AE2017 Bidco ApS

Bjørnkærvej 3 , 8783 Hornsyld

CVR no. 42 46 25 94

Annual report 2022

Approved at the Company's annual general meeting on 14 June 2023

Chairman:

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Benny Zakrisson

Contents

Statement by Management

The Board of Directors and the Executive Board have today discussed and approved the annual report of AE2017 Bidco ApS for the financial year 1 May 2022 – 31 December 2022.

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

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022 and of the results of their operations and consolidated cash flows for the financial year 1 May 2022 – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Group's and the Parent Company's operations and financial matters, the results for the year and the Group's and the Parent Company's financial position.

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

Hornsyld, 14 June 2023
Executive Board:

Lars Prisak
CEO

Board of Directors:

Benny Zakrisson Chairman	Lars Prisak	Caroline Brandt Lilja
Hans Simon Joel Ahlin	Jacob Klein Employee representative	Susanne Helmer Nielsen Employee representative

Independent auditor's report

To the shareholders of AE2017 Bidco ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of AE2017 Bidco ApS for the financial year 1 May 2022 – 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 December 2022 and of the results of the Group's and the Parent Company's operations as well as the consolidated cash flows for the financial year 1 May 2022 – 31 December 2022 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 company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company 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 Group's and the Parent 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 Group or the Parent Company 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 as to 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 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 the financial statements.

Independent auditor's report

As part of an audit conducted in accordance with ISAs and 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 Group's and the Parent Company'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 Group's and the Parent Company'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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the 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's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, 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's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

Independent auditor's report

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, 14 June 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Claus Hammer-Pedersen State Authorised Public Accountant mne21334	Jonas Busk State Authorised Public Accountant mne42771

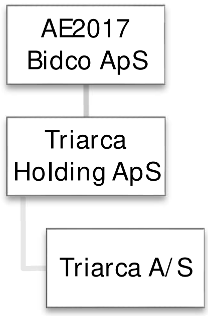
Management's review

Company details

Name	AE2017 Bidco ApS
Address, zip code, city	Bjørnkærvej 3, 8783 Hornsyld
CVR no.	42 46 25 94
Established	4 June 2021
Registered office	Hedensted
Financial year	1 May 2022 – 31 December 2022
Website	https://www.triarca.dk/
E-mail	info@triarca.dk
Telephone	+45 77 30 20 20
Board of Directors	Benny Zakrisson, Chairman Lars Prisak Caroline Brandt Lilja Hans Simon Joel Ahlin Jacob Klein, Employee representive Susanne Helmer Nielsen, Employee representive
Executive Board	Lars Prisak, CEO
Auditors	EY Godkendt Revisionspartnerselskab Værkmestergade 25, P.O. Box 330, 8100 Aarhus C, Denmark

Management's review

Group chart



Financial highlights for the Group

DKKm	2022 (8 months)	2021/22 (11 months)
Key figures		
Gross profit/loss	29	42
Earnings before interests, taxes, depreciation and amortisation (EBITDA)	16	22
Ordinary operating profit/loss	7	6
Net financials	-3	-5
Profit/loss for the year	2	-3
Total assets	244	262
Investments in property, plant and equipment	10	11
Equity	96	93
Cash flows from operating activities	22	-3
Cash flows from investing activities	-2	-195
Cash flows from financing activities	-10	203
Total cash flows	10	5
Financial ratios		
Return on assets	1 %	-2 %
Equity ratio	39 %	36 %
Return on equity	3 %	-6 %
Average number of full-time employees	**88**	**83**

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations. For terms and definitions, please see the accounting policies.

Management's review

Financial highlights

Financial ratios are calculated in accordance with the Danish Finance Society's recommendations. For terms and definitions, please see the accounting policies.

Corporate 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.

Some management members are also shareholders of AE2017 Bidco ApS.

The board consists of:

Benny Zakrisson, Chairman
Caroline Brandt Lilja
Hans Simon Joel Ahlin
Lars Prisak
Jacob Klein, Employee representive
Susanne Helmer Nielsen, Employee representive.

