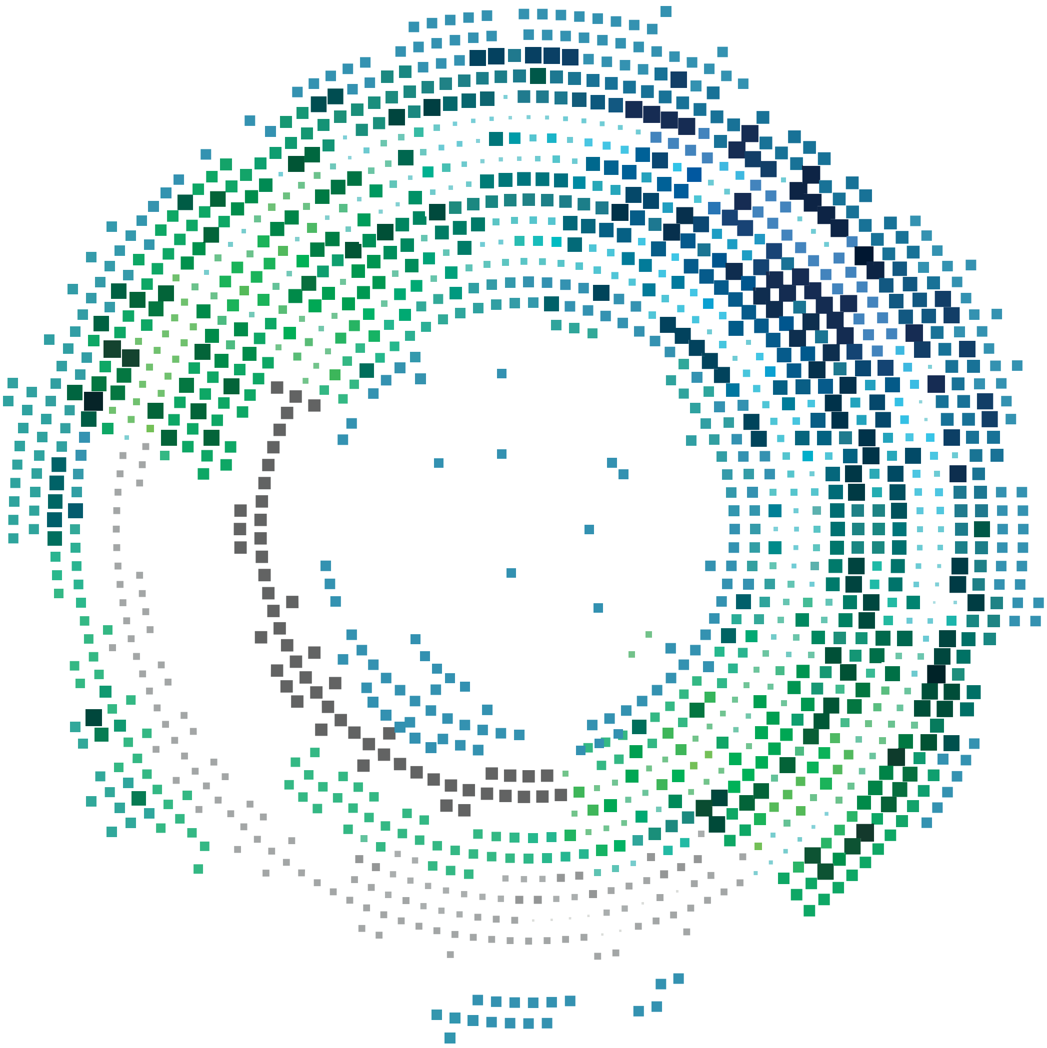
Deloitte.



Triax A/S

Bjørnkærvej 3
8783 Hornsyld
CVR No. 29119511

Annual report 2021

The Annual General Meeting adopted the annual report on 30.06.2022

Ramon Sotomayor Jauregui
Chairman of the General Meeting

Contents

Entity details

Entity

Triax A/S

Bjørnkærvej 3

8783 Hornsyld

Business Registration No.: 29119511

Registered office: Hedensted

Financial year: 01.01.2021 - 31.12.2021

Board of Directors

Ramon Sotomayor Jauregui, Chairman
Morten Jørgensen
Niels-Christian Worning
Javier Francisco Bicarregui Garay
Jørgen Schrøder Jensen, Elected by the employees
Flemming Andersen

