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AE2017 Bidco ApS

Bjørnkærvej 3
8783 Hornsyld
CVR No. 42462594

Annual report 2023

The Annual General Meeting adopted the annual report on 19.06.2024

Benny Zakrisson
Chairman of the General Meeting

Contents

Entity details

Entity

AE2017 Bidco ApS
Bjørnkærvej 3
8783 Hornsyld

Business Registration No.: 42462594
Registered office: Hedensted
Financial year: 01.01.2023 - 31.12.2023

Board of Directors

Hans Simon Joel Ahlin
Caroline Brandt Lilja
Jacob Klein
Henrik Ringmar
Benny Zakrisson
Susanne Helmer Nielsen

Executive Board

Lars Prisak

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of AE2017 Bidco 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 consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows 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

Hans Simon Joel Ahlin	**Caroline Brandt Lilja**
Jacob Klein	**Henrik Ringmar**
Benny Zakrisson	**Susanne Helmer Nielsen**

Independent auditor's report

To the shareholders of AE2017 Bidco ApS

Opinion

We have audited the consolidated financial statements and the parent financial statements of AE2017 Bidco 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, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows 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 consolidated financial statements and the parent financial statements" section of this auditor’s report. We are independent of the Group 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 consolidated financial statements and the parent 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

Financial highlights

	2023 DKK'000	2022 DKK'000	2021/22 DKK'000
Key figures			
Gross profit/loss	52,696	28,517	41,815
Operating profit/loss	8,071	7,433	5,940
Net financials	(8,137)	(2,897)	(4,516)
Profit/loss for the year	(1,752)	2,396	(2,576)
Balance sheet total	219,536	242,732	261,615
Equity	93,774	95,526	93,130
Cash flows from operating activities	12,421	22,488	(2,963)
Cash flows from investing activities	(5,210)	(2,519)	(195,104)
Cash flows from financing activities	(12,500)	(10,000)	202,666
Ratios			
Return on assets (%)	3.39	2.94	2.27
Return on equity (%)	(2.06)	2.54	(2.77)
Equity ratio (%)	42.71	39.35	35.60

2021/22 includes 11 months P&L, 2022 includes 8 months P&L and 2023 includes 12 months P&L. Which is why there is non-comperability between the years.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on assets (%):
Profit/loss from operating activities * 100
Average assets

Return on equity (%):
Profit/loss for the year * 100
Average equity

Equity ratio (%):
Equity * 100
Balance sheet total

Primary activities

The objectives of AE2017 Bidco's business are to provide management services, to own shares and other financial instruments and any other activities which, in the discretion of the board of directors, are directly or indirectly related thereto. Currently, AE2017 Bidco owns Triarca Holding ApS which only business today 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.

Governance

AE2017 Bidco ApS was established in June 2021 and acquired 100% of Triarca Holding ApS in July 2021. The majority owner of AE2017 Bidco ApS is Accent Equity 2017 AB. For additional information regarding Accent Equity 2017 AB go to www.accentequity.com. The remaining shares are owned by key employees and board members of AE2017 Bidco ApS.

The Board of Directors consists of:
Benny Zakrisson, Chairman
Caroline Brandt Lilja
Simon Ahlin
Henrik Ringmar
Jacob Klein, Employee representative
Susanne Helmer Nielsen, Employee representative

Benny Zakrisson, Caroline Brandt Lilja, Simon Ahlin and Henrik Ringmar have been appointed to the Board of Directors by the General Assembly. Jacob Klein and Susanne Helmer Nielsen have been appointed to the board as employee representatives.

Development in activities and finances

The income statement for 2023 shows a loss of DKK 1,752 thousand and the balance sheet on December 31st, 2023, shows equity of DKK 93,774 thousand.

The number of employees in the group has been stable over the period and was at YE88 employees and expected to increase with increased activity in 2024.

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

The 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 Board of Directors for consideration and approval. The Board of Directors is responsible for setting overall policies, procedures, and controls of important areas in the day-to-day operation of the Group.

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 Group to be at the forefront of technological development to maintain the Group's market shares.

