle, **UNITED**LABELS carries out a case-by-case analysis of each individual receivable that has not been assigned within the framework of factoring or secured against the risk of default by credit insurance. Receivables that are more than 60 days due are collected by means of external or internal debt collection.
The parent company and the Belgian company Colombine bvba. sell receivables to a factoring company for selected major customers. On average, this accounts for around a quarter of the total receivables of these two companies. As at the balance sheet date, receivables amounting to k€ 2,022 had been sold to the factoring company.

Although the receivables from these major customers are sold in full and irrevocably, the factor retains a retention of 15% of the respective invoice amount, which is only transferred to the parent company upon payment by the customer or if the customer is proven to be insolvent. As the factor retains 15% of the receivable amount until the receivable is paid, a receivable from the factor is capitalized under other assets. This is a security for the factor, which is retained for payment terms (cash discount, etc.) and any credit notes from the parent company until payment by the customer. With the sale of the receivable to the factor, the main opportunities and risks are transferred to the factor, so that the prerequisite for derecognition of the receivables is met. Risks that remain in the companies are a late payment risk on the part of the customer and thus increased interest payments to the factor and, as the companies retain accounts receivable management for the customers (silent factoring), an accounting expense in the following financial year for receivables from 2024 that were actually sold.
The receivables of the German parent company (k€ 2,944; previous year: k€ 1,146) have been assigned to the financing banks as collateral.

5. Other assets

Receivables from reinsurance policies amounting to k€ 2,473 (previous year: k€ 2,265) are reported under other non-current assets. The current item includes receivables from returns in the amount of k€ 3,156 (previous year: k€ 859) and creditors with debit balances of k€ 192 (previous year: k€ 94).
In addition, prepaid expenses of k€ 162 (previous year: k€ 110) were included in this item as non-financial assets.

The breakdown of non-impaired assets is as follows:

Aging of Receivables	**2024 k€**	**2023 k€**
Not due	7,215	4,442
Due		
due for 0 - 30 days	0	0
due for 61 - 90 days	0	0
due for more than 90 days	192	94
Total	**7,407**	**4,536**

The maximum default risk amounts to k€ 4,934 (previous year: k€ 2,271).

6. Cash and cash equivalents

Cash and cash equivalents amounted to k€ 414 as at the balance sheet date (previous year: k€ 762).

7. Amortization expense from impairment of financial assets

Overall, the receivables were impaired as follows as at the balance sheet date:

	31.12.2024			**31.12.2023**		
k€	**Gross value**	**less value adjustment**	**Net value**	**Gross value**	**less value adjustment**	**Net value**
Trade receivables	4,066	0	4,066	1,553	0	1,553
Other assets	7,407	0	7,407	4,536	0	4,536

8. Equity

The subscribed capital amounted to k€ 6,930 as at December 31, 2024 and is divided into 6.93 million no-par value ordinary bearer shares. The Annual General Meeting on 2 July 2024 authorized the Management Board, with the approval of the Supervisory Board, to increase the company's share capital on one or more occasions until 1 July 2029 by a total of up to EUR 2,772,000.00 by issuing up to 2,772,000 new no-par value bearer shares against cash and/or non-cash contributions (Authorized Capital 2024).

Earnings per share are calculated as follows:

Consolidated earnings per share	**2024**	**2023**
basic	0.02 €	0.09 €
diluted	0.02 €	0.09 €
weighted average shares outstanding		
basic	6,930,000 pcs.	6,930,000 pcs.
diluted	6,930,000 pcs.	6,930,000 pcs.

Consolidated earnings per share amounted to € 0.02 (previous year: € 0.09). The value is calculated by dividing the consolidated net profit for the year attributable to shareholders of k€ 156 by the average number of shares of 6,930,000. There is no difference between diluted and undiluted holdings.

9. Pension provisions

There is a pension obligation to the Management Board based on a defined benefit pension commitment; this commitment is dependent on final salary.

Reinsurance policies have been concluded for the pension liability of k€ 1,680 (previous year: k€ 1,644), most of which were pledged for other purposes as at December 31, 2024.
The pension obligation and the expenses required to cover this obligation are measured and recognized using the projected unit credit method by an actuarial expert. The valuation takes into account not only the pensions and acquired entitlements known on the reporting date, but also expected future increases in these measurement parameters.
The assumptions used in the actuarial valuation of the obligation and the costs are shown in the following table:

Actuarial assumptions	**2024**	**2023**
Interest rate	3.50%	3.45%
Rate of salary increase	1.50%	1.50%
Pension trend	2.00%	2.00%
Underlying biometric data	RT 2018 G	RT 2018 G

Actuarial gains and losses based on experience adjustments and changes in actuarial assumptions are recognized directly in equity.

The following table shows the development of the present value of the defined benefit obligation calculated in accordance with IAS 19, taking into account future salary and pension increases:

Changed in defined benefit obligation	**2024 €**	**2023 €**
DBO at 01.01.	1,852,524	1,625,457
Service cost	53,272	48,095
Past service cost and curtails	0	0
Interest cost	65,750	65,269
Actuarial gains and losses	-53,388	113,703
- of which from experience adjustments	-36,176	-34,691
- of which from changes in actuarial assumptions	-17,212	148,394
DBO at 31.12.	**1,918,158**	**1,852,524**
Fair valve of plan assets at 31.12.	-238,284	-208,158
Pension provision at 31.12.	**1,679,874**	**1,644,366**

The following table shows the change in pension provisions:

Change in provisions for pensions	**2024 €**	**2023 €**
Provision for pension at 01.01.	1,644,366	1,419,784
Net pension cost	111,841	105,343
Past service cost and curtailment	0	0
Remeasurement	-42,508	119,239
Reclassification plan assets	-33,825	0
Pension provision at 31.12.	**1,679,874**	**1,644,366**

All pension expenses other than interest expenses are recognized under personnel expenses. The interest expense is recognized in the financial result.

The total expense for the defined benefit obligation to the Management Board is made up as follows:

Net pension cost	**2024 €**	**2023 €**
Service cost	53,272	48,095
Interest cost	58,569	57,248
Past service cost and curtialments	0	0
Net pension cost	**111,841**	**105,343**

The following table summarizes the present values for the last five financial years as well as experience-related adjustments (experience gains/losses):

	31.12.2024 €	**31.12.2023 €**	**31.12.2022 €**	**31.12.2021 €**	**31.12.2020 €**
Present value of the obligations	1,918,158	1,852,524	1,625,457	2,641,775	2,776,532
Plan assets	-238,284	-208,158	-205,673	0	0
Status of the funding	1,679,874	1,644,366	1,419,784	2,641,775	2,776,532
Experience adjustments	-36,176	-34,691	-50,850	-195,557	-51,367

The sensitivity analysis required by IAS 19 is shown in the following table:

Sensitivity analysis		DBO as at 31.12.2024
Valuation with interest rates	-0.50%	2,099,846
Valuation with interest rates	+0.5%	1,756,674
Valuation with pension trend	-0.50%	1,799,795
Valuation with pension trend	+0.5%	2,048,129
Valuation with rate of salary increase	-0.50%	1,873,704
Valuation with rate of salary increase	+0.5%	1,963,484
Valuation with underlying biometric data	- 1 year	1,866,158
Valuation with underlying biometric data	+ 1 year	1,968,507

The duration of the obligation is approximately 18 years. The expected service cost for 2025 amounts to k€ 54 and the expected interest expense to k€ 61.