Executive Board

Kenneth Peter Cordes, Chief Executive Officer

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Triax A/S for the financial year 01.01.2021 - 31.12.2021.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

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, 30.06.2022

Executive Board

Kenneth Peter Cordes
Chief Executive Officer

Board of Directors

Ramon Sotomayor Jauregui
Chairman

Morten Jørgensen

Niels-Christian Worning

Javier Francisco Bicarregui Garay

Jørgen Schrøder Jensen
Elected by the employees

Flemming Andersen

Independent auditor's report

To the shareholders of Triax A/S

Opinion

We have audited the financial statements of Triax A/S for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

Material uncertainty related to going concern

Referring to note 1 in the Financial Statement, we note that Management has assessed that material uncertainties exist related to conditions that may cast doubt upon the company and the Group's ability to continue as a going concern. As disclosed, the uncertainties relate to continued negative effects from COVID19, supply chain disruptions, inflation and market volatility.

At the time of approval of the Financial Statements, management has based their conclusion on the forecasts, a new financing agreement and the current knowledge of the market and has, therefore, presented the Financial Statements on basis of the going concern principle.

Our conclusion is not modified in this respect.

Management's responsibilities for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

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

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

Statement on the management commentary

Management is responsible for the management commentary.

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

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

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

Aarhus, 30.06.2022

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Henrik Vedel
State Authorised Public Accountant
Identification No (MNE) mne10052

Management commentary

Financial highlights

	2021 DKK'000	2020 DKK'000	2019 DKK'000	2018 DKK'000	2017 DKK'000
Key figures					
Revenue	143,327	127,471	143,880	167,766	178,776
Gross profit/loss	27,149	24,384	26,059	45,480	57,743
Operating profit/loss	(13,919)	(11,125)	(10,904)	5,965	12,826
Net financials	(4,466)	(3,185)	(2,263)	(1,882)	(2,441)
Profit/loss for the year	(26,564)	(16,180)	(45,949)	(3,873)	8,893
Total assets	114,787	102,892	114,242	151,580	173,515
Investments in property, plant and equipment	442	238	1,170	533	456
Equity	(29,142)	(5,045)	(1,606)	45,554	53,137
Average number of employees	101	105	121	132	140
Ratios					
Gross margin (%)	18.94	19.13	18.11	27.11	32.30
EBIT margin (%)	(9.71)	(8.73)	(7.58)	3.56	7.17
Net margin (%)	(18.53)	(12.69)	(31.94)	(2.31)	4.97
Equity ratio (%)	(25.39)	(4.90)	(1.41)	30.05	30.62

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

Gross margin (%):
$$\frac{\text{Gross profit/loss} * 100}{\text{Revenue}}$$

EBIT margin (%):
$$\frac{\text{Operating profit/loss} * 100}{\text{Revenue}}$$

Net margin (%):
$$\frac{\text{Profit/loss for the year} * 100}{\text{Revenue}}$$

Equity ratio (%):
$$\frac{\text{Equity} * 100}{\text{Total assets}}$$

Primary activities

Triax A/S is an international supplier of reliable and innovative solutions for the reception and distribution of video, audio and data signals. The Company's products and solutions are used by broadcasters, cable operators, local networks and in private homes, among others – all centered around 'connectivity'.

In the following, the name 'TRIK' or `TRIK Group' is refering to all entites owned by TRIK Holding and therefore applies to TRIK Holding XXI, S.L.U., TRIAX A/S, Triax Digital Solutions S.L.U. (former Klode Multimedia and Ikusi Multimedia) and all underlying subsidiaries.

Development in activities and finances

End of March 2021 the joint venture of Triax A/S and Klode Multimedia was formed under the ownership of TRIK Holding. The joint venture brings together two well reputable companies operating in the same industry with a strong combined product portfolio and a widespread geographical coverage.

During 2021 a number of integration and restructuring activities have taken place in order to harvest synergies from the merger. These activities have been diligently planned and executed to secure no disruptions in servicing customers and market needs. Incurred restructuring cost have been expensed in 2021.
In line with expectations, the market place has also in 2021 been impacted by the Covid-19 crisis, where particularly the hospitality segment has been negatively impacted. As a consequence of the global supply chain crisis TRIK has increased inventories to secure ability to serve customer needs. However, both the pandemic and the global supply chain crisis has impacted financial performance negatively.

Revenue in Triax A/S was DKK 143.3m in 2021 (2020 127,5m) with an operating loss of DKK 13.2m (2020 11,125). The overall result is considered unsatisfactory, but expected, as significant costs have been spent to restructure and integrate the business to secure a profitable platform for the future business.