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

Knowledge resources

The Group is committed to be attractive to key employees and currently faces no challenges with intellectual capital resources.

Environmental performance

Impact on the external environment

The 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 this annual report.

Consolidated income statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Gross profit/loss		**52,696**	**28,517**
Distribution costs		(15,837)	(7,510)
Administrative expenses		(28,788)	(13,574)
Operating profit/loss		**8,071**	**7,433**
Other financial income	3	811	765
Other financial expenses	4	(8,948)	(3,662)
Profit/loss before tax		**(66)**	**4,536**
Tax on profit/loss for the year		(1,686)	(2,140)
Profit/loss for the year	5	**(1,752)**	**2,396**

Consolidated balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Acquired intangible assets		3,821	2,988
Goodwill		135,555	144,236
Development projects in progress	7	4,361	2,597
Intangible assets	6	**143,737**	**149,821**
Plant and machinery		6,356	6,644
Other fixtures and fittings, tools and equipment		1,190	1,497
Leasehold improvements		1,746	2,198
Property, plant and equipment in progress		423	110
Property, plant and equipment	8	**9,715**	**10,449**
Fixed assets		**153,452**	**160,270**
Raw materials and consumables		20,352	27,201
Manufactured goods and goods for resale		11,506	13,281
Inventories		**31,858**	**40,482**
Trade receivables		21,619	25,509
Other receivables		0	66
Joint taxation contribution receivable		2,390	990
Prepayments	9	938	847
Receivables		**24,947**	**27,412**
Cash		**9,279**	**14,568**
Current assets		**66,084**	**82,462**
Assets		**219,536**	**242,732**

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		10,001	10,001
Reserve for development costs		3,402	1,740
Retained earnings		80,371	83,785
Equity		**93,774**	**95,526**
Deferred tax	10	2,048	1,232
Provisions		**2,048**	**1,232**
Bank loans	12	0	91,249
Other payables		3,451	3,385
Non-current liabilities other than provisions	11	**3,451**	**94,634**
Current portion of non-current liabilities other than provisions	11	0	12,500
Bank loans	12	91,592	0
Trade payables		11,670	25,603
Tax payable		11	0
Joint taxation contribution payable		3,590	1,243
Other payables		13,400	11,994
Current liabilities other than provisions		**120,263**	**51,340**
Liabilities other than provisions		**123,714**	**145,974**
Equity and liabilities		**219,536**	**242,732**

Staff costs	1
Amortisation, depreciation and impairment losses	2
Unrecognised rental and lease commitments	14
Contingent liabilities	15
Non-arm's length related party transactions	16
Subsidiaries	17

Consolidated statement of changes in equity for 2023

	Contributed capital DKK'000	Reserve for development costs DKK'000	Retained earnings DKK'000	Total DKK'000
Equity beginning of year	10,001	1,740	83,785	95,526
Transfer to reserves	0	1,662	(1,662)	0
Profit/loss for the year	0	0	(1,752)	(1,752)
Equity end of year	**10,001**	**3,402**	**80,371**	**93,774**

Consolidated cash flow statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Operating profit/loss		8,071	7,433
Amortisation, depreciation and impairment losses		12,027	8,735
Working capital changes	13	27	10,403
Other adjustments		0	4,041
Cash flow from ordinary operating activities		**20,125**	**30,612**
Financial income received		147	44
Financial expenses paid		(7,955)	(2,479)
Taxes refunded/(paid)		104	(5,689)
Cash flows from operating activities		**12,421**	**22,488**
Acquisition etc. of intangible assets		(3,279)	(1,080)
Acquisition etc. of property, plant and equipment		(1,931)	(1,439)
Cash flows from investing activities		**(5,210)**	**(2,519)**
Free cash flows generated from operations and investments before financing		**7,211**	**19,969**
Repayments of loans etc.		(12,500)	(10,000)
Cash flows from financing activities		**(12,500)**	**(10,000)**
Increase/decrease in cash and cash equivalents		**(5,289)**	**9,969**
Cash and cash equivalents beginning of year		14,568	4,599
Cash and cash equivalents end of year		**9,279**	**14,568**
Cash and cash equivalents at year-end are composed of:			
Cash		9,279	14,568
Cash and cash equivalents end of year		**9,279**	**14,568**