Benny Zakrisson, Caroline Brandt Lilja, Hans Simon Joel Ahlin and Lars Prisak have been appointed to the board by the General Assembly. Jacob Klein and Susanne Helmer Nielsen have been appointed to the board as employee representatives.

Business review

AE2017 Bidco's business is since July 2021, the ownership of Triarca Holding ApS which only business today is to own Triarca A/S.

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

Unusual matters having affected the financial statements

The financial year 2022 was only 8 months long to change the future financial year to follow calendar year.

The activities during the financial year have been affected by the Covid-19 pandemic, supply chain disruptions and the war in Ukraine for both customers and suppliers.

Financial review

The income statement for 2022 8M shows a profit of DKK 2,396 thousand and the balance sheet on December 31st, 2022, shows equity of DKK 95,526 thousand.

Focus has been on securing deliveries from our suppliers in order to meet our customers' needs in due time.

The number of employees in the group has increased over the period due to higher production and new investments and was at YE 90 employees and expected to increase further.

The financial development has to some extent been affected by the COVID-19 pandemic and the war in Ukraine and the result is below expectations.

Knowledge resources

The Group has focus on being attractive to key employees and has at the moment no challenges with intellectual capital resources.

Management's review

Business risks

The Board of Directors and the Executive Board determine and approve overall policies, procedures, and controls of important areas in the day-to-day operation of the Group. The foundation for this is a clear organizational structure, clear guidelines, authorization and certification procedures and separation of persons.

The Board of Directors and the Executive Board regularly (at least annually) assess significant risks and internal controls in connection with the Group's activities. On this basis, ongoing actions are evaluated and adopted to eliminate and/or reduce risks, including business and financial risks.

The most important business risks include 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.

As part of the risk assessment, the Board of Directors and the Executive Board annually assess the risk of fraud and the measures taken to reduce and/or eliminate these risks.

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 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.

Impact on the external environment

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

Sustainability

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

Research and development activities

The activities have been 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.

Outlook

The activity level for the coming period is expected to be relatively stable compared to the end of 2022 as the economy in our core markets experience some headwinds but remain strong. The Company will continue to be focused on executing internal process improvements and increase activities to ensure profitability and growth in the coming years.

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Income statement

		Consolidated		Parent company	
Note	**DKK'000**	**2022 (8 months)**	**2021/22 (11 months)**	**2022 (8 months)**	**2021/22 (11 months)**
	Gross profit/loss	28,517	41,815	0	0
3,14	Distribution costs	-7,510	-9,952	0	0
3,14	Administrative expenses	-13,574	-25,923	-190	-4,623
	Profit/loss before net financials	7,433	5,940	-190	-4,623
3,9	Shares of profit/loss after tax in subsidiaries	0	0	4,892	4,683
4	Financial income	777	368	1	0
5	Financial expenses	-3,674	-4,884	-3,011	-3,475
	Profit/loss before tax	4,536	1,424	1,692	-3,415
6	Tax for the year	-2,140	-4,000	704	839
	Profit/loss for the year	2,396	-2,576	2,396	-2,576