10. Other provisions

UNITEDLABELS has granted individual customers the right to return goods sold. If there are no individual indications of the level of the return rate as at the balance sheet date, past experience is used as the basis for estimating the return rate. Sales are reduced by the amount of the expected returns and a corresponding liability is recognized. The cost of materials is also reduced in the amount of the expected return of goods and an other asset is capitalized in this regard. As at 31.12.2024, provisions from expected returns amounted to € 3.4 million (previous year: € 1.2 million). A tax provision includes value added tax (k€ 652) in connection with the provision for returns as at December 31, 2024.

11. Trade payables, other liabilities and financial liabilities

The nature and extent of the liabilities are shown in the following schedule of liabilities:

2024	Total amount	Remaining term: up to 1 year	1 to 5 years	more than 5 years	of which secured	Type of collateral
	k€	k€	k€	k€	k€	
1. Financial liabilities	8,043	515	1,632	5,896	6,334	Land charges, receivables, inventories
2. Trade and other payables	10,023	10,023	0	0	0	
	18,067	**10,538**	**1,632**	**5,896**	**6,334**	

The following table shows the contractually agreed (undiscounted) interest and principal payments of the non-derivative financial liabilities as at December 31, 2024:

k€	Carrying amount 31.12.2024	Cash-Flows 2024			Cash-Flows 2025–2028			Cash-Flows 2029 ff.		
		Interest fixed	Interest floating	principal payment	Interest fixed	Interest floating	principal payment	Interest fixed	Interest floating	principal payment
Loans payable to banks	1,462	119	0	153	386	0	382	0	0	928
Loans payable	5,121	238	0	132	752	0	547	184	0	4,442
Trade Liabilities (long term)	0	0	0	0	0,	0	0	0,0	0	0,0
Leasing IFRS 16	1,460	81	0	230	227	0	704	104	0	526
Total	**8,043**	**438**	**0**	**515**	**1365**	**0**	**1632**	**288**	**0**	**5,896**

The effective interest rates for these non-current liabilities are between 6.56% and 7.5% (previous year: 7.27% to 7.5%).
There were no foreign exchange transactions as at the reporting date.
A small proportion of the trade payables are subject to the usual retention of title by suppliers.
Of the other liabilities, k€ 8 (previous year: k€ 32) relates to social security liabilities and k€ 2,770 (previous year: k€ 2,586) to tax liabilities. The Executive Board has taken VAT payments into account in its liquidity planning.

12. Financial instruments

The following table lists the carrying amounts, amounts recognised and fair values by measurement category for the respective financial liabilities:

k€	**Carrying amount 31.12.2024**	**Recognized in balance sheet IFRS 9**			**Fair Value 31.12.2024**
		Amortized cost	Fair Value recognized in equity	Fair Value recognized in profit or loss	
Assets	FAK				FAK
Cash and cash equivalents	414	414	0	0	414
Trade receivables	4,066	4,066	0	0	4,066
Other assets	7,407	7,407	0	0	7,407
	FVPL				
Currency Swap	0	0	0	0	0
Liablilies	FLAC				FLAC
Trade Payables	6,575	6,575	0	0	6,575
Liablilies from loans	6,819	6,819	0	0	6,819
Liabilities from finance leases	1,460	1,460	0	0	1,460
of which aggregated by measurement category according to IFRS 9:					
Financial assets that					
- be measured at fair value (FVPL)	0	0	0	0	0
- are measured at amortized cost (FAK)	11,886	11,886	0	0	11,886
Financial assets that					
- are measured at amortized cost (FLAC)	13,394	13,394	0	0	13,394

Cash and cash equivalents, trade receivables and trade payables mainly have short remaining terms. Their carrying amounts as at the reporting date therefore correspond approximately to their fair value.

Forward exchange transactions are used to hedge currency risks if necessary. However, no forward exchange transactions were used in the 2024 financial year.

Carrying amount 31.12.2022	Recognized in balance sheet IFRS 9			Fair Value 31.12.2022
	Amortized cost	Fair Value recognized in equity	Fair Value recognized in profit or loss	
FAK				FAK
762	762	0	0	762
1.553	1.553	0	0	1.553
4.536	4.536	0	0	4.536
FVPL				
0	0	0	0	0
FLAC				FLAC
4.799	4.799	0	0	4.799
6.034	6.034	0	0	6.034
1.577	1.577	0	0	1.577
0	0	0	0	0
6.852	6.852	0	0	6.852
10.833	10.833	0	0	10.833

13. Other financial obligations and contingent liabilities

As at the balance sheet date, there were obligations from orders from suppliers amounting to k€ 2,950 (previous year: k€ 3,792), which are due within one year.
The company had not received any collateral as at the balance sheet date. Collateral in the form of a total land charge of k€ 2,838 relating to the logistics center has been provided to a lender.

14. Leasing

As at the balance sheet date, the Group had contractual obligations from rental and lease agreements amounting to k€ 1,460. These include 8 company cars that were acquired as part of a KM lease without residual value risk. The contracts for 5 vehicles expire in 2025, another vehicle in 2026, another vehicle in 2027 and a final vehicle in 2028. There is also a rental agreement for an office building at the headquarters of the parent company that runs until December 31, 2027. This rental agreement includes an extension option for two 6-year periods in favor of the tenant. The extension of the rental agreement by simulating the exercise of an extension option from 01.01.2028 to 31.12.2033 was taken into account when reporting the obligation as at the balance sheet date.

16.53j Right of use Carrying amount
Contains the carrying amount of the rights of use of leased assets at the balance sheet date, broken down by type of lease (e.g. office buildings/company headquarters, motor vehicles).

Rights of use (vehicles)	k€ 57
Rights of use (office buildings/company headquarters)	k€ 1,420
Total right of use	**k€ 1,477**

16.53a Right of use Depreciation
Contains the depreciation amounts at the balance sheet date, broken down by type of lease (e.g. office buildings/company headquarters, motor vehicles.

Rights of Depreciation (vehicles)	k€ 37
Rights of Depreciation (office buildings/company headquarters)	k€ 117
Total right of use Depriciation	**k€ 154**

16.53b Interest expense from leasing liabilities
Contains the interest expense from all leasing liabilities of the period.

Interest expense (vehicles)	k€ 2
Interest expense (office buildings/company headquarters)	k€ 72
Total interest expense	**k€ 74**

16.53g Payments for leasing relationships
Contains the cash outflows from all leases of the period..

Cash outflows (vehicles)	k€ 37
Cash outflows (office buildings/company headquarters)	k€ 195
Total cash outflows	**k€ 232**

16.53h Rights of use Accesses
Contains the positive book values of the rights of use of the period..

Rights of use Accesses (vehicles)	k€ 32
Rights of use Accesses (office buildings/company headquarters)	k€ 0
Total rights of use Additions	**k€ 32**

15. Cash flow statement

The cash flow statement shows how the Group's cash and cash equivalents have changed in the course of the financial year as a result of cash inflows and outflows. The cash flows are broken down into operating, investing and financing activities (IAS 7). Payments for investments are shown in detail in the statement of changes in non-current assets. These mainly relate to investments in rights of use for trademark rights. Longer-term payment periods have been agreed for various trademark rights agreements.

Cash and cash equivalents correspond to the balance sheet item "Cash and cash equivalents".
Cash outflows for income taxes paid and refunded in the financial year amounted to k€ 96 (previous year: k€ 14) and for interest expenses to k€ 620 (previous year: k€ 298). Interest income amounted to k€ 0 (previous year: k€ 0).

