



Triarca Holding ApS

Bjørnkærvej 3
8783 Hornsyld
CVR No. 39452626

Annual report 2023

The Annual General Meeting adopted the annual report on 19.06.2024

Benny Zakrisson

Chairman of the General Meeting

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Entity details

Entity

Triarca Holding ApS

Bjørnkærvej 3

8783 Hornsyld

Business Registration No.: 39452626

Registered office: Hedensted

Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Lars Prisak

Benny Zakrisson

Michael Reeslev

Executive Board

Lars Prisak

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower, Værkmestergade 2

8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Triarca Holding ApS for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023.

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

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

Hornsyld, 21.05.2024

Executive Board

Lars Prisak

Board of Directors

Lars Prisak

Benny Zakrisson

Michael Reeslev

Independent auditor's report

To the shareholders of Triarca Holding ApS

Opinion

We have audited the financial statements of Triarca Holding ApS for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2023 and of the results of its operations for the financial year 01.01.2023 - 31.12.2023 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

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

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

Aarhus, 21.05.2024

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

Jacob Tækker Nørgaard

State Authorised Public Accountant

Identification No (MNE) mne40049

Management commentary

Primary activities

Triarca Holding ApS' only business since April 2021 is to own Triarca A/S, which since July 2023 also includes a German sales subsidiary, Triarca GmbH.

Triarca's business is manufacturing and selling of fuse lists, circuit breakers and enclosure products primarily for low voltage electrical distribution, e-mobility, and communication, but also for other segments where outdoor climate enclosures are needed, in mainly Denmark, Sweden, Norway, Finland, Germany and France.

Development in activities and finances

The income statement for 2023 shows a profit of DKK 8,318 thousand and the balance sheet on December 31st, 2023, shows equity of DKK 104.670 thousand.

Profit/loss for the year in relation to expected developments

The profit for 2023 was below expectations as especially the activity level and sales in the second half of the year was slower than anticipated.

Unusual circumstances affecting recognition and measurement

The comparison numbers are affected by change of fiscal year. In 2022, the fiscal year was shortened to eight months to align with the calendar year.

Outlook

The activity level for the coming period is expected to gradually increase. The core markets are experiencing some headwinds but remain strong, and the Group plans to market new products. The Group will continue to be focused on executing internal process improvements and increasing activities to ensure profitability and growth in the coming years.

Use of financial instruments

Business risk

AE2017 Bidco ApS's Board of Directors has assigned a committee for questions relating to risk assessment, internal control, financial reporting, and auditing (the Audit Committee). The Audit Committee shall form an opinion regarding the risk situation in the Group and assess whether the applied policies for internal control and governance are appropriate and efficient. The assessment of risk situation and internal control including recommendations shall be presented to the Group's Board of Directors for consideration and approval. These assessments and recommendations shall form the basis for decision and approval of overall policies, procedures, and controls of important areas in the day-to-day operation of Triarca Holding ApS. The Board of Directors is the decision-making body.

The assessments of significant risks and internal controls in connection with the Group's activities are done on an annual basis (at least). On this basis, ongoing actions are evaluated and adopted to eliminate and/or reduce risks, including business and financial risks.

The most important business risk is the ability to be strongly positioned in the markets the Group operates in. It is important for the Company to be at the forefront of technological development to maintain the Company's market shares.

Triarca A/S is exposed to several financial risks, including market risks (currency and interest rate risks) as well as liquidity and financing risks. During Covid-19 and the war in Ukraine, the dependencies on good supplier relations and exposure to raw material prices have been emphasized. Triarca's production relies on sufficient available energy, mainly natural gas, and electricity.

Financial exposure

As the main markets are Denmark and the Nordic Countries the Group's main currency exposure is towards NOK and SEK with some exposure also to USD and CNY due to non-EU suppliers.

It is the Company's policy not to engage in speculation of financial risks. The Company's financial policy focuses only on the management and reduction of the financial risks that are a direct consequence of the Company's operations, investments, and financing.

Environmental performance

Impact on the external environment

Triarca Holding's wholly owned subsidiary Triarca A/S holds an ISO14001 certificate concerning environmental issues which is yearly approved by the local authorities. The audits during the period have resulted in no special activities.