Notes to consolidated financial statements

1 Staff costs

	2023 DKK'000	2022 DKK'000
Wages and salaries	42,749	28,160
Pension costs	3,751	2,258
Other social security costs	313	632
Other staff costs	922	1,021
	47,735	**32,071**
Staff costs classified as assets	(21,412)	(15,504)
	26,323	**16,567**

Number of employees at balance sheet date	88	88

Average number of full-time employees	84	88

2 Depreciation, amortisation and impairment losses

	2023 DKK'000	2022 DKK'000
Amortisation of intangible assets	9,363	6,355
Depreciation on property, plant and equipment	2,664	2,381
	12,027	**8,736**

3 Other financial income

	2023 DKK'000	2022 DKK'000
Exchange rate adjustments	664	721
Other financial income	147	44
	811	**765**

4 Other financial expenses

	2023 DKK'000	2022 DKK'000
Exchange rate adjustments	748	427
Other financial expenses	8,200	3,235
	8,948	**3,662**

5 Proposed distribution of profit/loss

	2023 DKK'000	2022 DKK'000
Retained earnings	(1,752)	2,396
	(1,752)	**2,396**

6 Intangible assets

	Acquired intangible assets DKK'000	Goodwill DKK'000	Development projects in progress DKK'000
Cost beginning of year	3,553	176,537	2,597
Transfers	1,515	0	(1,515)
Additions	0	0	3,279
Cost end of year	**5,068**	**176,537**	**4,361**
Amortisation and impairment losses beginning of year	(565)	(32,301)	0
Amortisation for the year	(682)	(8,681)	0
Amortisation and impairment losses end of year	**(1,247)**	**(40,982)**	**0**
Carrying amount end of year	**3,821**	**135,555**	**4,361**

7 Development projects

Triarca develops and delivers solutions within areas such as electrical distribution, e-mobility, communication, and automation. We continuously develop new solutions in response to the evolving needs of our customers and, ultimately, consumers. Additionally, we actively contribute to the green transition, which significantly drives the demand for innovative solutions.

Our ongoing development projects serve to enhance and expand our company's product range. Regularly, we introduce new products and upgraded solutions. Our assessment of these projects is based on their ability to enhance the application value of existing products and to introduce new products to the B2B market, thereby driving future sales.

We anticipate completing the currently ongoing development projects within the next 1-3 years.

8 Property, plant and equipment

	Plant and machinery DKK'000	Other fixtures and fittings, tools and equipment DKK'000	Leasehold improvements DKK'000	Property, plant and equipment in progress DKK'000
Cost beginning of year	18,523	2,659	4,089	110
Transfers	1,618	0	0	(1,618)
Additions	0	0	0	1,931
Cost end of year	**20,141**	**2,659**	**4,089**	**423**
Depreciation and impairment losses beginning of year	(11,878)	(1,163)	(1,891)	0
Depreciation for the year	(1,907)	(306)	(452)	0
Depreciation and impairment losses end of year	**(13,785)**	**(1,469)**	**(2,343)**	**0**
Carrying amount end of year	**6,356**	**1,190**	**1,746**	**423**

9 Prepayments

Prepayments comprise incurred costs relating to subsequent financial years.

10 Deferred tax

	2023 DKK'000	2022 DKK'000
Intangible assets	1,176	23
Property, plant and equipment	664	777
Inventories	414	342
Provisions	(206)	0
Other deductible temporary differences	0	90
Deferred tax	**2,048**	**1,232**

Changes during the year	2023 DKK'000	2022 DKK'000
Beginning of year	1,232	1,288
Recognised in the income statement	816	(56)
End of year	**2,048**	**1,232**

11 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK'000	Due after more than 12 months 2023 DKK'000	Outstanding after 5 years 2023 DKK'000
Bank loans	12,500	0	0
Other payables	0	3,451	3,451
	12,500	**3,451**	**3,451**

12 Bank loans

The Groups bank loans relates to acquisition of shares in subsidiaries. Following amendment to the Group's loan facility in February 2024, the loan is perceived as long-term. The amount due in 2024 is DKK 12,500 thousand, with an outstanding balance of DKK 50,000 thousand in 2027.