In line with the defined strategy of being a strong technology provider of new unique products to selected major customer and market segments, TRIK continued its investments in core technology platforms in 2021. As a result, a series of innovations and new products were launched during 2021 and more are planned to be launched in 2022. The TRIAX Cast solution – a secure casting solution offering guest a true home-from-home experience while staying at hotels – was launched in 2021. The Triax Cast is an example of a product launch benefitting from the combined forces of the R&D departments in the joint venture.

Profit/loss for the year in relation to expected developments

The Group was loss-making in 2021. As a part of the new established joint venture that was completed in 2021, the Trik Group secured a new financing agreement which together with a capital injection from the owners provides funding for the ongoing restructuring. The group continues the integration between the merged entities that have yielded positive synergies. Further restructuring can be expected throughout 2022 that will support plans that the Group expects to be cash generating in 2022 and thereby be able to continue to fund the turnaround and transformation process.

Volatility in the global markets due to Covid19 and Supply Chain disruptions continue to challenge both product availability as well as profitability. Inflation rates are expected to put the business under continued pressure, accelerating the need for transforming the organization. Those uncertainties represent risks on cash flow projections as well as cash flow needs. Though plans are in place to ensure improved performance, a significant downturn in the market could create a need for additional financing.

Based on current knowledge and forecast of market development the TRIAX A/S group has, as being part of the

Trik Group – in Management's opinion – sufficient funding. Consequently, the Financial Statements are presented on basis of the going concern principle, although – as described above – uncertainties are related to this assessment.

Outlook

The Group expects improved earnings in 2022, as the Group will be operating on a lower cost base due to synergies from the joint venture.

Positive impact is expected from the re-opening of the Hospitality segment after the Cov-19 lockdowns. However, the war in Ukraine and the continued disrupted supply chain situation in the world markets as well as increased inflation rates could have an adverse impact on the groups result in 2022.

Particular risks

TRIK's business is not found to be exposed to any particular risks other than those to which the business is usually subject to. As mentioned under the Outlook for 2022 the inflation increase and disrupted supply chain situation could influence the business.

Management assesses on a regular basis whether the TRIK Group has a sufficient capital structure, and Management assesses on a continuing basis whether the Company's capital structure is consistent with the Company's and its stakeholders' interests. The general objective is to ensure a capital structure that supports long-term and profitable growth.

At 31 December 2021, the Group's interest-bearing bank debt totals DKK 33,4m. It is Management's assessment that due to having a long-term bank agreement in place as well as the combined strength from the merger, the present capital structure provides the necessary flexibility to meet the Company's future strategy.

Research and development activities

TRIK continued its focus on research and development activities in 2021, mainly driven internally by the R&D department. This continue to strengthen and expand the product and solutions offering and TRIK's ability to support customers with highly competitive products and solutions.

The cost is capitalized in the balance sheet in order to align the cost and income from the new products and technologies.

Statutory report on corporate social responsibility

As a natural continuation of its standards of value, TRIAX assumes responsibility for its products and production, also when it comes to environmental issues and social conditions.

Business model

TRIK produces and sources various products related to the reception and distribution of signals for TV, radio and data. The products are sold through subsidiaries, directly to Cable TV (CATV) operators and as well as through various sales channels such as wholesellers. TRIK also develops products and solutions to the hospitality segment such as hotels and elderly homes. These products and solution are sold through partners.

TRIK is represented by subsidiaries in Denmark, Sweden, Germany, France, Spain, Austria, Hungary, UK, Australia and China. TRIAX also has a branch in Dubai.

Environmental and climate change issues

TRIK impacts environment with production plants in Denmark, Spain and the UK, transportation of products and employees and indirectly also with the production outsourced by TRIK as well as the use and disposal of products by customers and end-users.
As TRIK is aware of the potential risk of impacting the environment from our activities, we wish to be an environmentally conscious and responsible enterprise and cooperative partner. To achieve this, TRIK will contribute to a sustainable development by reducing the volume of waste and energy consumption and by continuously aiming to prevent pollution and improve the environmental conditions within the entire enterprise. TRIAX A/S is ISO 14001 certified since May 2006, and this was renewed without comments in 2021.