16. Segment reporting

Report format

At **UNITED**LABELS, segment reporting is based on customer groups, with sales being the primary management tool. A distinction is made between Key Accounts and Specialist Retail. While the Key Accounts segment is characterized in particular by individual contract manufacturing, Special Retailer are served with new collections from the company's own warehouse. The Internet business of Elfen Service GmbH is assigned to the Special Retail, as are numerous smaller customers of **UNITED**LABELS AG. The business of Colombine bvba and House of Trends europe GmbH is allocated to the Key Accounts segment. The segment data from internal reporting is as follows:

2024

k€	Special Retail	Key Account	Unallocated Items	Group
Sales Revenue	5,006	17,447	0	22,453
Segment Expenses	-1,501	-12,620	0	-14,122
Segment Result	**3,505**	**4,827**	**0**	**8,332**
Depreciation/Amortisation				-277
Staff costs				-2,845
Other operating income				278
Other operating expenses				-4,349
Financial income				87
Finance cost				-810
Result before tax				**416**
Taxes on income				-260
Consolidated result of the year				**156**

€m	Special Retail	Key Account	Unallocated Items	Group
Segment assets	4.2	18.3	4.5	27.0
Segment liabilities	3.8	13.4	7.0	24.2
Capital expenditure	0.2	0.7	0.0	0.9

In the past financial year, sales in the fleet customer segment fell by 18.5% to k€ 17,447, but rose significantly in the Special Retail segment by 46.2% to k€ 5,006. The segment result increased by 7.7% to k€ 4,827 in the fleet customer segment and by 53.6% to k€ 3,505 in the Special Retail segment. There were no segment revenues or expenses between the segments in the financial year. In the 2024 financial year, 71.9% of consolidated revenue was generated with the ten largest customers. The largest customer accounted for 18.5%.

2023

k€	Special Retail	Key Account	Unallocated Items	Group
Sales Revenue	3,423	21,396	0	24,819
Segment Expenses	-1,141	-16,913	0	-18,054
Segment Result	**2,282**	**4,483**	**0**	**6,765**
Depreciation/Amortisation				-311
Staff costs				-2,600
Other operating income				677
Other operating expenses				-3,517
Financial income				78
Finance cost				-592
Result before tax				**499**
Taxes on income				133
Consolidated result of the year				**632**

€m	Special Retail	Key Account	Unallocated Items	Group
Segment assets	2.4	13.5	5.1	21.0
Segment liabilities	2.0	12.4	3.8	18.3
Capital expenditure	0.0	0.2	0.0	0.2

Geographical information

The Group's two business segments operate in two main geographical areas. The company's home country is Germany. Revenue is allocated on the basis of the country in which the customer is based.

Revenue	2024 k€	2023 k€
Germay	15,448	21,372
Other countries	7,005	3,447
Group	**22,453**	**24,819**

As a result, domestic sales fell by 27.7%, but rose significantly abroad by 103.2%.
Non-current assets are allocated according to the registered office of the company to which they belong.

Total Assets	2024 k€	2023 k€
Germay	4,689	4,809
Other countries	3,058	3,058
Group	**7,747**	**7,867**

Investments of k€ 923 (previous year: k€ 217) were made exclusively in Germany.

Capital expenditure	2024 k€	2023 k€
Germay	923	217
Other countries	0	0
Group	**923**	**217**

17. Capital management

Capital management deals with the needs-based management of cash and cash equivalents in the Group, including the selection and management of financing sources. The aim is to provide the necessary funds at the lowest possible cost. The main control criteria here are debit and credit interest rates. The volume of funds to be managed is in the order of € 6.6 million (previous year: € 6.0 million). To fulfill this task, capital management has access to daily and monthly reporting with target/actual comparisons.

18. Risks

Exchange rate fluctuations

Some goods are purchased in US dollars. In order to hedge currency risks that may arise from payment obligations in foreign currencies, standard forward exchange transactions are concluded depending on the situation. They are not used for speculative purposes. Changes in the value of current forward transactions are recognized in profit or loss.
Although appropriate price hedging measures are taken depending on the situation, it cannot be ruled out that long-term price increases will increase the cost of goods sold.
The average euro/US dollar exchange rate in the 2024 financial year was € 1 = USD 1.08 (previous year: € 1 = USD 1.08). **UNITED**LABELS pays part of its cost of goods sold in US dollars, as a large proportion of the goods it purchases come from the Far East. If the average exchange rate had been € 1 = USD 1.02, the cost of goods would have been € 0.5 million higher; at an average exchange rate of € 1 = USD 1.14, the cost of goods would have been € 0.4 million lower. Any exchange rate hedges are not taken into account in this example calculation.

Trademark rights

As a trademark rights holder, **UNITED**LABELS generally exploits third-party trademark rights. Although there are long-term and intensive relationships with the most important trademark rights holders, it cannot be ruled out that individual trademark rights contracts will not be extended. This could have a negative impact on the Group's sales and earnings situation.
UNITEDLABELS owns trademark rights in the Media/Entertainment segment, which are recognized in the balance sheet with a total value of k€ 1,229 (previous year: k€ 1,016). There are individual contracts that are particularly under observation due to their guarantee amounts and remaining terms. There is a fundamental risk that the carrying amounts may have to be adjusted due to future changes in market assessments and/or changes in the attractiveness of individual trademark rights.

Liquidity

The consolidated financial statements were prepared on a going concern basis. **UNITED**LABELS Aktiengesellschaft covers part of its liquidity requirements through short-term bank overdraft facilities and the utilization of loans granted by the Management Board and Facility Management Muenster GmbH. The bank overdraft facilities amounted to € 1.0 million as at the balance sheet date, of which € 0.9 million had been utilized as at the balance sheet date. The loans from the Management Board and Facility Management Muenster GmbH are currently granted until December 31, 2026 and comprise a agreed framework of up to € 2.1 million, of which € 0.0 million had been utilized as at the balance sheet date. Due to possible geopolitical effects on the supply chains, there is uncertainty that existing orders may not be executed or not executed on time and, as a result, existing debts may not be paid on time. **UNITED**LABELS Aktiengesellschaft does not maintain any business relationships with companies from Ukraine, Belarus or the Russian Federation. **UNITED**LABELS Aktiengesellschaft will closely monitor the further development of the Russian war of aggression and its effects on the global economy and take appropriate countermeasures. There are VAT liabilities from the returns for the 2022 and 2023 assessment periods, which amounted to k€ 1,809 at the end of April 2025. The company has applied to the responsible tax office for payment in 12 monthly installments. The application was rejected. The company then filed a lawsuit with the tax court. The Management Board has taken the VAT payments into account in its liquidity planning. The Executive Board subjected the planning for the 2025 financial year to a stress test in order to analyze any negative effects on the Group's liquidity. Based on the updated liquidity planning, the Group's ability to continue as a going concern assumes that the financing banks will maintain their current account and letter of credit facilities in full, that the loans from the Management Board, in particular the loan for the outstanding VAT and the related party Facility Management Muenster GmbH, will be provided within the agreed framework if necessary and that the customer orders already received for the 2025 financial year will be processed through to receipt of payment without significant impairment. The majority of customer receivables are currently covered by credit insurance or factoring. **UNITED**LABELS attempts to keep its liquidity headroom as large as possible through liquidity planning, a high level of transparency vis-à-vis its principal banks and Group-wide optimization of payment flows.
With regard to the development and results of the past financial year, the Group considers itself to be well positioned in terms of organization and market technology. This assessment is supported by the good delivery performance in the 2024 financial year, the focus on food retail customers, the increase in e-commerce business, the expansion of tour merchandising, no additional use of credit lines and the high order backlog for the following year 2025.
As at December 31, 2024, **UNITED**LABELS had the following credit lines in the Group:

k€	Available	Utilized	Credit line 2024	Credit line 2023
Current account	72	928	1.000	500
Letters of credit/Bills of exchange	509	241	750	750
Langfristige Kreditlinie	881	19	900	900

Further financial flexibility is ensured by factoring financing. **UNITED**LABELS Aktiengesellschaft and the Belgian company Colombine bvba. have a maximum possible credit line of € 3.5 million available until the end of August 2028.

