

Elfa Distrelec A/S

Haslegårdsvej 8-12
8210 Aarhus V
Denmark

CVR no. 33 54 00 19

Annual report 2020

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

12 April 2021

Rajesh Patel
chairman



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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 2020.

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 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.


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, 12 April 2021
Executive Board:


Karin Sofia Krüger

Board of Directors:


Rajesh Patel
Chairman


Karin Sofia Krüger


Trine Busk Nielsen



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 2020 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 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

We believe that the audit 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 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.

The independent auditor's extended review report on the 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, 12 April 2021

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Mikke Trøjberg Knudsen

State Authorised

Public Accountant

mne34459

Elfa Distrelec A/S
Annual report 2020
CVR no. 33 54 00 19

Management's review

Company details

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

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Website: www.elfadistrelec.dk
E-mail: denmark@elfadistrelec.com

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

Board of Directors

Rajesh Patel, Chairman
Karin Sofia Krüger
Trine Busk Nielsen

Executive Board

Karin Sofia Krüger

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Bredskifte Allé 13
DK-8210 Aarhus V
Denmark

Management's review

Operating review

Principal activities

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

Development in activities and financial position

The Company's income statement for 2020 shows a profit of DKK 440,442 as against DKK 387,215 in 2019. Equity in the Company's balance sheet at 31 December 2020 stood at DKK 3,520,902 as against DKK 3,080,460 at 31 December 2019.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2020	2019
Gross profit		<u>5,910,836</u>	<u>6,444,129</u>
Staff costs	2	-5,274,429	-5,853,496
Depreciation		<u>-63,815</u>	<u>-41,170</u>
Profit before financial income and expenses		<u>572,592</u>	<u>549,463</u>
Financial income		226	154
Financial expenses		<u>-3,183</u>	<u>-53,173</u>
Profit before tax		<u>569,635</u>	<u>496,444</u>
Tax on profit for the year		<u>-129,193</u>	<u>-109,229</u>
Profit for the year		<u>440,442</u>	<u>387,215</u>
Proposed profit appropriation			
Retained earnings		<u>440,442</u>	<u>387,215</u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2020	31/12 2019
ASSETS			
Fixed assets			
Property, plant and equipment			
Fixtures and fittings, tools and equipment		<u>150,274</u>	<u>206,850</u>
Financial assets			
Other receivables		<u>44,682</u>	<u>43,632</u>
Total fixed assets		<u>194,956</u>	<u>249,482</u>
Current assets			
Receivables			
Trade receivables		759,756	3,153,601
Receivables from group entities		142,480	62,045
Deferred tax asset		8,449	2,554
Prepayments		<u>43,157</u>	<u>58,533</u>
		<u>953,822</u>	<u>3,276,733</u>
Cash at bank and in hand		<u>8,971,057</u>	<u>3,435,221</u>
Total current assets		<u>9,924,879</u>	<u>6,711,954</u>
TOTAL ASSETS		<u>10,119,835</u>	<u>8,961,436</u>
EQUITY AND LIABILITIES			
Equity			
Contributed capital		1,000,000	1,000,000
Retained earnings		<u>2,520,902</u>	<u>2,080,460</u>
Total equity		<u>3,520,902</u>	<u>3,080,460</u>
Liabilities			
Current liabilities			
Prepayments received from customers		0	8,989
Trade payables		85,899	105,631
Payables to group entities		1,064,052	319,584
Corporation tax		94,308	59,170
Other payables		<u>5,354,674</u>	<u>3,387,592</u>
		<u>6,598,933</u>	<u>3,880,976</u>
Total liabilities		<u>6,598,933</u>	<u>3,880,976</u>
TOTAL EQUITY AND LIABILITIES		<u>10,119,835</u>	<u>8,961,436</u>
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Financial statements 1 January – 31 December

Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2020	1,000,000	2,080,480	3,080,480
Transferred over the profit appropriation	0	440,442	440,442
Equity at 31 December 2020	<u>1,000,000</u>	<u>2,520,902</u>	<u>3,520,902</u>

Financial statements 1 January – 31 December

Notes

1 Accounting policies

The annual report of Elfa Distrelec A/S for 2020 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.

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

Depreciation

Depreciation comprises depreciation of property, plant and equipment.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

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 fixed assets

Financial fixed assets are measured at amortised cost.

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.

Financial statements 1 January – 31 December

Notes

1 Accounting policies (continued)

Prepayments

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

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.

Liabilities

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

Financial statements 1 January – 31 December

Notes

2 Staff costs

DKK	2020	2019
Wages and salaries	4,877,168	5,050,659
Pensions	571,878	742,003
Other social security costs	17,129	27,302
Other staff costs	6,154	33,532
	<u>5,274,429</u>	<u>5,853,496</u>
Average number of full-time employees	<u>6</u>	<u>7</u>

3 Contractual obligations, contingencies, etc.

Operating lease obligations

The Company has operating leases with a total remaining lease payment of DKK 127,512 (2019: DKK 216,769). The leases will mature in two years

The Company has entered into a property lease. The period of non-terminability is two months. The total liability amounts to DKK 25,142.

4 Related party disclosures

Group financial statements

Elfa Distralec A/S is part of the consolidated financial statements of Aurelius Investment NL 1 B.V., Parnassusweg 819, 1082LZ Amsterdam, Holland, which is the smallest and largest group, respectively, in which the Company is included as a subsidiary

The consolidated financial statements of Aurelius Investment NL 1 B.V. can be obtained by contacting the companies at the addresses above.