

GEA Refrigeration
Components (Nordic) A/S
Nørskovvej 1B
8860 Skanderborg

Telephone +45 76 62 60 15
www.gearefrigeration.com

**GEA Refrigeration Components
(Nordic) A/S**

Annual report 2015

The annual report was presented and adopted at the
Company's annual general meeting

on 10/3 20 16


chairman

CVR no. 10 07 29 21

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	4
Company details	4
Operating review	5
Financial statements 1 January – 31 December	6
Accounting policies	6
Income statement	10
Balance sheet	11
Notes	13

Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of GEA Refrigeration Components (Nordic) A/S for the financial year 1 January – 31 December 2015.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January – 31 December 2015.

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

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

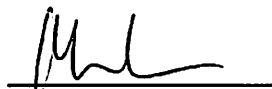
Skanderborg, 10 March 2016

Executive Board:



Henrik Winther

Board of Directors:



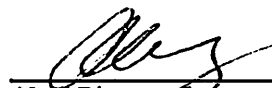
Per Sten Lauritsen
Chairman



Ulla Michelsen



Morten Unn Hansen



Aksel Bjørnestad
Koldby

Independent auditor's report

To the shareholders of GEA Refrigeration Components (Nordic) A/S

Independent auditor's report on the financial statements

We have audited the financial statements of GEA Refrigeration Components (Nordic) A/S for the financial year 1 January – 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's activities for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

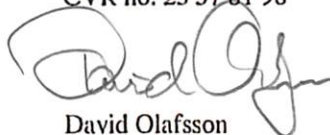
In accordance with the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Aarhus, 10 March 2016

KPMG

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



David Olafsson
State Authorised
Public Accountant



Jakob Westerdahl
State Authorised
Public Accountant

Management's review

Company details

GEA Refrigeration Components (Nordic) A/S
Nørskovvej 1B
8660 Skanderborg

Telephone: +45 75 52 60 15
Fax: +45 75 52 80 15
Website: www.gearefrigeration.com

CVR no.: 10 07 29 21
Established: 22 May 2001
Registered office: Skanderborg, Denmark
Financial year: 1 January – 31 December

Board of Directors

Per Sten Lauritsen, Chairman
Ulla Michelsen
Morten Unn Hansen
Aksel Bjørnstad Kolby

Executive Board

Henrik Winther

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Bredskifte Allé 13
DK-8210 Aarhus V

Annual general meeting

The annual general meeting will be held on 10 March 2016.

Management's review

Operating review

Principal activities

GEA Refrigeration Components (Nordic) A/S is a member of the Refrigeration Division of the multinational company GEA Group AG in Germany. GEA Refrigeration Components (Nordic) sells compressors, chillers, condensers, valves, etc. to contracting companies doing business within refrigeration in Scandinavia.

Development in activities and financial position

The Company reported a profit for the year of EUR 735 thousand, which is considered highly satisfactory.

Events after the balance sheet date

No events have occurred after the balance sheet date significantly affecting the Company's financial position at 31 December 2015.

Financial statements 1 January – 31 December

Accounting policies

The annual report of GEA Refrigeration Components (Nordic) A/S for 2015 has been presented in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act.

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

The Company presents its annual report in EUR.

Income statement

Revenue

Income from the sale of goods and services as well as commission, comprising the sale of compressors, chillers, condensers, valves, pumps and spare parts, is recognised in the income statement provided that delivery and transfer of risk to the buyer have taken place before year end, and the income may be reliably measured and is expected to be received.

Revenue is measured excluding VAT, taxes and discounts in connection with the sale.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs, etc., to the Company's employees.

Other operating costs

Other operating costs comprise items secondary to the Company's activities, including administration, premises, bad debts, operating leases, etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year. Financial income and expenses comprise interest income and expense, realised and unrealised gains and losses on payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the joint taxation scheme.

Financial statements 1 January – 31 December

Accounting policies

Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax for the year. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to changes directly recognised in equity is recognised directly in equity.

The Company is jointly taxed with its affiliated companies and their subsidiaries. Current tax is allocated between the jointly taxed Danish companies in proportion to their taxable income (full absorption with refunds for tax losses). The administrative company is GEA Process Engineering A/S (CVR No. 10 05 07 15).

Balance sheet

Inventories

Inventories are measured at cost in accordance with the FIFO method. Inventories are written down to the lower of net realisable value and cost.

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

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

Receivables

Receivables are measured at amortised cost, which corresponds to nominal value. The value is reduced by write-down for bad debts.

Receivables

Prepayments comprise costs incurred concerning subsequent financial years.

Equity

Dividends

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Financial statements 1 January – 31 December

Accounting policies

Warranties

Warranties comprise commitments to remedy defects and deficiencies within the warranty period. Warranties are recognised and measured at amortised cost based on past experience.

Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement and in equity, respectively.

Financial liabilities other than provisions

Financial liabilities and finance debt are recognised at the date of borrowing at cost, corresponding to proceeds received less transaction costs paid.

Trade payables and amounts owed to group entities are recognised at cost. Subsequently, these liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

Financial statements 1 January – 31 December

Accounting policies

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.

Financial statements 1 January – 31 December

Income statement

EUR	Note	2015	2014
Gross profit		1,378,888	833,790
Staff costs	1	-401,812	-461,754
Other operating costs		-10,058	-7,136
Profit before financial income and expenses		967,018	364,900
Financial income		0	1,530
Financial expenses		-2,256	-1,965
Profit before tax		964,762	364,465
Tax on profit for the year	2	-229,929	-90,013
Profit for the year		734,833	274,452
Proposed profit appropriation			
Proposed dividends		0	500,000
Retained earnings		734,833	-225,548
		734,833	274,452

Financial statements 1 January – 31 December

Balance sheet

EUR	Note	2015	2014
ASSETS			
Current assets			
Receivables			
Trade receivables		90,786	112,934
Receivables from group entities		1,811,019	1,352,343
Other receivables		7,200	2,618
Deferred tax assets		19,287	8,145
Prepayments		2,968	193
		<u>1,931,260</u>	<u>1,476,233</u>
Cash at bank and in hand		<u>0</u>	<u>0</u>
Total current assets		<u>1,931,260</u>	<u>1,476,233</u>
TOTAL ASSETS		<u>1,931,260</u>	<u>1,476,233</u>

Financial statements 1 January – 31 December

Balance sheet

EUR	Note	2015	2014
EQUITY AND LIABILITIES			
Equity	3		
Contributed capital		67,116	67,116
Retained earnings		1,265,463	530,630
Proposed dividends		0	500,000
Total equity		1,332,579	1,097,746
Provisions			
Warranties		105,000	30,000
Total provisions		105,000	30,000
Liabilities other than provisions			
Current liabilities other than provisions			
Trade payables		7,282	17,436
Payables to group entities		124,749	133,383
Joint taxation contribution payable		241,071	68,588
Other payables		120,579	129,080
		493,681	348,487
Total liabilities other than provisions		493,681	348,487
TOTAL EQUITY AND LIABILITIES		1,931,260	1,476,233
 Contractual obligations, contingencies, etc.	4		
Ownership	5		

Financial statements 1 January – 31 December

Notes

EUR	2015	2014		
1 Staff costs				
Wages and salaries	361,024	428,256		
Pensions	18,950	18,007		
Other social security costs	2,650	4,156		
Other staff costs	19,188	11,335		
	<u>401,812</u>	<u>461,754</u>		
2 Tax on profit for the year				
Current tax	241,071	72,671		
Change in deferred tax assets	-11,904	17,342		
Adjustment of deferred tax in respect of previous years	762	0		
	<u>229,929</u>	<u>90,013</u>		
3 Equity				
	Contributed capital	Retained earnings	Proposed dividends	Total
Equity at 1 January 2015	67,116	530,630	500,000	1,097,746
Ordinary dividends paid	0	0	-500,000	-500,000
Profit/loss for the year	0	734,833	0	734,833
	<u>67,116</u>	<u>1,265,463</u>	<u>0</u>	<u>1,332,579</u>

The contributed capital comprises 500 shares of a nominal value of DKK 1,000 thousand per share (EUR 134).

There have been no changes in contributed capital during the past five financial years.

Financial statements 1 January – 31 December

Notes

4 Contractual obligations, contingencies, etc.

The Company is jointly taxed with other Danish group companies. As a group company, together with the other companies included in the joint taxation, the Company has unlimited joint and several liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the jointly taxed unit. The jointly taxed entities' total known net liability to SKAT is disclosed in the financial statements of the administrative company, GEA Process Engineering A/S (CVR No. 10 05 07 15). Any subsequent corrections to the joint taxation income and withholding taxes, etc. may result in an increased liability for the Company.

Contractual obligations

Contingencies regarding leasehold amount to EUR 16 thousand.

5 Ownership

The following shareholders are registered in the Company's register of shareholders as holding a minimum of 5% of the voting rights or a minimum of 5% of the contributed capital:

GEA Refrigeration Technologies GmbH
Dorstener Strasse 484
D-44809
Germany

Consolidation

The ultimate parent company is:

GEA Group AG,
Peter-Muller-Str. 12
40468 Dusseldorf
Germany

GEA Refrigeration Components (Nordic) A/S is included in the consolidated financial statements of GEA Group AG, Germany. Consolidated financial statements may be required at www.geagroup.com.