

Elfa Distrelec A/S

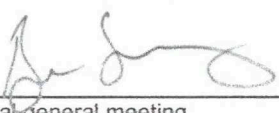
Haslegårdsvej 8-12
DK-8210 Aarhus V

CVR no. 33 54 00 19

Annual report 2022

The annual report was presented and approved at
the Company's annual general meeting on

31 March 2023


Benjamin Scholey

Chairman of the annual general meeting

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Elfa Distrelec A/S for the financial year 1 January – 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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

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

Aarhus, 31 March 2023
Executive Board:

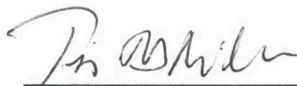


Rajesh Patel

Board of Directors:



Benjamin Scholey
Chairman



Trine Busk Nielsen



Rajesh Patel

The independent auditor's extended review report on the financial statements

To the shareholder of Elfa Distrelec A/S

Conclusion

We have performed an extended review of the financial statements of Elfa Distrelec A/S for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, it is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR - Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibility for the extended review of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

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

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

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

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

An extended review comprises procedures primarily consisting of making enquiries of Management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The independent auditor's extended review report on the financial statements

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

Statement on the Management's review

Management is responsible for Management's review.

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

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

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

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

Aarhus, 31 March 2023

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Niklas R. Filipson
State Authorised
Public Accountant
mne47781

Elfa Distrelec A/S
Annual report 2022
CVR no. 33 54 00 19

Management's review

Company details

Elfa Distrelec A/S
Haslegårdsvej 8-12
8210 Aarhus V
Denmark

Telephone: +45 86 24 64 22
Website: www.elfadistrelec.dk
E-mail: danmark@elfadistrelec.com

CVR no.: 33 54 00 19
Established: 8 October 1971
Registered office: Aarhus
Financial year: 1 January – 31 December

Board of Directors

Benjamin Scholey, Chairman
Trine Busk Nielsen
Rajesh Patel

Executive Board

Rajesh Patel

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Frederiks Plads 42
DK-8000 Aarhus C
Denmark
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The Company trades in electronics, tools and testing equipment, which are primarily sold to industries, institutions and the educational sector.

Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK 658,063 as against DKK 476,565 in 2021. Equity in the Company's balance sheet at 31 December 2022 stood at DKK 2,796,530 as against DKK 3,997,467 at 31 December 2021.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2022	2021
Gross profit		3,945,835	4,268,718
Staff costs	2	-3,168,666	-3,541,451
Depreciation		-61,755	-72,788
Other operating costs		0	-3,662
Profit before financial income and expenses		715,414	650,817
Financial income	3	136,684	27,129
Financial expenses		-5,877	-35,484
Profit before tax		846,221	642,462
Tax on profit for the year	4	-188,158	-165,897
Profit for the year		658,063	476,565
Proposed profit appropriation			
Proposed dividends for the year		0	1,859,000
Retained earnings		658,063	-1,382,435
		658,063	476,565

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
ASSETS			
Fixed assets			
Property, plant and equipment			
Fixtures and fittings, tools and equipment		<u>20,585</u>	<u>82,340</u>
Financial assets			
Other receivables		<u>44,682</u>	<u>44,682</u>
Total fixed assets		<u>65,267</u>	<u>127,022</u>
Current assets			
Receivables			
Trade receivables		5,693,176	4,659,625
Receivables from group entities	5	6,540,019	5,279,466
Other receivables		13,977	16,484
Deferred tax asset		18,222	11,966
Prepayments		<u>51,982</u>	<u>38,976</u>
		<u>12,317,376</u>	<u>10,006,517</u>
Cash at bank and in hand		<u>749,766</u>	<u>2,175,491</u>
Total current assets		<u>13,067,142</u>	<u>12,182,008</u>
TOTAL ASSETS		<u><u>13,132,409</u></u>	<u><u>12,309,030</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2022	31/12 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital		1,000,000	1,000,000
Retained earnings		1,796,530	1,138,467
Proposed dividends for the financial year		0	1,859,000
Total equity		<u>2,796,530</u>	<u>3,997,467</u>
Liabilities			
Current liabilities			
Other credit institutions		3,107,839	2,121,035
Prepayments received from customers		33,591	5,275
Trade payables		169,329	54,151
Payables to group entities		2,926,503	1,793,882
Corporation tax		144,414	136,696
Other payables		<u>3,954,203</u>	<u>4,200,524</u>
		<u>10,335,879</u>	<u>8,311,563</u>
Total liabilities		<u>10,335,879</u>	<u>8,311,563</u>
TOTAL EQUITY AND LIABILITIES		<u><u>13,132,409</u></u>	<u><u>12,309,030</u></u>
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Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Proposed dividends for the financial year	Total
Equity at 1 January 2022	1,000,000	1,138,467	1,859,000	3,997,467
Ordinary dividends paid	0	0	-1,859,000	-1,859,000
Transferred over the profit appropriation	0	658,063	0	658,063
Equity at 31 December 2022	1,000,000	1,796,530	0	2,796,530