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Balance sheet

Note	DKK'000	Consolidated 2022 (8 months)	Consolidated 2021/22 (11 months)	Parent company 2022 (8 months)	Parent company 2021/22 (11 months)
	ASSETS				
	Non-current assets				
7	**Intangible assets**				
	Goodwill	144,236	150,019	0	0
	Other intangible assets	2,988	2,000	0	0
	Development projects in progress and prepayments for intangible assets	2,597	2,127	0	0
		149,821	154,146	0	0
8	**Property, plant and equipment**				
	Plant and machinery	6,644	6,897	0	0
	Fixtures and fittings, tools and equipment	1,497	1,704	0	0
	Leasehold improvements	2,198	2,499	0	0
	Property, plant and equipment under construction	110	291	0	0
		10,449	11,391	0	0
9	**Other non-current assets**				
	Equity investments in subsidiaries	0	0	199,286	194,394
	Other financial assets	1,251	1,501	1,251	1,501
		1,251	1,501	200,537	195,895
	Total non-current assets	161,521	167,038	200,537	195,895
	Current assets				
	Inventories				
	Raw materials and consumables	27,201	25,014	0	0
	Work in progress	0	221	0	0
	Finished goods and goods for resale	13,281	9,974	0	0
		40,482	35,209	0	0
	Receivables				
	Trade receivables	25,509	39,832	0	0
	Receivables from subsidiaries	0	0	1,478	0
	Deferred tax assets	0	0	0	0
	Joint taxation contribution receivable	704	839	704	839
	Corporate tax	286	286	0	0
	Other receivables	66	12,124	2	12,000
10	Prepayments	847	1,688	9	0
		27,412	54,769	2,193	12,839
	Cash	14,568	4,599	178	1,188
	Total current assets	82,462	94,577	2,371	14,027
	TOTAL ASSETS	243,983	261,615	202,908	209,922

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Balance sheet

		Consolidated		Parent company	
Note	DKK'000	2022 (8 months)	2021/22 (11 months)	2022 (8 months)	2021/22 (11 months)
	EQUITY AND LIABILITIES				
	Equity				
11	Share capital	10,001	10,001	10,001	10,001
	Reserve for development costs	1,740	1,280	0	0
	Net revaluation reserve according to the equity method	0	0	9,575	4,683
	Retained earnings	83,785	81,849	75,950	78,446
	Total equity	95,526	93,130	95,526	93,130
	Non-current liabilities				
12	Bank Debt	92,500	105,000	92,500	105,000
13	Deferred tax	1,232	1,288	0	0
	Other provisions	0	0	0	0
	Other non-current liabilities	3,385	3,336	386	381
	Total non-current liabilities	97,117	109,624	92,886	105,381
	Current liabilities				
12	Bank debt	12,500	10,000	12,500	10,000
	Trade payables	25,603	31,573	20	0
	Payables to subsidiaries	0	0	0	0
	Corporation tax	1,243	5,693	0	0
	Other payables	11,994	11,595	1,976	1,411
	Total current liabilities	51,340	58,861	14,496	11,411
	Total liabilities	148,457	168,485	107,382	116,792
	TOTAL EQUITY AND LIABILITIES	243,983	261,615	202,908	209,922

1 Accounting policies
2 Special items
14 Staff costs
15 Contractual obligations and contingencies, etc.
16 Related parties
17 Appropriation of profit

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Statement of changes in equity

		Group			
Note	**DKK'000**	**Share capital**	**Retained earnings**	**Reserve for development costs**	**Total**
	Equity at 1 May 2022	10,001	81,849	1,280	93,130
17	Transferred; see distribution of profit/loss	0	1,936	460	2,396
	Equity at 31 December 2022	10,001	83,785	1,740	95,526

Statement of changes in equity

		Parent			
Note	**DKK'000**	**Share capital**	**Net revaluation reserve according to the equity method**	**Retained earnings**	**Total**
	Equity at 1 May 2022	10,001	4,683	78,446	93,130
	Goodwill, amortisation	0	-2,952	2,952	0
17	Transferred; see distribution of profit/loss	0	7,845	-5,449	2,396
	Equity at 31 December 2022	10,001	9,576	75,949	95,526