Interest

UNITEDLABELS Aktiengesellschaft currently secures long-term loans with a fixed interest rate. This ranges between an effective interest rate of 6.56% and 7.50% (previous year: 5.22% and 7.50%) for the various loans. A change in the interest rate level would therefore only have an insignificant impact on the economic situation of the **UNITED**LABELS Group in the short and medium term.

Further risks

In addition to the risks already mentioned, other customary business risks, such as price change and default risks, are recorded and continuously monitored by a risk management system. Price changes for future transactions are possible on both the sales and purchasing side. Before accepting an offer, the **UNITED**LABELS Group calculates each order on the basis of a minimum return. If this requirement is not met, the order is only accepted with the approval of the Management Board. Defaults on customer receivables are reduced by the fact that every customer is insured if a certain limit is exceeded. To this end, the **UNITED**LABELS Group obtains information about the creditworthiness of the respective customer in advance.
Another risk that the company is focusing on is its potential dependence on individual customers. In 2024, the ten largest customers accounted for almost 85% of total sales. The recoverability of deferred taxes recognized in the amount of € 1.1 million (previous year: € 1.3 million) and existing goodwill in the amount of € 3.1 million (previous year: € 3.1 million) are also constantly monitored.
Essentially, the risk management system aims to identify risks at an early stage, assess the extent and probability of occurrence and initiate suitable countermeasures. The Group is not aware of any other significant risks in accordance with IFRS 7.34 at the time of preparing the financial statements.

D. Notes to individual items in the consolidated statement of comprehensive income

1. Sales revenue

Sales are classified according to revenue from the sale of goods (merchandise) and services.

	2024		2023	
	Revenue		Revenue	
	k€	in %	k€	in %
Sale of goods	22,280	99	24,602	99
Services	173	1	217	1
	22,453	**100**	**24,819**	**100**

2. Amortization of rights of use

Amortization of rights of use includes amortization of product-related trademark rights. They increased from k€ 351 in the previous year to k€ 702.

3. Depreciation of property, plant and equipment and amortization of intangible assets

Depreciation of property, plant and equipment and amortization of intangible assets amounted to k€ 277 in 2024 (previous year: k€ 311) and was attributable to scheduled depreciation and amortization.
The acquisition costs for the purchase of rights of use for trademark rights are capitalized under intangible assets. The corresponding amortization is based on usage and is shown under amortization of usage fees.

4. Financial result

Financing income includes interest income of k€ 87 (previous year: k€ 78) resulting from the adjustment of asset values for reinsurance policies. Financing expenses include interest expenses of k€ 810 (previous year: k€ 592) for long-term loans, the use of overdraft facilities and factoring.

5. Income taxes

The position is made up as follows:	2024 k€	2023 k€
Current tax expenses	96	14
Deferred tax expense/income	164	-162
Total current & deferred taxes	**260**	**-148**

The following table shows the reconciliation from expected to actual income tax expense:

	2024 k€	2023 k€
Consolidated result before income taxes	415	483
Applicable tax rate %	31.93%	31.93%
Expected tax income/ tax expense	133	154
Difference to foreign tax on income	0	-3
Tax effect of non-deductible expenses	69	26
Tax effect of non-taxable income	0	0
Impairment loss for deferred tax assets	0	0
Reversal of impairment losses for deferred tax assets	-13	-321
Tax effect attributable to utilisation of tax loss carryforwards not previously recognised	-12	-6
Tax effect of loss carryforwards for which no deferred tax assets were recognized in the current period	31	2
Taxes attributable to other periods	52	0
Effects of changes to the tax rate	0	0
Current tax expense/income	**260**	**-148**

The domestic tax rate results from trade tax with an assessment rate of 460% (previous year: 460%), corporation tax of 15% (previous year: 15%) and a solidarity surcharge on corporation tax of 5.5% (previous year: 5.5%). The loss carryforwards result from corporation tax and trade tax (previous year: corporation tax and trade tax) and are not time-limited. The recoverability was determined using a planning calculation based on a detailed planning period of three years.

E. E. Other notes and disclosures

1. Corporate bodies

The company's Supervisory Board consisted of the following members in the 2024 financial year:

Dr. David Strack, Managing Director Central Agency for Green Commerce GmbH
Co-Founder and CEO Fengda Factoring, Hamburg (Chairman of the Supervisory Board)

Albert Hirsch, Managing Partner of reccom GmbH & Co KG, Muenster
(Deputy Chairman)

Silvia Lubitz, Head of HR Headquarters,
Talent Acquisition & Young Professionals at Thalia Bücher GmbH, Muenster

Supervisory Board remuneration is governed by the company's Articles of Association, which were amended at the Annual General Meeting on July 2, 2024 The fixed Supervisory Board remuneration amounts to a total of k€ 56 per financial year. The Chairman of the Supervisory Board receives k€ 28 p.a. and the two other Supervisory Board members each receive k€ 14 p.a. In addition, the members of the Supervisory Board and its committees receive an attendance fee of € 1,400 for each meeting they attend. The Chairman of the Supervisory Board receives double the attendance fee. For the 2024 financial year, the total remuneration for the Supervisory Board amounts to k€ 78.
As at the balance sheet date, December 31, 2024, none of the Supervisory Board members in office held no-par value shares in the company.
The Management Board of the company was appointed:
Peter Boder, Diplom-Kaufmann, Muenster (sole member of the Management Board)

The remuneration of the Management Board in the financial year, including insurance and fringe benefits, totalled k€ 323. Mr. Boder's Management Board contract contains a short-term bonus agreement and an agreement on long-term variable remuneration, which is calculated on the basis of 50,000 virtual shares. In the event of premature termination of Mr. Boder's contract, the potential severance payment may not exceed the total remuneration for two financial years. Mr. Boder was appointed to the Management Board for a further five years in May 2024.
Mr. Peter Boder and his affiliated company Facility Management Muenster GmbH held a total of 2,488,419 shares in the company as at December 31, 2024, which corresponds to 35.9% of the share capital. Mr. Peter Boder notified **UNITED**LABELS AG of the following shareholding in a declaration dated February 7, 2025: "I hereby inform the company that I hold 2,488,419 shares in **UNITED**LABELS AG as of today." Since then, Mr. Boder has not reported any purchases or sales of shares.

In the consolidated financial statements, the pension provision for pension commitments to the Chairman of the Management Board increased by k€ 36 in the reporting year. As a reinsurance policy is not accessible to all creditors (k€ 208), it was netted against the pension provisions in accordance with IAS 19. Taking into account the netting with the reinsurance policy, the pension provision recognized as at the reporting date amounts to k€ 1,680 (previous year: k€ 1,644). For the Management Board member, Mr. Peter Boder, this results in a retirement pension of € 9,450.00 per month from the age of 65 and a disability pension of the same amount. These increase or decrease in line with the basic salary of a federal civil servant in salary group A 14 BbesG, based on the index figure for the month of December of the previous year. The monthly retirement pension is calculated on the basis of the average salary of the last five years. There is also a surviving dependants' pension in the form of a widow's pension amounting to 60% of the retirement pension and an orphan's pension. Reinsurance policies have been taken out for the claims to retirement pensions and surviving dependants' benefits, which currently serve mainly as security for other purposes.