Social and employee aspects
The employees are TRIK's most important resource, and TRIK is very conscious of the importance of attracting, retaining and developing the right talents and competences in order to remain competitive. TRIK strives to have an international group of employees from various cultures and with different backgrounds. TRIK has a policy for physical and mental health on the work place, and have clear guidelines for how to handle incidents. The policy is given to all new employees and is easily available for all staff at TRIK's intranet.

The employee satisfaction and safety is also measured through the KPI's for work accidents and sick absence. In 2021 the goals and achieved results were:

KPI	2021 goals	2021 status
Work accidents	Maximum 3 in Denmark Maximum 5 in the UK	1 in Denmark 0 in the UK
Sick absence	Maximum 3.5% in Denmark Maximum 3.5% in the UK	1.5% for hourly workers in Denmark 0.78% for white collar employees in Denmark 3,7% for hourly workers in UK (1 long term ill) 2.0% for white collar employees in UK

One work accident in Denmark is still one too many, but compared with 13 accidents in 2016, TRIAX has progressed in identifying and reducing the risk. The higher sick absence in the UK is related to Cov19 infections, and not an ongoing pattern.

Social responsibility for society

TRIK supports the UN Global Compact initiative and its ten principles within human rights, labour, environment and anti-corruption. For TRIK the main risks related to these are connected to sourcing and selling in high risk countries regarding labour, environment and anti-corruption. To mitigate these risiks, it is ensured that these principles are observed in TRIK's production areas in Denmark, Spain and the UK as well as at the suppliers worldwide. The codex is an integrated part of the day-to-day business dialog with customers, suppliers and colleagues. TRIK has seen no violations of the codex during 2021.

For additional information, please see: www.triax.com/policies-and-certifications

Statutory report on the underrepresented gender

At TRIK, women are underrepresented on the Board of Directors and the Executive Board. In TRIK, qualifications always have the highest priority. It is, however, TRIK's aim to have an equal representation of men and women on the Board of Directors and the Executive Board soonest possible, yet respecting the pace of which there is an actual need to make changes to the Board of Directors or Executive Board.
The gender composition has not changed in the Board of Directors wheres the Executive Board now consist of one woman and five men.
TRIK's goal is to have a minimum share of women on the board of Directors as well as the Ex-ecutive Board of 40% by 2025. This goal, however, is challenged by women being under-represented in the technology industry in general.
It continues to remain the objective to have an equal representation of men and women and TRIK strives to find suitable female candidates when recruiting for other management positions. In the hiring process, it is ensured that both genders are equally considered for these positions through dialogue between management, HR and the hiring manager. At the end of 2021, 40% of international general management positions within TRIK are filled by women.

Statutory report on corporate governance

TRIK's Board of Directors and Executive Board always strive to ensure that the Group's management structure and control system remain appropriate and function satisfactorily. Management continuously assesses whether this is the case.

The report on the TRIK Group's recommendations and policies is published on the Group's web-site www.triax.com/policies-and-certifications

Recommendations for active ownership and corporate governance for private equity funds

In January 2019, Aktive ejere published updated guidelines for responsible ownership and corporate governance for equity funds and their controlled enterprises.

The guidelines include a description of a number of circumstances in the management commentary, including corporate governance and social responsibility.

As a company partly owned by a private equity fund, the TRIK Group must either act upon these recommendations or explain why the recommendations are not acted upon in part or fully. For further information on DVCA, see www.aktiveejere.dk.

Audit Committee

Due to the Company's size, the current dialogue as well as high meeting frequency of the chairmanship, it is not considered necessary to set up an audit committee.

Internal audit
The TRIK Group has not found it relevant and appropriate to set up an internal audit.

Risk management
The Board of Directors continuously – and at least once a year – assesses the TRIK Group's total risks and the individual risk factors involved in the Company's activities. The Board of Directors adopts guidelines for the key risk areas, follows the development and prepares action plans for reduction and management of the individual risk factors, including financial and business risks, insurance and environmental issues as well as observance of the competition legislation.

Realisation of strategy and targets
It is TRIK's opinion that effective risk management and an effective internal control system contribute to reducing strategic risks and business risks, to ensuring observance of current rules and regulations and to ensuring the quality of the basis for Management's decisions and the financial reporting. The Company's strategic choice results in natural risks. It is important that the risks are identified and communicated and that the risks are handled appropriately.

TRIK also believes that effective risk management and internal controls are a condition for the top management body and the Executive Board being able to perform the tasks assigned to these bodies. It is therefore important that the top management body ensures that effective risk management and effective internal controls are present.