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Cash flow statement

		Consolidated		Parent company	
Note	**DKK'000**	**2022 (8 months)**	**2021/22 (11 months)**	**2022 (8 months)**	**2021/22 (11 months)**
	Profit/loss before net financials	7,432	5,940	-190	-4,623
	Depreciation and amortisation	8,735	15,818	0	7,907
	Other adjustments of non-cash operating items	4,041	0	38	0
18	Changes in working capital	10,403	-20,917	11,101	-9,745
	Interest received	44	36	1	0
	Interest paid	-2,478	-3,840	-1,960	-3,475
	Corporation tax paid	-5,689	0	0	0
	Cash flows from operating activities	22,488	-2,963	8,990	-9,936
7	Acquisition of intangible assets	-1,080	-2,623	0	0
8	Acquisition of property, plant and equipment	-1,439	-939	0	0
9	Acquisition of companies	0	-191,542	0	-191,542
	Disposal of property, plant and equipment	0	0	0	0
	Disposals of subsidiaries and operations	0	0	0	0
	Disposals of investments	0	0	0	0
	Acquisition of subsidiaries and activities	0	0	0	0
	Dividends received from subsidiaries	0	0	0	0
	Cash flows from investing activities	-2,519	-195,104	0	-191,542
	Repayment of non-current liabilities	-10,000	0	-10,000	0
	Increase in payables to credit institutions	0	115,000	0	115,000
	Shareholders:				
	Capital increase	0	87,666	0	87,666
	Cash flows from financing activities	-10,000	202,666	-10,000	202,666
	Cash flows for the year	9,969	4,599	-1,010	1,188
	Cash and cash equivalents, beginning of year	4,599	0	1,188	0
	Disposals of subsidiaries and operations	0	0		0
	Cash and cash equivalents, year end	14,568	4,599	178	1,188

The cash flow statement cannot be directly derived from the other components of the consolidated financial statements.

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

1 **Accounting policies**

The annual report of AE2017 Bidco ApS for 2022 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

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

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company AE2017 Bidco ApS and subsidiaries controlled by AE2017 Bidco ApS.

Control means the power to exercise decisive influence over a subsidiary's financial and operating decisions. Moreover, the possibility of yielding a return from the investment is required.

In assessing whether the Parent Company controls an entity, de facto control is also taken into consideration.

The existence of potential voting rights that may currently be exercised or converted into additional voting rights is considered when assessing whether an entity may become empowered to exercise decisive influence over another entity's financial and operating decisions.

The Management's review includes a group chart.

Preparation of consolidated financial statements

The consolidated financial statements are prepared as a consolidation of the Parent Company's and the individual subsidiaries' financial statements, which are prepared according to the Group's accounting policies. On consolidation, intra-group income and expenses, shareholdings, intra-group balances and dividends as well as realised and unrealised gains on intra-group transactions are eliminated. Unrealised gains on transactions with associates are eliminated in proportion to the Group's interest in the entity. Unrealised losses are eliminated in the same way as unrealised gains unless they do not reflect impairment.

The subsidiaries' financial statement items are included 100% in the consolidated financial statements. Non-controlling interests' share of the profit/loss for the year and of the equity of subsidiaries that are not wholly-owned are included in the Group's profit/loss and equity, respectively, but are presented separately.

Intra-group business combinations

The book value method is applied to business combinations such as acquisition and disposal of equity investments, mergers, demergers, additions of assets and share conversions, etc., in which entities controlled by the Parent Company are involved, provided that the combination is considered completed at the acquisition date without any restatement of comparative figures. Differences between the agreed consideration and the carrying amount of the acquiree are recognised directly in equity.

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.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

1 Accounting policies (continued)

Income statement

Revenue

Revenue from the sale of goods

Income from the sale of goods for resale and finished goods is recognised in revenue when the most significant rewards and risks have been transferred to the buyer, the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Revenue from the sale of services

Revenue from the sale of services, which include service contracts and extended warranty commitments relating to products and services sold, is recognised on a straight-line basis as the services are rendered.

Gross profit

The items revenue, production costs and other operating income have been aggregated into one item called gross profit in accordance with section 32 of the Danish Financial Statements Act.

Production costs

Production costs comprise costs, including depreciation, amortisation and salaries, incurred in generating revenue for the year. Commercial entities recognise their cost of sales, and manufacturing entities recognise their production costs incurred in generating the revenue for the year. Such costs include direct and indirect costs of raw materials and consumables, wages and salaries, rent and leases as well as impairment losses on production plant. Production costs also comprise research and development costs that do not qualify for capitalisation as well as amortisation of capitalised development costs.