2. Number of employees

The following persons were employed at the end of the financial year:

	2024	2023
Full-time employees	23	28
Part-time employees	16	16
Temporary staff	18	12
	57	**56**

On average, 52 people were employed in the financial year (previous year: 59).

Converted to full-time employees, the workforce breaks down as follows:

	2024	2023
Full-time employees	23	28
Part-time employees	11	9
Temporary staff	4	3
	38	**40**

On average, 36 people were employed in the financial year (previous year: 42).

3. Corporate Governance

The declaration on the German Corporate Governance Code (GCGC) required by Section 161 of the German Stock Corporation Act (AktG) has been issued and is permanently available to shareholders on the company's website at http://www.unitedlabels.com/investor-relations/corporate-governance.

4. Employee share option program

As at December 31, 2024, there were no option rights and no valid option rights program.

5. Auditor's fee

The fee of k€ 93 recognized as an expense in the financial year relates exclusively to auditing services.

6. Information on relationships with related parties and companies

Related parties within the meaning of IAS 24 are persons who can be influenced by the reporting company or who can influence the company.

Mr. Peter Boder and his affiliated company Facility Management Muenster GmbH held a total of 2,488,419 no-par value shares in the company as at 31 December 2024, which corresponds to 35.9% of the share capital.

In addition to the remuneration paid to the Supervisory Board and the Management Board, there are business relationships with Facility Management Muenster GmbH. In 2024, this related to expenses from a rental agreement for Gildenstrasse 2j in the amount of k€ 78 (previous year: k€ 78) and income from the lease of roof space on the buildings at Gildenstrasse 6 and 21 of **UNITED**LABELS AG for the installation and operation of a photovoltaic system. **UNITED**LABELS AG receives an annual net usage fee of € 4,980.00 for Gildenstr. 21 and € 450.00 net for Gildenstr. 6. Furthermore, Mr. Boder is the owner of the office and warehouse building including the property at Gildenstr. 6 and leases it to the company. The rental agreement runs until 31.12.2027. The net monthly rent amounts to € 18,000. Facility Management Muenster GmbH is wholly owned by Mr. Peter Boder. The Management Board, Mr. Boder, and Facility Management Muenster GmbH, which belongs to him, provided loans to **UNITED**LABELS AG in the past financial year. The existing loans can be utilized by United Labels AG up to a total of k€ 2,100 until the end of the credit facility agreement on March 31, 2026. At the end of the year, **UNITED**LABELS AG had drawn down k€ 19 from both loans. Elfen Service GmbH and House of Trends europe GmbH had not utilized the loan. At its peak, the utilization for **UNITED**LABELS AG amounted to k€ 1,251. The loan bears interest at 7.5% p.a. The interest incurred in connection with the loan amounted to k€ 64 in the 2024 financial year.

Furthermore, as at December 31, 2024, there is a net surplus of receivables from the Management Board and Facility Management Muenster GmbH of k€ 371 from interest liabilities, receivables from loss absorption and receivables from advances.

The **UNITED**LABELS Group uses free liquidity to minimize interest payments throughout the Group. There are also internal supply relationships between the individual companies. As at the reporting date, there were current receivables from and liabilities to subsidiaries totaling k€ 3,615 (previous year: k€ 2,678). These amounts were eliminated in the course of debt consolidation.

7. Events after the balance sheet date

After the end of the 2024 financial year, tax proceedings are pending at **UNITED**LABELS AG in connection with VAT liabilities. The company has initiated legal steps to obtain a deferral. The outcome of the proceedings is currently open.

Muenster, April 29, 2025

UNITEDLABELS Aktiengesellschaft
CEO

signed Peter Boder

Responsibility Statement

On the best of my knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Groups management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Muenster, April 29, 2025

UNITEDLABELS Aktiengesellschaft
CEO

signed Peter Boder

Independent auditor's report

To **UNITED**LABELS Aktiengesellschaft, Muenster:

Report on the audit of the consolidated financial statements and the Group management report

Audit judgements

We have audited the consolidated financial statements of **UNITED**LABELS Aktiengesellschaft, Muenster, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from 1 January 2024 to 31 December 2024, and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the group management report of **UNITED**LABELS Aktiengesellschaft, Muenster, for the financial year from 1 January 2024 to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report listed in the "Other information" section.

In our opinion, based on the findings of our audit

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS accounting standards issued by the International Accounting Standards Board (IASB) (hereinafter referred to as "IFRS accounting standards") as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and give a true and fair view of the assets, liabilities and financial position of the Group as at 31 December 2024 and of its financial performance for the financial year from 1 January 2024 to 31 December 2024 in compliance with these requirements, and
- the accompanying Group management report as a whole provides a suitable view of the Group's position. In all material respects, this Group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of those parts of the group management report listed in the "Other information" section.

Pursuant to § 322 Abs. 3 Satz 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the audit judgements

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No 537/2014: referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report.

We are independent of the Group companies in accordance with European and German commercial and professional regulations and have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Material uncertainty in connection with the continuation of business activities

We refer to the disclosures in section C.18. of the notes to the consolidated financial statements and in section 3. of the Group management report, in which the Executive Board states the following:

As at 31 December 2024, the **UNITED**LABELS Aktiengesellschaft Group, Muenster, reported VAT liabilities of k€ 2,469 from the returns for the 2022 and 2023 assessment periods. Payments totalling k€ 660 have already been made, meaning that VAT liabilities amounted to k€ 1,809 at the end of April 2025. Legal proceedings are underway regarding the application for payment by instalments.

The **UNITED**LABELS Aktiengesellschaft Group, Muenster, covers part of its liquidity requirements through short-term bank overdraft and letter of credit facilities and the utilisation of loans from the Management Board and Facility Management Muenster GmbH. Based on the liquidity planning, which also takes into account the cash outflows for VAT liabilities in 2022 and 2023, the company's ability to continue as a going concern assumes that the financing banks will maintain their current account and letter of credit facilities in full, that the loans from the Management Board and Facility Management Muenster GmbH will be provided within the agreed framework if necessary and that the customer orders already received for the 2025 financial year will be processed without significant impairment until payment is received.

With regard to the audit approach, we refer to the comments under Key audit matters in the audit of the consolidated financial statements on "1. Assessment of the going concern assumption by the Executive Board".

This indicates the existence of a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern and constitutes a going concern risk within the meaning of Section 322 (2) sentence 3 HGB.

Our audit opinions have not been modified with regard to this matter.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In our opinion, the following matters were of most significance in our audit:

Assessment of the going-concern assumptions by the Executive Board

a. Risk for the consolidated financial statements

In preparing the consolidated financial statements, the Management Board of **UNITED**LABELS Aktiengesellschaft, Muenster, has assumed that the company will continue as a going concern. The assessment is based on the liquidity planning for **UNITED**LABELS Aktiengesellschaft, Muenster, until 31 December 2024. This liquidity planning is important for the assessment of the going concern assumption and is naturally characterised by uncertainty, as it is based on subjective assumptions by the Management Board. The liquidity planning assumes that the goods ordered can be delivered and that customer receivables will be paid in full and within the agreed terms. The fact that some of the receivables are pre-financed via factoring or insured against non-payment was taken into account. The liquidity planning also assumes that the loans from the Executive Board and Facility Management Muenster will be available to the extent required. The liquidity planning for the 2024 financial year concludes that the liquidity requirement is covered on the basis of the existing financing framework.

b. Audit approach and findings

We have recalculated the earnings and liquidity planning prepared by the Executive Board for the 2025 financial year and checked the plausibility of the underlying assumptions. After discussing the plans and the underlying assumptions with the Executive Board, we conclude that the plans are mathematically correct and that the sub-plans are appropriately linked. Accordingly, taking into account the credit lines agreed with the banks and the Executive Board, the liquidity planning up to the end of the 2025 financial year does not show a shortfall on the basis of monthly inventories.