13 Changes in working capital

	2023 DKK'000	2022 DKK'000
Increase/decrease in inventories	8,624	(5,273)
Increase/decrease in receivables	3,864	27,357
Increase/decrease in trade payables etc.	(12,461)	(11,681)
	27	**10,403**

14 Unrecognised rental and lease commitments

	2023 DKK'000	2022 DKK'000
Total liabilities under rental or lease agreements until maturity	23,666	18,947

Rent and lease liabilities include a rent obligation totalling DKK 21,882 thousand in interminable rent agreements with remaining contract terms of up to 5 years and 8 months. Furthermore, the Company has liabilities under operating leases, totalling DKK 1,784 thousand, with remaining contract terms of 1-5 years.

15 Contingent liabilities

The Company has entered into contractual commitments regarding purchase of inventory of a total of DKK 5,144 thousand.

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, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend 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.

16 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

17 Subsidiaries

	Ownership %
Triarca Holding	100.00
Triarca	100.00

Parent income statement for 2023

	Notes	2023 DKK'000	2022 DKK'000
Gross profit/loss		**7,271**	**4,410**
Administrative expenses		(7,150)	(4,351)
Operating profit/loss		**121**	**59**
Income from investments in group enterprises		3,889	4,892
Other financial income		5	1
Other financial expenses		(7,355)	(3,261)
Profit/loss before tax		**(3,340)**	**1,691**
Tax on profit/loss for the year		1,590	704
Profit/loss for the year	2	**(1,750)**	**2,395**

Parent balance sheet at 31.12.2023

Assets

	Notes	2023 DKK'000	2022 DKK'000
Investments in group enterprises		182,176	199,286
Financial assets	3	**182,176**	**199,286**
Fixed assets		**182,176**	**199,286**
Receivables from group enterprises		6,351	1,478
Other receivables		0	11
Joint taxation contribution receivable		2,294	704
Receivables		**8,645**	**2,193**
Cash		**77**	**178**
Current assets		**8,722**	**2,371**
Assets		**190,898**	**201,657**

Equity and liabilities

	Notes	2023 DKK'000	2022 DKK'000
Contributed capital		10,001	10,001
Reserve for net revaluation according to equity method		0	9,576
Retained earnings		83,774	75,948
Equity		**93,775**	**95,525**
Bank loans		0	91,249
Other payables		403	386
Non-current liabilities other than provisions	4	**403**	**91,635**
Current portion of non-current liabilities other than provisions	4	0	12,500
Bank loans	5	91,592	0
Trade payables		65	20
Payables to group enterprises		3,481	0
Other payables		1,582	1,977
Current liabilities other than provisions		**96,720**	**14,497**
Liabilities other than provisions		**97,123**	**106,132**
Equity and liabilities		**190,898**	**201,657**
Staff costs	1		
Contingent liabilities	6		
Assets charged and collateral	7		
Related parties with controlling interest	8		
Non-arm’s length related party transactions	9		

Parent 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	Total DKK'000
Equity beginning of year	10,001	9,576	75,948	95,525
Other entries on equity	0	7,729	(7,729)	0
Dividends from group enterprises	0	(21,000)	21,000	0
Profit/loss for the year	0	3,695	(5,445)	(1,750)
Equity end of year	**10,001**	**0**	**83,774**	**93,775**

Notes to parent financial statements

1 Staff costs

	2023 DKK'000	2022 DKK'000
Wages and salaries	6,304	3,909
Pension costs	568	310
Other social security costs	76	51
Other staff costs	13	0
	6,961	**4,270**

Number of employees at balance sheet date	10	9
Average number of full-time employees	9	9

2 Proposed distribution of profit and loss

	2023 DKK'000	2022 DKK'000
Retained earnings	(1,750)	2,395
	(1,750)	**2,395**

3 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	189,712
Cost end of year	**189,712**
Revaluations beginning of year	9,575
Amortisation of goodwill	(4,429)
Share of profit/loss for the year	8,318
Dividend	(21,000)
Revaluations end of year	**(7,536)**
Carrying amount end of year	**182,176**
Goodwill or negative goodwill recognised during the financial year	77,502