Distribution costs

Distribution costs comprise costs related to the distribution of goods sold in the year and to sales campaigns, etc., carried out in the year, including costs related to sales staff, advertising, exhibitions as well as amortisation and depreciation. Sales and marketing costs are recognised in the income statement when the Company obtains control of the sales or marketing product.

Administrative expenses

Administrative expenses comprise costs incurred in the year to manage and administer the Group, including expenses related to administrative staff, management, office premises, office expenses and amortisation/depreciation.

Other operating expenses

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

Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

1 Accounting policies (continued)

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment. The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight-line basis over the expected useful life. The expected useful lives of the assets are as follows:

Goodwill	20 years
Plant and machinery	5-15 years
Fixtures and fittings, other plant and equipment	3-10 years
Leasehold improvements	5-15 years
Other financial assets	3-7 years

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Profit/loss from equity investments in subsidiaries and associates

A proportionate share of the underlying entities' profit/loss after tax is recognised in the income statement according to the equity method. Shares of profit/loss after tax in subsidiaries and associates are presented as separate line items in the income statement. Full elimination of intra-group gains/losses is made for equity investments in subsidiaries. Only proportionate elimination of intra-group gains/losses is made for equity investments in associates.

The proportionate share of the results after tax of the individual subsidiaries is recognised in the income statement of the Parent Company after full elimination of intra-group profits/losses.

The proportionate share of the results after tax of the associates is recognised in both the consolidated and the parent company income statement after elimination of the proportionate share of intra-group profits/gains.

Financial income and expenses

Financial income and expenses comprise interest income and expenses, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax for the year

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The entity is jointly taxed with other group entities. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

1 **Accounting policies (continued)**

Balance sheet

Intangible assets

Goodwill

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 20 years. The amortisation period is fixed on the basis of the expected repayment horizon and is longest for strategically acquired entities with strong market positions and long-term earnings profiles.

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers, wages and salaries as well as borrowing costs relating to specific and general borrowing directly attributable to the construction of the individual asset.

Individual components of property, plant and equipment that have different useful lives are accounted for as separate items, which are depreciated separately.

Gains and losses on the disposal of items of property, plant and equipment are calculated 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 expenses, respectively.

Equity investments in subsidiaries and associates in the parent company financial statements

Equity investments in subsidiaries and associates are measured according to the equity method in the parent company financial statements. The Parent Company has chosen to consider the equity method a measurement method.

On initial recognition, equity investments in subsidiaries and associates are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding the consolidated financial statements above.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies in the consolidated financial statements. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in subsidiaries and associates measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of non-current assets

The carrying amount of intangible assets, property, plant and equipment and equity investments in subsidiaries and associates is tested annually for indication of impairment other than the decrease in value reflected by amortisation/depreciation.

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

1 Accounting policies (continued)

Impairment tests are conducted on individual assets or groups of assets when there is indication of impairment. Write-down is made to the lower of the carrying amount and the recoverable amount.

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries as well as indirect production overheads. Production overheads comprise costs of material and labour as well as maintenance of and depreciation on production machinery, buildings and equipment as well as costs relating to plant administration and management.

The net realisable value of inventories is determined as the selling price less costs of completion and costs incurred to effect the sale, taking into account marketability, obsolescence and developments in the expected selling price.

Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Write-down for bad and doubtful debts is made when there is objective evidence that a receivable or a portfolio of receivables has been impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the country of domicile and credit ratings of the debtors in accordance with the credit risk management policy of the Parent Company and the Group. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate of the individual receivable or portfolio is used as discount rate.

Prepayments

Prepayments comprise costs incurred concerning subsequent financial years.

Equity

Net revaluation reserve according to the equity method

Net revaluation of equity investments in subsidiaries and associates is recognised at cost in the net revaluation reserve according to the equity method.