We are of the opinion that the assumptions made in the earnings and liquidity planning regarding sales development based on the current order backlog are appropriate. The cost planning is plausibly derived from the findings of the previous year and the expected sales. After assessing the earnings and liquidity planning and the current financial status, we conclude that the Executive Board has adequately reflected the existing liquidity risks and uncertainties in the liquidity planning.

The company's disclosures on the threat to its continued existence are contained in section C.18. of the notes and section 3. of the management report.

Recoverability of goodwill

a. Risk for the consolidated financial statements

In the consolidated financial statements, an amount of k€ 3,090 (11.46% of the balance sheet total) is recognised for goodwill under the balance sheet item "Intangible assets". The Group allocates the goodwill to the acquired business units within the **UNITED**LABELS Group. An amount of k€ 3,058 is attributable to Colombine BVBA, Bruges, which operates the business in Belgium. In the regular impairment tests, the carrying amounts of these business units are compared by the company with their respective recoverable amount. The recoverable amount is determined on the basis of the value in use. The present value of the expected future cash flows is determined using discounted cash flow models, based on the three-year operating plans prepared by the legal representatives and extrapolated using assumptions about long-term growth rates. Discounting is carried out using the weighted capital costs determined for the **UNITED**LABELS Group. The result of this valuation is highly dependent on the assessment of the future cash inflows of the respective business units by the legal representatives and the discount rate used and is therefore subject to considerable uncertainty.

b. Audit approach and findings

During our audit, we assessed, among other things, the methodology used to perform the impairment test and the calculation of the weighted average cost of capital. We satisfied ourselves of the appropriateness of the measurement of the estimated cash inflows by, among other things, comparing this information with the current budgets from the three-year plans prepared by the executive directors. With the knowledge that even relatively small changes in the discount rate used can have a material impact on the amount calculated in this way, we examined the parameters used to determine the discount rate applied and analysed the calculation method.

Furthermore, due to the material significance of goodwill for the consolidated financial statements, we performed a sensitivity analysis for the business units and determined that the respective goodwill is sufficiently covered by the discounted future cash surpluses.

The company's disclosures on goodwill are contained in sections B.2., B.3., B.16. and C.1. of the notes to the consolidated financial statements.

Other information

The legal representatives or the Supervisory Board are responsible for the other information. The other information comprises the following non-audited components of the Group management report:

- the statement on corporate governance pursuant to Section 289f HGB and Section 315d HGB contained in the "Corporate Governance Statement" section of the Group management report,
- the statements on the diversity concept and the women's quota, to which reference is made in the Group management report,
- the remuneration report in accordance with Section 162 AktG, to which reference is made in the Group management report,
- the assurance of the legal representatives in accordance with Section 297 (2) sentence 4 HGB and Section 315 (1) sentence 5 HGB,
- the report of the Supervisory Board and
- the remaining parts of the annual report - excluding cross-references to external information - with the exception of the audited consolidated financial statements and group management report and our auditor's report.

The legal representatives and the Supervisory Board are jointly responsible for the remuneration report. The Supervisory Board is responsible for the report of the Supervisory Board. Otherwise, the legal representatives are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the group management report do not cover the other information. Accordingly, we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in doing so, consider whether the other information:

- are materially inconsistent with the consolidated financial statements, with the group management report or our knowledge obtained in the audit, or
- otherwise appear to be materially misstated.

Responsibility of the legal representatives and the Supervisory Board for the consolidated financial statements and the Group management report

Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, management is responsible for such internal control as they, in accordance with German Generally Accepted Accounting Principles, have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. accounting fraud or error) or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. Furthermore, they are responsible for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and the Group management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and group management report.

During the audit, we exercise professional judgement and maintain a critical attitude. Furthermore:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, 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 opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement 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 of the consolidated financial statements and of arrangements and measures relevant to the audit of the group management report 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 internal control or on the effectiveness of these arrangements and measures.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of accounting estimates and related disclosures made by the executive directors.
- Conclude on the appropriateness of management's use of the going concern basis of accounting 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. We draw our conclusions on the basis of the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements. We bear sole responsibility for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the legal representatives in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the forward-looking statements or on the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

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.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER STATUTORY AND OTHER LEGAL REQUIREMENTS

Report on the audit of the electronic reproduction of the consolidated financial statements and the group management report prepared for publication purposes in accordance with Section 317 (3a) HGB

Audit judgement

We have performed an assurance engagement in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance about whether the information contained in the accompanying file "5299000WCG41FM5SV917-2024-12-31-0-en (1).xbri" (hash value: 2eb983c63fd2567a61893062ac3d6df89f6d26b82575126841e165009a6deaea) and the reproduction of the consolidated financial statements and the group management report (hereinafter also referred to as "ESEF documents") prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this audit only extends to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore does not extend to the information contained in these reproductions or any other information contained in the above-mentioned file.

In our opinion, the reproduction of the consolidated financial statements and the group management report contained in the above-mentioned file and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format.

Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the "Report on the Audit of the Consolidated Financial Statements and of the Group Management Report" above, we do not express any audit opinion on the information contained in these disclosures or on the other information contained in the above-mentioned file.

Basis for the audit opinion

We conducted our audit of the reproduction of the consolidated financial statements and of the group management report contained in the above-mentioned file in accordance with Section 317 (3a) HGB and IDW Auditing Standard: Audit of the Electronic Reproduction of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW PS 410 (06.2022)). Our responsibilities under those requirements are further described below. Our auditing practice has complied with the quality assurance system requirements of the IDW quality assurance standard: Requirements for Quality Assurance in the Auditing Practice (IDW QS 1) have been applied.

Responsibility of the legal representatives and the Supervisory Board for ESEF documents

The legal representatives of the Group are responsible for the preparation of the ESEF documents including the electronic reproduction of the consolidated financial statements and the Group management report in accordance with Section 328 (1) sentence 4 no. 1 HGB and for the labelling of the consolidated financial statements in accordance with Section 328 (1) sentence 4 no. 2 HGB.

Furthermore, the Group's management is responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material non-compliance, whether due to fraud or error, with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Auditor's responsibility for the audit of the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material - intentional or unintentional - non-compliance with the requirements of Section 328 (1) HGB. During the audit, we exercise professional judgement and maintain professional scepticism. In addition

- Identify and assess the risks of material non-compliance with the requirements of Section 328 (1) HGB, 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.
- Obtain an understanding of internal control relevant to the audit of the ESEF documentation 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 these controls.
- we assess the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents fulfils the requirements of the Delegated Regulation (EU) 2019/815 in the version applicable at the reporting date for the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and the audited group management report.
- we assess whether the labelling of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of the Delegated Regulation (EU) 2019/815 in the version applicable at the reporting date provides an adequate and complete machine-readable XBRL copy of the XHTML reproduction.