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Elfa Distrelec A/S for 2022 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

The financial statements are presented in DKK.

Reclassifications in the comparative financial statements for 2021 have been incorporated to enhance presentation. The reclassifications have no effect on profit for the year.

The following reclassifications have been recognised in the comparative figures:

Other credit institutions (credit): DKK 2,121 thousand

Trade receivables (debet): DKK 2,121 thousand.

Foreign currency translation

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

Income statement

Gross profit

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from the sale of goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration excluding VAT. All discounts granted are recognised in revenue.

Cost of sales

Cost of sales comprises the raw materials and consumables consumed to achieve revenue for the year.

Other external costs

Other external costs comprise costs related to sales, distribution, office premises, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

costs, etc., to the Company's employees.

Other operating costs

Other operating costs comprise items secondary to the activities of the entity, including losses on the disposal of intangible assets and property, plant and equipment.

Depreciation

Depreciation comprises depreciation of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year and comprise interest income and expenses as well as foreign exchange adjustments.

Tax on profit for the year

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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

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

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Fixtures and fittings, tools and equipment	5 years
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The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Depreciation is recognised in the income statement.

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

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Financial fixed assets

Financial fixed assets are measured at amortised cost.

Impairment of fixed assets

The carrying amount of property, plant and equipment subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepayment of costs concerning rent, insurance premiums and subscriptions.

Equity

Dividends

The expected dividends payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Liabilities

Debts are measured at amortised cost, substantially corresponding to nominal value.

DKK	2022	2021
2 Staff costs		
Wages and salaries	2,634,395	3,025,142
Pensions	512,794	501,916
Other staff costs	21,477	14,393
	<u>3,168,666</u>	<u>3,541,451</u>
Average number of full-time employees	<u>4</u>	<u>4</u>
3 Financial income		
Interest income from group entities	124,264	27,129
Other financial income	12,420	0
	<u>136,684</u>	<u>27,129</u>
4 Tax on profit for the year		
Current tax for the year	194,414	168,696
Deferred tax for the year	-6,256	-3,517
Adjustment of tax concerning previous years	0	718
	<u>188,158</u>	<u>165,897</u>
5 Receivables from group entities		
Receivables from group entities came in at DKK 6,540 thousand at 31 December 2022 (31 December 2021: DKK 5,279 thousand), of which DKK 5,349 thousand is expected to fall due more than 12 months after the balance sheet date (31 December 2021: DKK 5,205 thousand).		
6 Contractual obligations, contingencies, etc.		
Operating lease obligations		
The Company has operating leases with a total remaining lease payment of DKK 26 thousand as of 31 December 2022 (31 December 2021: DKK 43 thousand). The leases will expire in three months.		
The Company has entered into a property lease. The period of non-terminability is two months. The total obligation amounts to DKK 32 thousand as of 31 December 2022 (31 December 2021: DKK 30 thousand).		

Financial statements 1 January – 31 December

Notes

7 Related party disclosures

Control

Distrelec B.V., De Tweeling 28, 5215 MC 's-Hertogenbosch, The Netherlands, holds the majority of the contributed capital in the Company.

Group financial statements

Elfa Distrelec A/S is part of the consolidated financial statements of AURELIUS Equity Opportunities SE & Co. KGaA, Ludwig-Ganghofer-Strasse 6 Gruenwald, 82031, Germany, which is the smallest and largest group, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements of AURELIUS Equity Opportunities SE & Co. KGaA can be obtained by contacting the company at the address above.