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

1 Accounting policies (continued)

The reserve can be eliminated in case of losses, realisation of equity investments or changes in accounting estimates.

The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Dividend

Proposed dividend is recognised as a liability at the date when it is adopted at the annual general meeting (declaration date). Dividend expected to be distributed for the year is presented as a separate line item in equity.

Corporation tax and deferred tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet as corporation tax receivable or corporation tax payable.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to non-deductible goodwill and on office premises and other items where temporary differences – apart from acquisitions – arise at the acquisition date without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; 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 and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

1 **Accounting policies (continued)**

Liabilities other than provisions

Financial liabilities are recognised at the date of borrowing at the proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

Cash flow statement

The cash flow statement shows the Group's cash flows from operating, investing and financing activities for the year, the year's changes in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

The cash flow effect of acquisitions and disposals of entities is shown separately in cash flows from investing activities. Cash flows from acquisitions of entities are recognised in the cash flow statement from the date of acquisition. Cash flows from disposals of entities are recognised up until the date of disposal.

Cash flows from operating activities

Cash flows from operating activities are calculated as the Group's share of the profit/loss adjusted for non-cash operating items, changes in working capital and corporation tax paid.

Cash flows from investing activities

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities, activities and intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the Group's share capital and related costs as well as the raising of loans, repayment of interest-bearing debt and payment of dividend to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term marketable securities with a term of three months or less that are subject to only minor risks of changes in value.

Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	Profit/loss before financial items adjusted for other operating income and other operating expenses
Return on assets	$\frac{\text{Profit/loss from operation activities x 100}}{\text{Average assets}}$
Equity ratio	$\frac{\text{Equity at year end x 100}}{\text{Total equity and liabilities at year end}}$
Return on equity	$\frac{\text{Profit/loss for the year after tax x 100}}{\text{Average equity}}$

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

2 **Special items**

Profit before tax in the consolidated income statement is affected by an extraordinary provision of DKK 3.962 thousand regarding write-down on inventory. The write-down is presented under gross profit in the consolidated income statement, inventories in the consolidated balance sheet and Other adjustments of non-cash operating items in the consolidated cash flow statement.

	Consolidated		Parent company	
DKK'000	2022 (8 months)	2021/22 (11 months)	2022 (8 months)	2021/22 (11 months)
3 Amortisation, depreciation and impairment losses				
Intangible assets	6,354	12,375	3,202	7,907
Property, plant and equipment	2,381	3,443	0	0
	8,735	15,818	3,202	7,907
Amortisation, depreciation and impairment losses are recognised in the consolidated financial statements and the parent company financial statements as follows:				
Production	2,381	3,443	0	0
Administration	6,355	12,375	0	0
Shares of profit/loss after tax in subsidiaries	0	0	3,202	7,907
	8,736	15,818	3,202	7,907
4 Financial income				
Interest income from subsidiaries	0	0	0	0
Foreign exchange gains	733	332	0	0
Other interest income	44	36	1	0
	777	368	1	0
5 Financial expenses				
Foreign exchange losses	439	1,044	0	0
Other interest expenses	3,235	3,840	3,011	3,475
	3,674	4,884	3,011	3,475

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

DKK'000	Consolidated 2022 (8 months)	Consolidated 2021/22 (11 months)	Parent company 2022 (8 months)	Parent company 2021/22 (11 months)
6 Tax for the year				
Current tax for the year	2,196	4,111	-704	-839
Deferred tax adjustment for the year	-56	-111	0	0
	2,140	4,000	-704	-839

7 Intangible assets

DKK'000	Consolidated: Acquired intangible assets	Goodwill	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 May 2022	2,240	176,537	2,127	180,904
Additions	0	0	1,783	1,783
Transferred	1,313	0	-1,313	0
Disposals of operations	0	0	0	0
Cost at 31 December 2022	3,553	176,537	2,597	182,687
Amortisation and impairment losses at 1 May 2022	240	26,518	0	26,758
Amortisation	325	5,783	0	6,108
Disposals of operations	0	0	0	0
Amortisation and impairment losses at 31 December 2022	565	32,301	0	32,866
Carrying amount at 31 December 2022	2,988	144,236	2,597	149,821