Other information pursuant to Article 10 EU-APrVO

We were elected as auditor by the annual general meeting of **UNITED**LABELS Aktiengesellschaft, Muenster, on 2 July 2024. We were engaged by the Supervisory Board on 3 December 2024. We have been the auditor of **UNITED**LABELS Aktiengesellschaft, Muenster, since the financial year 2023.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the Supervisory Board pursuant to Article 11 of the EU Audit Regulation (audit report).

OTHER MATTERS - UTILISATION OF THE AUDIT OPINION

The auditor's report must always be read in conjunction with the audited consolidated financial statements and the audited Group management report as well as the audited ESEF documents. The consolidated financial statements and the group management report converted into the ESEF format - including the versions to be published in the Federal Gazette - are merely electronic reproductions of the audited consolidated financial statements and the audited group management report and do not replace them. In particular, the ESEF report and our audit opinion contained therein can only be used in conjunction with the ESEF documents provided in electronic form.

Responsible auditor

The auditor responsible for the audit is Mr Dirk Rohde.

Düsseldorf, 29 April 2025

FRTG AG
Wirtschaftsprüfungsgesellschaft

Wolfgang Hohl	Dirk Rohde
Certified Public Accountant	Certified Public Accountant

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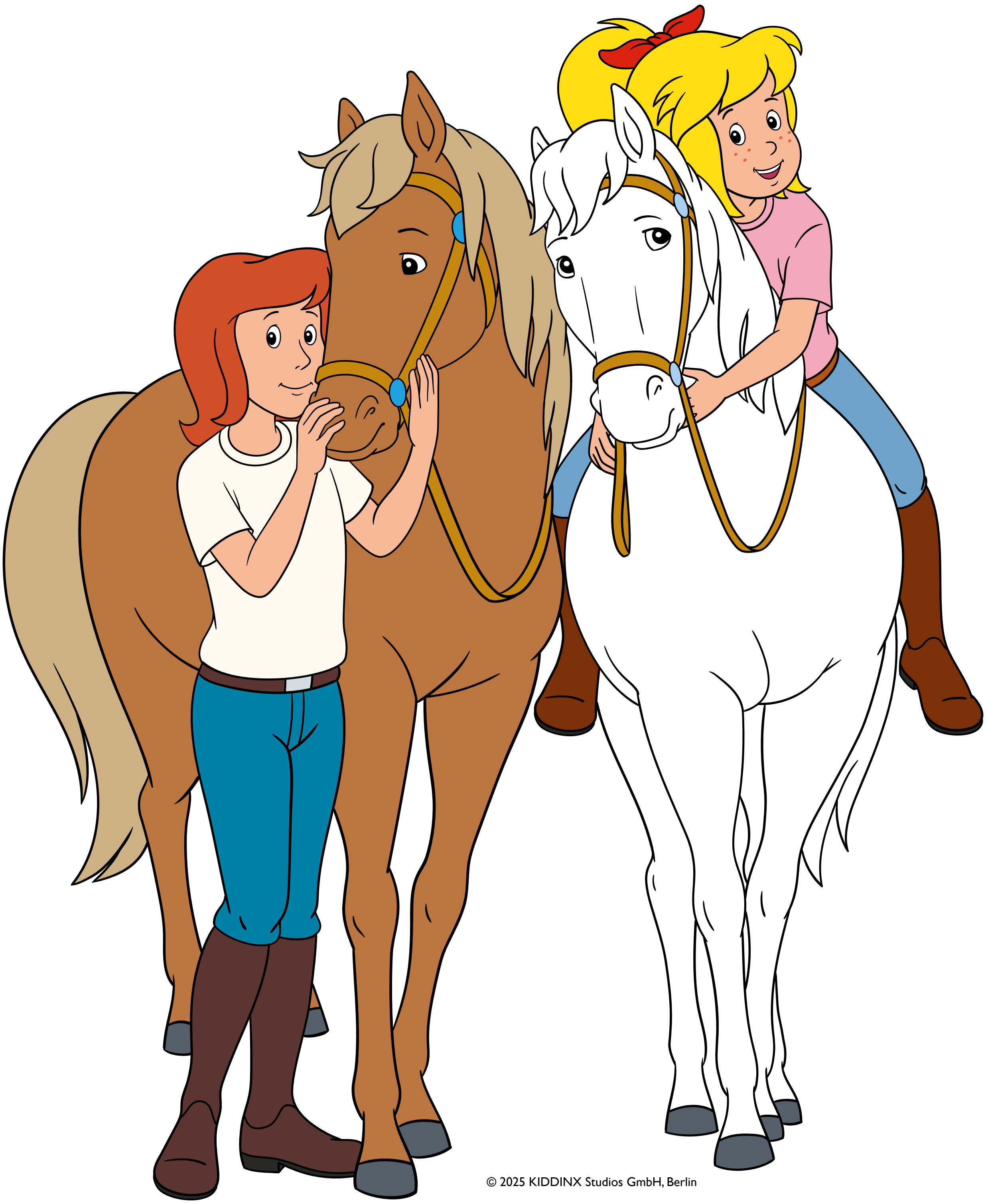

UNITEDLABELS **Aktiengesellschaft, Muenster**

Income statement for the period from
1 January to 31 December 2024

	2024	2023
	€	€
1. Sales Revenue	19,765,299.42	23,478,731.98
2. Cost of purchased goods	-13,270,624.36	-18,063,806.51
3. Amortisation of license rights	-702,301.42	-351,816.21
	5,792,373.64	**5,063,109.26**
4. Other operating income	208,917.65	306,543.33
5. Staff costs		
a) Wages and salaries	-2,266,988.09	-2,135,999.37
b) Social security, post-employment and other employee benefit costs	-478,397.20	-422,681.31
6. Amortization of intangible assets and tangible assets	-117,198.19	-129,830.32
7. Other operating expenses	-2,779,394.50	-2,073,492.29
	359,313.31	**607,649.30**
8. Income from participations	300,000.00	0.00
8. Other interest and similar income	86,863.08	77,764.30
10. Interest and other expenses	-625,014.55	-434,124.51
11. Taxes on income and profit	3,331.63	208,900.75
12. Result after taxes	**124,493.47**	**460,189.84**
13. Other taxes	-18,329.69	-15,657.10
14. Net result	**106,163.78**	**444,532.74**
15. Result carryforward from previous year	-1,253,801.29	-1,698,334.03
16. Net result	**-1,147,637.51**	**-1,253,801.29**

UNITEDLABELS Aktiengesellschaft, Muenster
Balance Sheet as at 31 December 2024

ASSETS	31.12.2024 €	31.12.2023 €
A. Non-Current		
I. Intangible Assets		
1. Concessions, industrial and similar rights and assets, as well as licences in such rights and assets	1,229,342.41	1,015,622.66
	1,229,342.41	**1,015,622.66**
II. Property, plant and equipment		
1. Land, land rights and buildings, including buildings on third-party land	1,849,484.78	2,051,129.14
2. Technical equipment and machinery	1,756.75	10,726.28
3. Other equipment, operating and office equipment	49,649.85	58,581.00
	1,900,891.38	**2,120,436.42**
III. Long-Term financial assets		
1. Investments in affiliated companies	7,731,180.47	7,731,180.47
	10,861,414.26	**10,867,239.55**
B. Current assets		
I. Inventories		
1. Finished goods and merchandise	5,906,635.17	4,888,486.18
2. Prepayment	25,576.89	12,009.79
	5,932,212.06	**4,900,495.97**
II. Receivables and other assets		
1. Trade receivables	2,922,565.65	1,145,639.67
2. Receivables from affiliated companies	1,418,077.80	930,220.51
3. Receivables from at-equity investments	7,133,118.17	3,871,824.89
	11,473,761.62	**5,947,685.07**
III. Cash, bank deposits, cheques	**333,087.89**	**663,931.08**
	17,739,061.57	**11,512,112.12**
C. Prepaid expenses	**162,163.31**	**109,716.68**
D. Deferred taxes	**868,833.23**	**865,501.60**
Total Assets	**29,631,472.37**	**23,354,569.95**

EQUITY AND LIABILITIES	31.12.2024 €	31.12.2023 €
A. Equity		
I. Issued capital	**6,930,000.00**	**6,930,000.00**
II. Balance sheet result	**-1,147,637.51**	**-1,253,801.29**
	5,782,362.49	**5,676,198.71**
B. Provisions		
1. Provisions for pensions and similar obligations	2,348,529.20	2,344,579.42
2. Other provisions	4,647,648.76	2,889,737.18
	6,996,177.96	**5,234,316.60**
C. Liabilities		
1. Bank liabilities	1,462,343.66	1,103,913.88
2. Trade payables	6,018,624.47	3,177,340.62
3. Amounts owed to affiliated companies	1,079,090.80	532,133.65
4. Other liabilities	8,292,872.99	7,630,666.49
	16,852,931.92	**12,444,054.64**
Total liabilities	**29,631,472.37**	**23,354,569.95**
Contigent liabilities:	0.00	0.00

Supervisory Board

Dr. David Strack
Chairman of the Supervisory Board
Managing Director Central Agency for Green Commerce GmbH
Co-Founder and CEO Fengda Factoring

- several leading positions at MSH, Mediamarkt, Plus, Aldi
- 2014-2017 Board Member and Managing Director at EDEKA Nord
- since 2018 Senior Advisor at EY and EQT
- since 2022 Managing Director Central Agency for Green Commerce GmbH
- since 2021 Chairman of the Supervisory Board at **UNITED**LABELS AG

Albert Hirsch
Deputy Chairman of the Supervisory Board
Executive Partner reccom GmbH & Co KG

- 2000-2011 Board Member buch.de
- 2012-2016 Board Member **UNITED**LABELS AG
- 2017-2022 Board Member at SuperBioMarkt AG
- since 2022 Executive Partner reccom GmbH & Co KG
- since 2021 Member of the Supervisory Board at **UNITED**LABELS AG

Silvia Lubitz
Member of the Supervisory Board (since July 2023)
Head of HR Headquarters, Talent Acquisition & Young Professionals, Thalia Bücher GmbH

- 2005-2007 Personnel Officer in Management Development at Douglas Holding AG
- 2007-2014 Personnel management at buch.de internetstores AG
- since 2015 Head of HR Headquarters, Talent Acquisition & Young Professionals, Thalia Bücher GmbH
- since 2023 Member of the Supervisory Board at **UNITED**LABELS AG

Management Board

Peter Boder
CEO **UNITED**LABELS AG

Peter Boder (born 1965) began his studies in business administration at the Westfaelische Wilhelms-Universität in Muenster in 1986, majoring in distribution and retail management. During this time, he co-founded DUKE GmbH, Muenster, and assumed the responsibilities of Managing Partner. Having successfully completed his university studies (degree of Diplom-Kaufmann) in 1990, he established **UNITED**LABELS GmbH, where he held the position of Managing Partner. Peter Boder has been Chairman of the Management Board of **UNITED**LABELS AG since 2000.

Management

Volker Deck
Chief Operating Officer

Christina Grimmelt
Head of Design

Carla Brandenburg
Head of Purchase
Non-Textile

Leona Braun
Head of Purchase
Textile

Marc Harenkamp
Head of Logistics

Armin Ettwig
Financial Advisor

Raphael Schwierz
E-Commerce

Henning Schulze
E-Commerce

IMPRINT

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Legal Disclaimer

This report contains judgements and estimates as well as forward looking statements that reflect the current views of the management of **UNITED**LABELS AG and its subsidiaries with respect to future events and expectations. Although these forwardlooking statements, judgements and estimates are based on current plans, they may nevertheless be subject to risks and uncertainties that are often difficult to predict and are generally beyond the control of **UNITED**LABELS AG. If these or other risks or uncertainties materialise, or if the assumptions underlying any of these statements prove incorrect, the actual results pertaining to **UNITED**LABELS AG may differ materially from those expressed or implied by such statements, expectations or judgements. **UNITED**LABELS AG does not plan to provide updated information relating to its forward looking statements, expectations or judgements. Furthermore, to the extent that this is permissible under the law, **UNITED**LABELS AG disclaims any liability for such statements, expectations or judgements and forecasts.
The aforementioned shall also apply to any indicators disclosed in this report that do not fall within the requirements of financial accounting standards. Such indicators may not be entirely comparable with those applied by other entities.
The English version of this report is a translation of the original German report. Only the German version of this report is legally binding.

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Additional Information are availible at our homepage
www.unitedlabels.com

Our annual reports, interim reports etc. are also availible at
www.unitedlabels.com/investor-relations/financial reports

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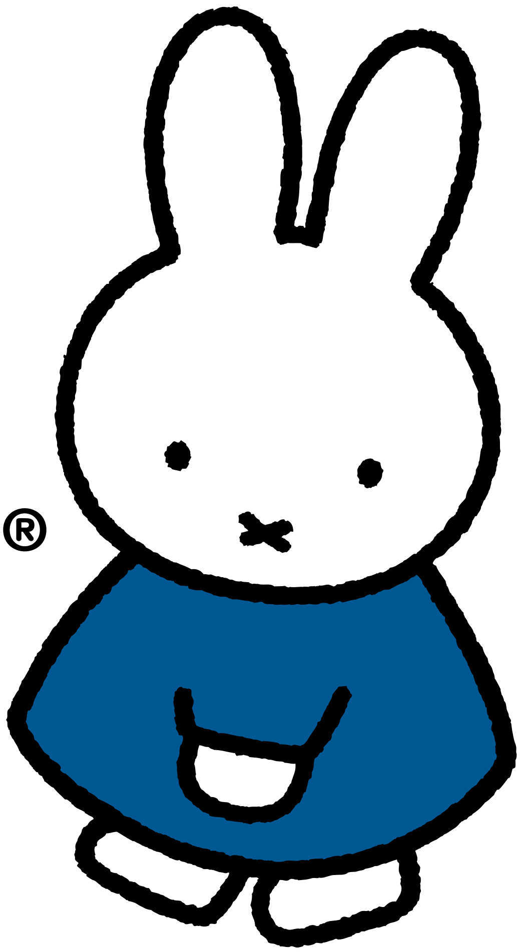

Illustrations Dick Bruna

1987
· Founding of Duke GmbH today **UNITED**LABELS AG

1991
· **UNITED**LABELS GmbH First license: Peanuts

2000
· Neuer Markt, Frankfurt - IPO
· Aquisition of Colombine b.v.b.a. (Belgium)

2007
· Founding of House of Trends europe GmbH

2011
· Founding of Elfen Service GmbH (E-Com)

2017
· Expansion of Special Retail with licenses of "Ralph Ruthe", "Pummeleinhorn"

2018
· Sales launch of "Playmobil"
· Capital increase

2020
· Successful fiscal year in spite of the corona pandemic

2021
· Continuous growth

2022
· Development of tour merchandising

2024
· Development of E-Commerce

UNITED LABELS

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