Financial reporting
The Board of Directors and the Executive Board have the overall responsibility for the Group's risk management and internal controls in connection with the financial reporting process.

The organisational structure and the internal guidelines constitute the control environment together with laws and other rules applicable for the Group. Management regularly evaluates the Group's organisational structure and staffing and lays down and approves overall policies, procedures and controls as part of the financial reporting process.

In relation to the financial reporting, Management pays special attention to the internal controls in the enterprise's business management system supporting that the financial reporting is con-ducted satisfactorily.

The TRIK Group has established a formal reporting process, which comprises monthly reporting on the individual countries and individual products and which includes budget follow-up, assessment of performance and observance of adopted targets etc.

Business risks
When updating and approving the strategy plan each year, Management also evaluates the business risks. As part of the risk assessment, Management considers, as necessary, the finance, hedging and insurance policies for the Group which have been approved by the Board of Directors.

The Group's primary business risks relate to the Company's ability to maintain a leading position as a supplier of advanced high-quality solutions at competitive prices compared to the general development in the European demand for the enterprise's products and solutions. TRIK markets a wide portfolio of products and solutions to a large number of customers in many different markets. Thus, TRIK has a high risk diversification in its revenue. TRIK's risk management, including internal controls relating to the financial reporting process, is designed with a view to minimising the risk of errors and omissions.

The Executive Board is responsible for the risks always being identified, assessed and treated in order to reduce the financial implications and/or the probability that the risks are realised.

Board work

The Board of Directors handles the overall management of the Group, including employment of the Executive Board, establishment of guidelines for and execution of control of the Executive Board's work, ensuring a proper organisation of the Group's business, determination of the philosophy and strategy, as well as an assessment of the propriety of the Group's capital resources.

The Board of Directors of the TRIK Group consists of 4 members elected by the general meeting. In the period between the ordinary board meetings, the Board of Directors is continuously briefed in writing on the development in the Company's and the Group's results and financial position, and the Group's chairmanship meets with the Group's Executive Board when necessary. Extraordinary meetings will be convened when necessary.

The Board of Directors of the TRIK Group can appoint committees for special tasks, but has so far not found any reason to establish such committees.

The Board of Directors of the TRIK Group ensures that the Executive Board observes all adopted targets, strategies and processes. Once a month, the Executive Board submits a report on the Group's financial position, development in profitability and capital resources. Furthermore, the chairmanship meets regularly with the Executive Board. Moreover, a strategy day is held annually when the Group's vision, targets and strategy are laid down.

Remuneration of the Board of Directors and the Executive Board in TRIK Group and Triax A/S

To attract and retain the Group's managerial competences, remuneration of the Board of Directors, Executive Board members and executive staff is determined in consideration of tasks, value creation and conditions in comparable enterprises.

Remuneration of the Board of Directors and the Executive Board has been detailed in a note to the annual report.

Dividend policy

Payment of dividend must take place in consideration of necessary consolidation of equity as basis for the Group's continued development and in consideration of the existing agreements with financing sources.

The Board of Directors recommends to the Annual General Meeting that no dividends are paid for the financial year 2021.

Ownership and capital structure

Triax A/S is 100% owned by Trik Holding XXI, S.L.U. TRIK Holding XXI, S.L.U is owned by 50% by Widewall Seed S.L which is a company within the Velatia Group. The other 50% is owned by the private equity fund Polaris Private Equity IV K/S. Widewall Seed S.L is represented by member of the Board of Directors Ramon Sotomayor Jauregui and Javier Francisco Bicarregui Garay. Polaris Private Equity IV is represented by Niels-Christian Worning and Morten Jørgensen.