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

8 Property, plant and equipment

DKK'000	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improve-ments	Property, plant and equipment under construction	Total
	Consolidated				
Cost at 1 May 2022	16,903	2,659	4,089	291	21,315
Additions	0	0	0	1,439	1,439
Transferred	1,620	0	0	-1,620	32
Disposals of operations	0	0	0	0	0
Cost at 31 December 2022	18,523	2,659	4,089	110	22,786
Depreciation and impairment losses at 1 May 2022	10,006	955	1,590	0	12,551
Depreciation	1,873	207	301	0	2,381
Disposals of operations	0	0	0	0	0
Depreciation and impairment losses at 31 December 2022	11,879	1162	1,891	0	14,932
Carrying amount at 31 December 2022	6,644	1,497	2,198	110	10,449
Depreciated over	5-15 years	3-10 years	5-15 years		

9 Other non-current assets

DKK'000	Equity invest-ments in subsidiaries	Other financial assets	Total
	Parent		
Cost at 1 May 2022	189,711	1,831	191,542
Disposal of subsidiaries	0	0	0
Cost at 31 December 2022	189,711	1,831	191,542
Value adjustments at 1 May 2022	4,683	-330	4,353
Profit/loss for the year – Triarca Holding ApS	7,845	0	7,845
Depreciation of goodwill	-2,953	0	-2,953
Amortisation	0	-250	-250
Disposal of subsidiaries	0	0	0
Value adjustments at 31 December 2022	9,575	-580	8,995
Carrying amount at 31 December 2022	199,286	1,251	200,537
Hereof carrying amount of goodwill	81,932	0	0

Name and registered office	Voting rights and ownership	Profit/loss DKK'000	Equity DKK'000
Triarca Holding ApS, Hornsyld, Denmark	100%	7,845	117,354

All subsidiaries are considered separate entities.

10 Prepayments

Prepayments primarily relate to rent and IT licences paid in advance.

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

11 Share capital (parent)

	Parent company	
DKK'000	2022 (8 months)	2021/22 (11 months)
Opening balance	10,001	10,001

12 Financial liabilities

	Consolidated		
DKK'000	Total liabilities at 30/4 2022	Repayment first year	Outstanding debt after 5 years
Bank Debt	105,000	12,500	35,000
	105,000	12,500	35,000

	Consolidated		Parent company	
DKK'000	2022 (8 months)	2021/22 (11 months)	2022 (8 months)	2021/22 (11 months)
13 Deferred tax				
Deferred tax at 1 May 2022	0	0	0	0
Deferred tax adjustment for the year	1,232	1,288	0	0
Deferred tax at 31 December 2022	1,232	1,288	0	0
14 Staff costs				
Wages and salaries	28,160	40,405	-472	-406
Pensions	2,258	3,022	310	217
Other social security costs	632	481	47	12
Other staff costs	1,021	1,913	-25	-15
Staff costs transferred to inventories and cost of goods sold	-15,504	-23,388	0	0
	16,567	22,433	-140	-192
Staff costs are recognised in the consolidated financial statements and the parent company financial statements as follows:				
Production	6,893	8,461	0	0
Distribution	5,384	8,175	0	0
Administration	4,290	5,798	-140	-192
	16,567	22,434	-140	-192
Average number of full-time employees	88	83	9	8

Total remuneration to the Board and Management: DKK 1,414 thousand (2021/22: By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to Management is not disclosed for 2021/22.)

Notes

15 Contractual assets, obligations and contingencies, etc.

Contingent liabilities

	Consolidated		Parent company	
DKK'000	**2022 (8 months)**	**2021/22 (11 months)**	**2022 (8 months)**	**2021/22 (11 months)**
Contingent liabilities	1,630	1,630	0	0

The Company is jointly taxed with the Danish subsidiary. EAST Holding ApS is the administration company in the Danish joint taxation. The Company has unlimited joint and several liability, together with the subsidiary and parent company, for payment of Danish corporation taxes and withholding taxes on dividends, interest and royalties within the joint taxation group.

