

**Elefantriste A/S**  
Norgesvej 5, 7480 Vildbjerg

Company reg. no. 48 33 20 13

## **Annual report**

**2022/23**

The annual report was submitted and approved by the general meeting on the 20 June 2023.

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Per Brask Ikov  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## **Management's statement**

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Today, the Board of Directors and the Managing Director have approved the annual report of Elefantriste A/S for the financial year 2022/23.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2023 and of the results of the Company's operations for the financial year 1 January 2022 – 31 March 2023.

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

We recommend that the annual report be approved at the Annual General Meeting.

Vildbjerg, 20 June 2023

### **Managing Director**

John Nielsen

### **Board of directors**

Per Brask Ikov  
(chairman)

John Nielsen

Birgitte Rasmussen

## **Independent auditor's report**

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### **To the Shareholder of Elefantriste A/S**

#### **Opinion**

We have audited the financial statements of Elefantriste A/S for the financial year 1 January 2022 - 31 March 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2023, and of the results of the Company's operations for the financial year 1 January 2022 - 31 March 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 the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Management's Responsibilities for the Financial Statements**

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

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

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

## **Independent auditor's report**

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As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

### **Statement on Management's Review**

Management is responsible for Management's Review.

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

## **Independent auditor's report**

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

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

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

Herning, 20 June 2023

### **Partner Revision**

State Authorised Public Accountants  
Company reg. no. 15 80 77 76

**Peter Vinderslev**

State Authorised Public Accountant  
mne32848

## Company information

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<b>The company</b>	Elefantriste A/S Norgesvej 5 7480 Vildbjerg
	Phone 97426133
	Company reg. no. 48 33 20 13
	Financial year: 1 January 2022 - 31 March 2023
<b>Board of directors</b>	Per Brask Ikov, (chairman) John Nielsen Birgitte Rasmussen
<b>Managing Director</b>	John Nielsen
<b>Auditors</b>	Partner Revision statsautoriseret revisionsaktieselskab Industrivej Nord 15 7400 Herning
<b>Parent company</b>	PcP Corporation A/S

## **Management's review**

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### **The principal activities of the company**

Like previous years, the activities are sale of steel gratings.

### **Development in activities and financial matters**

The gross profit for the year totals DKK 2.832.559 against DKK 5.388.592 last year. Income or loss from ordinary activities after tax totals DKK 2.117.872 against DKK 3.550.998 last year. Management considers the net profit or loss for the year satisfactory.



## Accounting policies

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The annual report for Elefantriste A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from the previous year, and the annual report is presented in DKK. The accounting period has been changed in the current financial year and comprises the period 1 January 2022 – 31 March 2023. The comparative figures in the income statement comprise the period 1 January 2021 – 31 December 2021.

### Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

## Accounting policies

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Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

### Income statement

#### **Gross profit**

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

#### **Staff costs**

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

#### **Depreciation, amortisation, and writedown for impairment**

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

#### **Financial income and expenses**

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

## Accounting policies

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### **Tax on net profit or loss for the year**

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

### Statement of financial position

#### **Receivables**

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

#### **Prepayments**

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand.

#### **Equity**

##### **Dividend**

Dividend expected to be distributed for the year is recognised as a separate item under equity.

#### **Income tax and deferred tax**

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

## **Accounting policies**

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The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

According to the rules of joint taxation, Elefantriste A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

### **Liabilities other than provisions**

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

## Income statement

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All amounts in DKK.

<u>Note</u>	1/1 2022 - 31/3 2023	1/1 2021 - 31/12 2021
<b>Gross profit</b>	<b>2.832.559</b>	<b>5.388.592</b>
Depreciation and impairment of property, land, and equipment	0	-384.071
<b>Operating profit</b>	<b>2.832.559</b>	<b>5.004.521</b>
Other financial income	41.164	1.008
Other financial expenses	-158.503	-165.750
<b>Pre-tax net profit or loss</b>	<b>2.715.220</b>	<b>4.839.779</b>
Tax on net profit or loss for the year	-597.348	-1.288.781
<b>Net profit or loss for the year</b>	<b>2.117.872</b>	<b>3.550.998</b>
<b>Proposed distribution of net profit:</b>		
Dividend for the financial year	2.500.000	5.000.000
Allocated from retained earnings	-382.128	-1.449.002
<b>Total allocations and transfers</b>	<b>2.117.872</b>	<b>3.550.998</b>