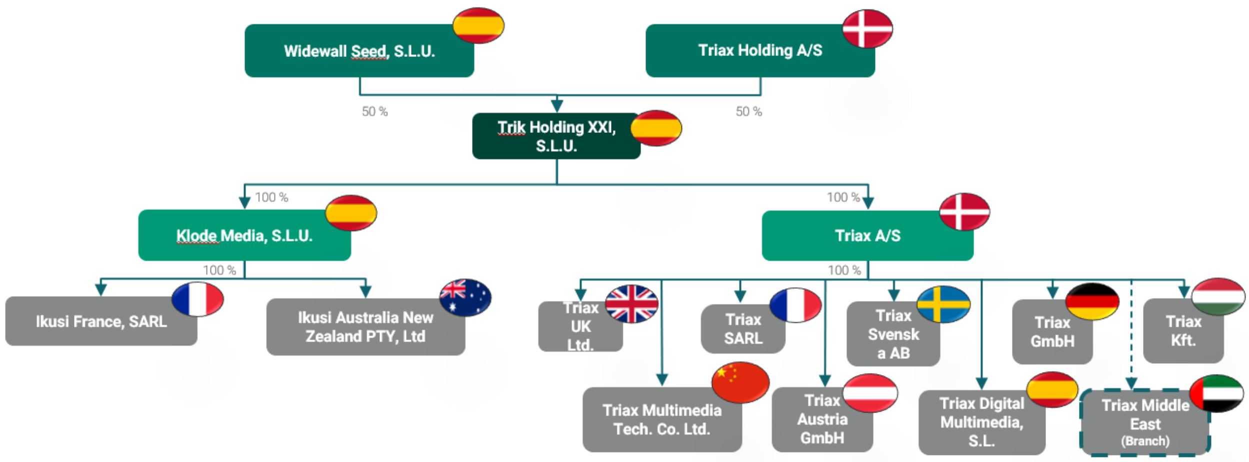
Whistleblower

The board has discussed the need for establishing a whistleblower function and intends to have a whistleblower function in place by end 2022.

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.

Group chart



Board members' directorships and Executive positions, TRIK Group

Board of Directors is made up of chairman Ramon Sotomayor Jauregui, Morten Jørgensen, Niels-Christian Worning, Javier Francisco Bicarregui Garay and director Ken Cordes.

Ramon Sotomayor Jauregui	Morten Jørgensen	Niels-Christian Worning
Member of the board of:	**Member of the board of:**	**Member of the board of:**
TRIK Holding XXI, S.L.	TRIK Holding XXI, S.L.	TRIK Holding XXI, S.L.
Velatia Group		TRIAX Holding A/S
GRUPO LANTERO		Contour Design Nordic A/S
Levantina Group		
Grupo Antolin		
		And several holding companies in connection with Polaris Private Equity
		Member of executive board:
		Several holding companies in connection with Polaris Private Equity
Javier Francisco Bicarregui Garay	**Ken Cordes**	
Member of the board of:	**Member of the board of:**	
TRIK Holding XXI, S.L.		
Velatia Group		
Member of executive board:	**Member of executive board:**	
Iusfinder Abogados	TRIK Holding XXI, S.L. (CEO)	
Moyua Asesores SL		
Alianca International Bizkaia SL		
CLDN Ports Spain SLU		
Rotork Controls Iberia SL		
Sanbic Consult SLU		

Income statement for 2021

	Notes	2021 DKK'000	2020 DKK '000
Revenue		143,327	127,471
Production costs		(116,178)	(103,087)
Gross profit/loss		**27,149**	**24,384**
Distribution costs		(25,911)	(26,484)
Administrative expenses		(15,157)	(12,827)
Other operating expenses		0	3,802
Operating profit/loss		**(13,919)**	**(11,125)**
Income from investments in group enterprises		(8,179)	(4,070)
Other financial income	4	37	103
Other financial expenses	5	(4,503)	(3,288)
Profit/loss before tax		**(26,564)**	**(18,380)**
Tax on profit/loss for the year	6	0	2,200
Profit/loss for the year	7	**(26,564)**	**(16,180)**

Balance sheet at 31.12.2021

Assets

	Notes	2021 DKK'000	2020 DKK'000
Completed development projects	9	23,359	29,865
Acquired intangible assets		241	907
Development projects in progress	9	17,712	7,736
Intangible assets	8	**41,312**	**38,508**
Plant and machinery		214	319
Other fixtures and fittings, tools and equipment		1,451	1,971
Leasehold improvements		405	466
Property, plant and equipment in progress		399	222
Property, plant and equipment	10	**2,469**	**2,978**
Investments in group enterprises		0	4,100
Financial assets	11	**0**	**4,100**
Fixed assets		**43,781**	**45,586**
Raw materials and consumables		12,302	12,686
Work in progress		131	230
Manufactured goods and goods for resale		22,576	15,940
Inventories		**35,009**	**28,856**
Trade receivables		14,077	14,061
Receivables from group enterprises		10,199	5,270
Other receivables		4,132	2,835
Tax receivable		2,200	2,200
Prepayments	12	1,865	1,464
Receivables		**32,473**	**25,830**
Cash		**3,524**	**2,620**
Current assets		**71,006**	**57,306**
Assets		**114,787**	**102,892**