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

4 Non-current liabilities other than provisions

	Due within 12 months 2022 DKK'000	Due after more than 12 months 2023 DKK'000	Outstanding after 5 years 2023 DKK'000
Bank loans	12,500	0	0
Other payables	0	403	403
	12,500	**403**	**403**

5 Bank loans

The Groups bank loans relates to acquisition of shares in subsidiaries. Following amendment to the Group's loan facility in February 2024, the loan is perceived as long-term. The amount due in 2024 is DKK 12,500 thousand, with an outstanding balance of DKK 50,000 thousand in 2027.

6 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement in which 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, and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends 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.

7 Assets charged and collateral

As security for the Group's total bank debt to Jyske Bank A/S, the Parent Company has provided collateral secured on the Company's shares in Triarca Holding ApS.

Furthermore, the Parent Company guarantees all outstanding accounts with Triarca A/S.

8 Related parties with controlling interest

AE2017 Bidco ApS' related parties comprise the following:

Triarca A/S, Hornsyld, Denmark
Triarca Holding ApS, Hornsyld, Denmark
Accent Equity 2017 AB holds the majority of the share capital in the Company.

9 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

Accounting policies

Reporting class
This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these consolidated financial statements and parent financial statements are consistent with those applied last year.

Non-comparability
The company has last year changed fi scal year with eff ect from 1st May – 31st December. Therefore the comparative fi gures only consist of 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.

Consolidated financial statements
The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

Basis of consolidation
The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group’s accounting policies.

Subsidiaries’ financial statement items are recognised in full in the consolidated financial statements.

Investments in subsidiaries are offset at the pro rata share of such subsidiaries' net assets at the acquisition date, with net assets having been calculated at fair value.

Income statement

Gross profit or loss
Gross profit or loss comprises revenue, production costs and other operating income.

Revenue
Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Production costs
Production: Production costs comprise expenses incurred to earn revenue for the financial year. Production costs comprise direct and indirect costs for raw materials and consumables, wages and salaries, rent and lease, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment included in the production process. In addition, the item includes normal writedown of inventories.

Cost of sales
Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for normal inventory writedowns.

Distribution costs
Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc., and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment involved in the distribution process.

Administrative expenses
Administrative expenses comprise expenses incurred for the Entity's administrative functions, including wages and salaries for administrative staff and Management, stationery and office supplies, and amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment used for administration of the Entity.

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.

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

Other financial expenses
Other financial expenses comprise interest expenses.

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 Parent is jointly taxed with all of its 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

Goodwill

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. 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 the amounts of 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.

Goodwill is written down to the lower of recoverable amount and carrying amount.

Intellectual property rights etc.

Intellectual property rights etc. comprise development projects completed with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred. When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and amortisation that are directly and indirectly attributable to the development projects.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the development process are recognised in cost based on time spent on each project.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. If the useful life cannot be estimated reliably, it is fixed at 10 years. For development projects protected by intellectual property rights, the maximum period of amortisation is the remaining duration of the relevant rights. The amortisation periods used are 5-10 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis over the term of the agreement.

Intellectual property rights etc. are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment
Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Plant and machinery	5-15
Other fixtures and fittings, tools and equipment	3-10
Leasehold improvements	5-15

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Investments in group enterprises
Investments in group enterprises are recognised and measured in the parent financial statements 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 the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising from acquisitions. 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 one amount of goodwill, it has not been possible to estimate useful life reliably, for which reason such useful life has been set at 10 years.

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

Inventories
Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

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

Joint taxation contributions payable or receivable
Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, 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.

Prepayments
Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash
Cash comprises cash in hand and bank deposits.

Deferred tax
Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Deferred tax relating to retaxation of previously deducted losses in foreign subsidiaries is recognised on the basis of an actual assessment of the purpose of each subsidiary.

Operating leases
Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

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

Tax payable or receivable
Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Cash flow statement
The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes, and financial income, financial expenses and income tax paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, repayments of interest-bearing debt, including lease liabilities, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash.