
GEA Refrigeration Components (Nordic) A/S

Nørskovvej 1B, DK-8660 Skanderborg

Annual Report for 2022

CVR No. 10 07 29 21

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 30/5 2023

Charlotte Thorsen
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of GEA Refrigeration Components (Nordic) A/S for the financial year 1 January - 31 December 2022.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2022 of the Company and of the results of the Company operations for 2022.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Skanderborg, 30 May 2023

Executive Board

Ib René Vinther Elgaard
CEO

Henrik Winther
Executive Officer

Mette Albrechtsen
Executive Officer

Board of Directors

Timothy John Donbavand
Chairman

Ib René Vinther Elgaard

Thomas Strotkötter

Independent Auditor's report

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

Opinion

We have audited the Financial Statements of GEA Refrigeration Components (Nordic) A/S for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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.

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 Company's internal control.

Independent Auditor's report

- 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.

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, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Aarhus, 30 May 2023

KPMG P/S

Statsautoriseret Revisionspartnerselskab

CVR No 25 57 81 98

Katrine Gybel
State Authorised Public Accountant
mne45848

Dennis Valdeck Hansen
State Authorised Public Accountant
mne49092

Company information

The Company	GEA Refrigeration Components (Nordic) A/S Nørskovvej 1B DK-8660 Skanderborg Telephone: +45 75 52 60 15 Website: www.gearefrigeration.com CVR No: 10 07 29 21 Financial period: 1 January - 31 December Municipality of reg. office: Skanderborg
Board of Directors	Timothy John Donbavand, chairman Ib René Vinther Elgaard Thomas Strotkötter
Executive board	Ib René Vinther Elgaard Henrik Winther Mette Albrechtsen
Auditors	KPMG P/S Statsautoriseret Revisionspartnerselskab Frederiks Plads 42 8000 Aarhus

Management's review

Key activities

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

Development in the year

The income statement of the Company for 2022 shows a profit of EUR 1,110,606, and at 31 December 2022 the balance sheet of the Company shows positive equity of EUR 4,130,014.

Events after the balance sheet date

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2022 EUR	2021 EUR
Gross profit		2,224,532	1,471,675
Staff expenses	1	-807,813	-661,456
Profit/loss before financial income and expenses		1,416,719	810,219
Financial income	2	10,760	0
Financial expenses	3	-933	-10,449
Profit/loss before tax		1,426,546	799,770
Tax on profit/loss for the year	4	-315,940	-174,815
Net profit/loss for the year		1,110,606	624,955

Distribution of profit

	2022 EUR	2021 EUR
Proposed distribution of profit		
Proposed dividend for the year	1,250,000	0
Retained earnings	-139,394	624,955
	1,110,606	624,955

Balance sheet 31 December

Assets

	Note	2022	2021
		EUR	EUR
Trade receivables		34,244	30,281
Receivables from group enterprises		4,770,500	3,405,239
Other receivables		5,433	23,613
Deferred tax asset		6,600	6,600
Prepayments		8,918	14,142
Receivables		4,825,695	3,479,875
 Current assets		 4,825,695	 3,479,875
 Assets		 4,825,695	 3,479,875

Balance sheet 31 December

Liabilities and equity

	Note	2022 EUR	2021 EUR
Share capital	5	67,116	67,116
Retained earnings		2,812,898	2,952,292
Proposed dividend for the year		1,250,000	0
Equity		4,130,014	3,019,408
Other provisions		30,000	30,000
Provisions		30,000	30,000
Trade payables		8,479	10,054
Payables to group enterprises		154,541	99,693
Corporation tax		315,940	174,435
Other payables		186,721	146,285
Short-term debt		665,681	430,467
Debt		665,681	430,467
Liabilities and equity		4,825,695	3,479,875
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Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	EUR	EUR	EUR	EUR
Equity at 1 January	67,116	2,952,292	0	3,019,408
Net profit/loss for the year	0	-139,394	1,250,000	1,110,606
Equity at 31 December	67,116	2,812,898	1,250,000	4,130,014

Notes to the Financial Statements

	2022	2021
	EUR	EUR
1. Staff Expenses		
Wages and salaries	737,174	602,834
Pensions	57,426	50,094
Other social security expenses	3,132	6,216
Other staff expenses	10,081	2,312
	<u>807,813</u>	<u>661,456</u>
 Average number of employees	 <u>6</u>	 <u>6</u>

	2022	2021
	EUR	EUR
2. Financial income		
Exchange gains	10,760	0
	<u>10,760</u>	<u>0</u>

	2022	2021
	EUR	EUR
3. Financial expenses		
Interest paid to group enterprises	933	6,093
Exchange loss	0	4,356
	<u>933</u>	<u>10,449</u>

	2022	2021
	EUR	EUR
4. Income tax expense		
Current tax for the year	315,940	174,435
Deferred tax for the year	0	379
Adjustment of tax concerning previous years	0	1
	<u>315,940</u>	<u>174,815</u>

Notes to the Financial Statements

5. Share capital

The share capital consists of 500 shares of a nominal value of DKK 1,000. No shares carry any special rights.

6. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

The Company has entered into operating leases at the following amounts:

The remaining term of the leases is 6 - 47 months with an average monthly lease payment of EUR 776, totalling TEUR 27.

Other contingent liabilities

The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of GEA Process Engineering A/S, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

7. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company of the largest and smallest group:

Name	Place of registered office
GEA Group AG	Peter-Muller-Str. 12, 40468 Dusseldorf

The Group Annual Report of GEA Group AG may be obtained at the following address: www.geagroup.com.

Notes to the Financial Statements

8. Accounting policies

The Annual Report of GEA Refrigeration Components (Nordic) A/S for 2022 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2022 are presented in EUR.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Income statement

Net sales

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

Other external expenses comprise expenses for premises, sales as well as office expenses, etc.

Notes to the Financial Statements

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, other operating income, expenses for raw materials and consumables and other external expenses.

Staff expenses

Staff costs include wages and salaries including compensated absence and pensions as well as other social security contributions etc. made to the entity's employees. The item is net of refunds made by public authorities.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with affiliated companies and their subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes. The administrative company is GEA Process Engineering A/S (CVR No. 10 05 07 15).

Balance sheet

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date, the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

Notes to the Financial Statements

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.