Equity and liabilities

	Notes	2021 DKK'000	2020 DKK'000
Contributed capital		30,000	30,000
Translation reserve		692	(1,462)
Reserve for development expenditure		32,035	29,328
Retained earnings		(91,869)	(62,911)
Equity		**(29,142)**	**(5,045)**
Other provisions	13	795	795
Provisions for investments in group enterprises	14	25,995	0
Provisions		**26,790**	**795**
Bank loans		11,500	11,500
Non-current liabilities other than provisions		**11,500**	**11,500**
Bank loans		21,893	39,784
Prepayments received from customers		500	0
Trade payables		18,369	17,498
Payables to group enterprises		33,330	21,691
Other payables		31,547	16,669
Current liabilities other than provisions		**105,639**	**95,642**
Liabilities other than provisions		**117,139**	**107,142**
Equity and liabilities		**114,787**	**102,892**
Going concern	1		
Events after the balance sheet date	2		
Staff costs	3		
Unrecognised rental and lease commitments	15		
Assets charged and collateral	16		
Transactions with related parties	17		

Statement of changes in equity for 2021

	Contributed capital DKK'000	Translation reserve DKK'000	Reserve for net revaluation according to the equity method DKK'000	Reserve for development expenditure DKK'000	Retained earnings DKK'000
Equity beginning of year	30,000	(1,462)	0	29,328	(62,911)
Exchange rate adjustments	0	2,154	0	0	0
Other entries on equity	0	0	313	0	0
Transfer to reserves	0	0	(313)	2,707	(2,394)
Profit/loss for the year	0	0	0	0	(26,564)
Equity end of year	**30,000**	**692**	**0**	**32,035**	**(91,869)**

	Total DKK'000
Equity beginning of year	(5,045)
Exchange rate adjustments	2,154
Other entries on equity	313
Transfer to reserves	0
Profit/loss for the year	(26,564)
Equity end of year	**(29,142)**

Notes

1 Going concern

The Group was loss-making in 2021. As a part of the new established joint venture that closed in 2021, the Trik Group secured a new financing agreement which together with a capital injection from the owners provides funding for the ongoing restructuring. The group continues the integration between the merged entities that have yielded positive synergies. Further restructuring can be expected throughout 2022 that will support plans that the Group expects to be cash generating in 2022 and thereby be able to continue to fund the turnaround and transformation process.

Volatility in the global markets due to Covid19 and Supply Chain disruptions continue to challenge both product availability as well as profitability. Inflation rates are expected to put the business under continued pressure, accelerating the need for transforming the organization. Those uncertainties represent risks on cash flow projections as well as cash flow needs. Though plans are in place to ensure improved performance, a significant downturn in the market could create a need for additional financing.

Based on current knowledge and forecast of market development the TRIAX A/S group has as being part of the Trik Group – in Management's opinion – sufficient funding. Consequently, the Financial Statements are presented on basis of the going concern principle, although – as described above – uncertainties are related to this assessment.

2 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.

3 Staff costs

	2021 DKK'000	2020 DKK'000
Wages and salaries	45,813	41,558
Pension costs	7,947	7,207
Other social security costs	684	635
	54,444	**49,400**

Number of employees at balance sheet date	**96**	**106**
Average number of full-time employees	**101**	**105**

	Remuneration of Management 2021 DKK'000	Remuneration of Management 2020 DKK'000
Total amount for management categories	1,679	762
	1,679	**762**

4 Other financial income

	2021 DKK'000	2020 DKK'000
Financial income from group enterprises	37	37
Other interest income	0	66
	37	**103**

5 Other financial expenses

	2021 DKK'000	2020 DKK'000
Other interest expenses	1,501	2,278
Exchange rate adjustments	3,002	1,010
	4,503	**3,288**

6 Tax on profit/loss for the year

	2021 DKK'000	2020 DKK'000
Current tax	0	(2,200)
	0	**(2,200)**

7 Proposed distribution of profit and loss

	2021 DKK'000	2020 DKK'000
Retained earnings	(26,564)	(16,180)
	(26,564)	**(16,180)**

8 Intangible assets

	Completed development projects DKK'000	Acquired intangible assets DKK'000	Development projects in progress DKK'000
Cost beginning of year	38,748	4,805	7,736
Transfers	1,941	0	(1,941)
Additions	0	0	11,917
Cost end of year	**40,689**	**4,805**	**17,712**
Amortisation and impairment losses beginning of year	(8,883)	(3,898)	0
Amortisation for the year	(8,447)	(666)	0
Amortisation and impairment losses end of year	**(17,330)**	**(4,564)**	**0**
Carrying amount end of year	**23,359**	**241**	**17,712**

9 Development projects

Clearly defined and identified development projects are recognised in the balance sheet, and only when there is a direct expectation to market and sell the development or otherwise generate a financial benefit that exceeds the asset capitalised. Other development costs are recognised as expenses in the income statement when they are incurred.