Sustainability

The Group believes that the incorporation of environmental, social, and corporate governance (ESG) aspects into the business model and a focus on sustainability issues are significant components to build lasting values and mitigating risks. Hence, the Group strives to incorporate ESG factors in the business activities and incorporate responsible investment aspects into the investment practices and business processes.

Research and development activities

The activities have increased during the period and new products and services have been offered with success to the market.

Events after the balance sheet date

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

Income statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Administrative expenses		(55)	(45)
Operating profit/loss		(55)	(45)
Income from investments in group enterprises		8,124	7,625
Income from financial assets		4	0
Other financial income from group enterprises		347	329
Other financial income		(1)	(1)
Profit/loss before tax		8,419	7,908
Tax on profit/loss for the year	1	(101)	(62)
Profit/loss for the year		8,318	7,846
Proposed distribution of profit and loss			
Ordinary dividend for the financial year		22,500	16,000
Retained earnings		(14,182)	(8,154)
Proposed distribution of profit and loss		8,318	7,846

Balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Investments in group enterprises		103,679	98,555
Financial assets	2	103,679	98,555
Fixed assets		103,679	98,555
Receivables from group enterprises		6,436	18,155
Other receivables		0	7
Joint taxation contribution receivable		96	286
Receivables		6,532	18,448
Cash		29	409
Current assets		6,561	18,857
Assets		110,240	117,412

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		600	600
Reserve for net revaluation according to the equity method		28,367	23,243
Retained earnings		53,203	72,509
Proposed dividend		22,500	21,000
Equity		104,670	117,352
Payables to group enterprises		5,554	24
Other payables		16	36
Current liabilities other than provisions		5,570	60
Liabilities other than provisions		5,570	60
Equity and liabilities		110,240	117,412
Employees	3		
Contingent liabilities	4		

Statement of changes in equity for 2023

	Contributed capital DKK'000	Reserve for net revaluation according to the equity method DKK'000	Retained earnings DKK'000	Proposed dividend DKK'000	Total DKK'000
Equity beginning of year	600	23,243	72,509	21,000	117,352
Ordinary dividend paid	0	0	0	(21,000)	(21,000)
Dividends from group enterprises	0	(3,000)	3,000	0	0
Profit/loss for the year	0	8,124	(22,306)	22,500	8,318
Equity end of year	600	28,367	53,203	22,500	104,670

Notes

1 Tax on profit/loss for the year

	2023 DKK'000	2022 DKK'000
Current tax	65	62
Adjustment concerning previous years	36	0
	101	62

2 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	75,312
Cost end of year	75,312
Revaluations beginning of year	23,243
Amortisation of goodwill	(3,250)
Share of profit/loss for the year	11,374
Dividend	(3,000)
Revaluations end of year	28,367
Carrying amount end of year	103,679
Goodwill or negative goodwill recognised during the financial year	46,591

	Equity interest %
Investments in subsidiaries	
Triarca A/S	100.00

3 Employees

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

4 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where AE 2017 Admin ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc. for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

Accounting policies

Reporting class

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

The accounting policies applied to these financial statements are consistent with those applied last year, with a few reclassifications.

Consolidated financial statements

Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Non-comparability

The company has last year changed fiscal year with effect from 1st May – 31st December. Therefore the comparative figures only consist 8 months.

Recognition and measurement

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

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

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

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

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

Income statement

Administrative expenses

Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Income from other fixed asset investments

Income from other fixed asset investments comprises gains in the form of interest, dividends, etc. on fixed asset investments which are not investments in group enterprises or associates.

Other financial income from group enterprises

Other financial income from group enterprises comprises interest income etc. on receivables from group enterprises.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

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

Balance sheet**Investments in group enterprises**

Goodwill investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to the reserve for net revaluation according to the equity method in equity.

Goodwill is calculated as the difference between cost and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. For goodwill, useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 20 years.

Investments in group enterprises are written down to the lower of recoverable amount and carrying amount.

Receivables

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

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Cash

Cash comprises cash in hand and bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Other financial liabilities

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