## Balance sheet

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All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>31/3 2023</u>	<u>31/12 2021</u>
<b>Current assets</b>		
Trade receivables	3.529.502	2.058.304
Deferred tax assets	121.000	110.000
Other receivables	385.609	0
Prepayments	55.881	13.519
Total receivables	<u>4.091.992</u>	<u>2.181.823</u>
Cash and cash equivalents	<u>4.513.420</u>	<u>8.411.569</u>
<b>Total current assets</b>	<b><u>8.605.412</u></b>	<b><u>10.593.392</u></b>
<b>Total assets</b>	<b><u>8.605.412</u></b>	<b><u>10.593.392</u></b>

## Balance sheet

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All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>31/3 2023</u>	<u>31/12 2021</u>
<b>Equity</b>			
2	Contributed capital	1.800.000	1.800.000
	Retained earnings	211.825	593.953
	Proposed dividend for the financial year	2.500.000	5.000.000
	<b>Total equity</b>	<b><u>4.511.825</u></b>	<b><u>7.393.953</u></b>
<b>Liabilities other than provisions</b>			
	Trade payables	159.839	121.440
	Payables to group enterprises	3.143.594	674.394
	Income tax payable	608.348	2.120.895
	Other payables	181.806	282.710
	Total short term liabilities other than provisions	<u>4.093.587</u>	<u>3.199.439</u>
	<b>Total liabilities other than provisions</b>	<b><u>4.093.587</u></b>	<b><u>3.199.439</u></b>
	<b>Total equity and liabilities</b>	<b><u>8.605.412</u></b>	<b><u>10.593.392</u></b>
<b>3</b>	<b>Charges and security</b>		
<b>4</b>	<b>Contingencies</b>		
<b>5</b>	<b>Related parties</b>		

## Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Revaluation reserve</u>	<u>Retained earnings</u>	<u>Proposed dividend for the financial year</u>	<u>Total</u>
Equity 1 January					
2021	1.800.000	1.800.308	242.647	0	3.842.955
Dissolution of previous revaluations	0	-1.665.047	1.665.047	0	0
Retained earnings for the year	0	0	-1.449.002	5.000.000	3.550.998
Depreciation relating to revalued assets	0	-135.261	135.261	0	0
Equity 1 January					
2022	1.800.000	0	593.953	5.000.000	7.393.953
Distributed dividend	0	0	0	-5.000.000	-5.000.000
Retained earnings for the year	0	0	-382.128	2.500.000	2.117.872
	<b>1.800.000</b>	<b>0</b>	<b>211.825</b>	<b>2.500.000</b>	<b>4.511.825</b>



## Notes

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All amounts in DKK.

	1/1 2022 - 31/3 2023	1/1 2021 - 31/12 2021
	<u>          </u>	<u>          </u>
<b>1. Staff costs</b>		
Average number of employees	<u>          1          </u>	<u>          1          </u>
	<u>          31/3 2023          </u>	<u>          31/12 2021          </u>
<b>2. Contributed capital</b>		
Contributed capital 1 January	<u>          1.800.000          </u>	<u>          1.800.000          </u>
	<u>          <b>1.800.000</b>          </u>	<u>          <b>1.800.000</b>          </u>

The share capital consists of shares, each with a nominal value of DKK 500 or multiples thereof. No shares hold particular rights.

### 3. Charges and security

There has been given a negative pledge as security for the company and some group enterprises accounts with the bank.

Some of the group enterprises has provided guarantees for the bank debts of the company.

### 4. Contingencies

#### Contingent liabilities

The company has provided guarantees for the bank debt of some group enterprises credit line TDKK 60.000.

#### Joint taxation

With Lagercrantz A/S, company reg. no 81746710 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

## Notes

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All amounts in DKK.

### 5. Related parties

#### Controlling interest

PcP Corporation A/S, Herning, Denmark

Majority shareholder

Lagercrantz A/S, Brøndby, Denmark

Controlling party

Lagercrantz AB, Stockholm, Sweden

Ultimate controlling party

#### Transactions

Transactions between group enterprises have been carried out on an arm's length basis.

#### Consolidated annual accounts

The company is included in the consolidated financial statements of Lagercrantz AB, Torsgatan 2, Stockholm, Sweden. The consolidated financial statement can be found at [www.lagercrantz.com](http://www.lagercrantz.com).