10 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	22,869	44,071	545	222
Transfers	111	215	0	0
Additions	0	0	0	442
Disposals	(708)	0	0	(265)
Cost end of year	**22,272**	**44,286**	**545**	**399**
Depreciation and impairment losses beginning of year	(22,550)	(42,100)	(79)	0
Depreciation for the year	(21)	(735)	(61)	0
Reversal regarding disposals	513	0	0	0
Depreciation and impairment losses end of year	**(22,058)**	**(42,835)**	**(140)**	**0**
Carrying amount end of year	**214**	**1,451**	**405**	**399**

11 Financial assets

	Investments in group enterprises DKK'000
Cost beginning of year	102,973
Cost end of year	**102,973**
Revaluations beginning of year	(98,873)
Exchange rate adjustments	2,137
Adjustments on equity	313
Share of profit/loss for the year	(8,179)
Dividend	(24,366)
Investments with negative equity value transferred to provisions	25,995
Revaluations end of year	**(102,973)**
Carrying amount end of year	**0**

	Registered in	Corporate form	Equity interest %
Investments in group enterprises comprise:			
Triax UK ltd.	England	ltd.	100,0
Triax Svenska AB	Sweden	AB	100,0
Triax Kft.	Hungary	Kft.	100,0
Triax Austria GmbH	Austria	GmbH	100,0
Triax Sarl.	France	Sarl.	100,0
Triax GmbH	Germany	GmbH	100,0
Triax Digital Multimedia S.L.	Spain	S.L.	100,0
Triax (Guangzhou) Multimedia Technologi Co., Ltd.	China	Ltd.	100,0

12 Prepayments

The prepayments include deposit and prepaid costs.

13 Other provisions

Other provisions include costs to guarantee of DKK 0.8 million.

14 Provisions for investments in group enterprises

Provisions for investments in group enterprises comprise of subsidiaries with a negative equity and where the parent company has issued a letter of support

15 Unrecognised rental and lease commitments

	2021 DKK'000	2020 DKK'000
Liabilities under rental or lease agreements until maturity in total	5,658	10,005

16 Assets charged and collateral

Bank loans are secured by way of floating charge registered to the mortgagor of nominal DKK 40,000k.

The Entity has guaranteed the Group's bank loans. The maximum limit of the guarantee is DKK 124,915k.

As security for bank loans, unlisted shares of six subsidiaries have been mortgaged.

17 Transactions with related parties

Transactions with related parties are only disclosed in the annual report if they are not on arm's length terms. Transactions between Triax A/S and related parties are on all arm's lenth terms.

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).

Consolidated financial statements
Referring to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of Triax A/S and its group enterprises are included in the consolidated financial statements of TRIK Holding XXI, S.L.U Group.

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.

Foreign currency translation
On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are classified directly as equity.

Income statement

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 from the sale of services is recognised in the income statement when delivery is made 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 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 ordinary write-down of inventories.

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 as well as amortisation, depreciation and impairment losses relating to intangible assets and property, plant and equipment attached to the distribution process.

Administrative expenses

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

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities.

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 income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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.

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise development projects completed and in progress 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 under 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 of 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 3-10 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 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

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:

Plant and machinery	5-10 years
Other fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	8-10 years

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

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or con-structive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

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

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, depreciation and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process as well as 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.

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.

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

Cash
Cash comprises cash in hand and bank deposits.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments, returns, loss on con-tract work in progress, decided and published restructuring, etc.

Other provisions are recognised and measured as the best estimate of the expenses required to settle the liabilities at the balance sheet date. Provisions that are estimated to mature more than one year after the balance sheet date are measured at their discounted value.

Non-recourse guarantee commitments comprise commitments to remedy defects and deficiencies within the guarantee period.

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.

Prepayments received from customers

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

Cash flow statement

Referring to S. 86 (4) of The Danish Financial Statements Act, no cash flow statement has been prepared as the higher-level parent Trik Holding XXI, S.L prepares a consolidated cash flow statement in which the Company's cash flow is included.