The Group's Danish entities are jointly and severally liable for joint VAT registration.

Other financial obligations

Rent and lease liabilities include a rent obligation totalling DKK 16,010 thousand in interminable rent agreements with remaining contract terms of 1-7 years. Furthermore, Triarca has liabilities under operating leases, totalling DKK 1,307 thousand, with remaining contract terms of 1-5 years.

Triarca has entered into contractual commitments regarding purchase of inventory of a total of DKK 31,883 thousand.

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.

16 Related parties

AE2017 Bidco ApS' related parties comprise the following:

Control

Triarca A/S, Hornsyld, Denmark

Triarca Holding ApS, Hornsyld, Denmark

Accent Equity 2017 AB holds the majority of the share capital in the Company.

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

All transactions in 2022 have been carried out on an arm's length basis.

AE2017 Bidco ApS has sold services of employees to group companies for DKK 4,391 thousand. There have been no other related party transactions.

No transactions with shareholders were carried out during the year.

Consolidated financial statements and parent company financial statements 1 May 2022 – 31 December 2022

Notes

17 Distribution of profit/loss

	Consolidated		Parent company	
DKK'000	2022 (8 months)	2021/22 (11 months)	2022 (8 months)	2021/22 (11 months)
Proposed distribution of profit/loss				
Net revaluation reserve according to the equity method	0	0	4,893	12,260
Reserve for development costs	460	1,280	0	0
Retained earnings	1,936	-3,856	-2,497	-14,836
	2,396	-2,576	2,396	-2,576

18 Changes in working capital

	Consolidated	
DKK'000	2022 (8 months)	2021/22 (11 months)
Changes in inventories	-5,273	-12,623
Changes in receivables	27,357	-15,565
Changes in trade and other payables	-11,681	7,271
	10,403	-20,917

"By my signature I confirm all dates and content in this document."

Hans Simon Joel Ahlin
Board of Directors
On behalf of: AE2017 Bidco ApS
Serial number: 19810418xxxx
IP: 37.199.xxx.xxx
2023-06-14 06:46:42 UTC
BankID

Lars Prisak
CEO
On behalf of: AE2017 Bidco ApS
Serial number: 03ee23af-dfa0-4a8a-8f4e-a7474b023eaa
IP: 80.199.xxx.xxx
2023-06-14 06:47:20 UTC
MitID

Lars Prisak
Board of Directors
On behalf of: AE2017 Bidco ApS
Serial number: 03ee23af-dfa0-4a8a-8f4e-a7474b023eaa
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Jacob Klein
Board of Directors
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BENNY ZAKRISSON
Chairman
On behalf of: AE2017 Bidco ApS
Serial number: 19591202xxxx
IP: 62.109.xxx.xxx
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BENNY ZAKRISSON
Chairman
On behalf of: AE2017 Bidco ApS
Serial number: 19591202xxxx
IP: 62.109.xxx.xxx
2023-06-14 07:21:29 UTC
BankID

"By my signature I confirm all dates and content in this document."

Susanne Helmer Nielsen
Board of Directors
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Serial number: 0367e656-c2d6-4005-bc87-d9e83f58f6e1
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2023-06-14 07:28:42 UTC

Caroline Elisabeth Brandt Lilja
Board of Directors
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IP: 90.235.xxx.xxx
2023-06-14 07:29:36 UTC

Jonas Busk
State Authorised Public Accountant
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: CVR:30700228-RID:11937890
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Claus Hammer-Pedersen
State Authorised Public Accountant
On behalf of: EY Godkendt Revisionspartnerselskab
Serial number: CVR:30700228-RID:49314062
IP: 194.239.xxx.xxx
2023-06-14 11:21:33 UTC