

# Tyco Integrated Systems (Denmark) ApS.

Annual report financial year 2017/2018

As per 30<sup>th</sup> September 2018

Approved on the company's annual  
General Meeting, 25 February 2019

Peter Schieser

Director

Tyco Integrated Systems (Denmark) ApS - Tuborg Boulevard 12 –  
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## **Management's Statement**

The Executive Board and the Board of Directors have today considered and adopted the Annual Report of Tyco Integrated Systems (Denmark) ApS for the financial year 1 October 2017 – 30 September 2018.

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 30 September 2018 of the Company and of the results of the Company operations for 2017/18.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Hellerup, 25 February 2019

**Executive Board**

.....  
Peter Schieser

**Board of Directors**

.....  
Peter Schieser

## **Independent Auditor's Report**

To the Shareholders of Tyco Integrated Systems (Denmark) ApS

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 September 2018, and of the results of the Company's operations for the financial year 1 October 2017 - 30 September 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Tyco Integrated Systems (Denmark) ApS for the financial year 1 October 2017 - 30 September 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

### **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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 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.

Aarhus, 25 February 2019

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Michael Nielsson  
State Authorised Public Accountant  
mne 15151

Henrik Trangeled Kristensen  
State Authorised Public Accountant  
mne 23333

## Company Information

<b>The company</b>	Tyco Integrated Systems (Denmark) ApS. c/o Lundgrens Advokatpartnerselskab Tuborg Boulevard 12 2900 Hellerup Denmark	
	Phone	+45 4820 1374
	Fax	+45 7022 6511
	CVR no.	24 24 56 87
	Financial year	01. October - 30. September
	Municipality	Gentofte
<b>Executive Board</b>	Peter Schieser	
<b>Board of Directors</b>	Peter Schieser	
<b>Auditor</b>	PwC Statsautoriseret Revisionspartnerselskab Nobelparken Jens Chr. Skous Vej 1 DK-8000 Aarhus C	

## **Accounting policies**

### **Basis of preparation**

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The annual report has been presented applying the accounting policies consistently with last year.

### **Consolidated financial statements**

With reference to section 112 of the Danish financial statements act, no consolidated financial statements are prepared.

### **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 average rate of exchange. Exchange rate differences that arise between the rate at the transaction date and the one in effect at the payment date, or the balance sheet date, are recognized in the income statement as financial income or financial expenses.

### **Income Statement**

#### **Administration costs**

Costs are recorded to the income statement in the period in which they incur. Costs relating to future periods will be deferred in the balance sheet and recognized appropriately.

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

Financial income and expenses comprise of interest income and expenses, realized and unrealized exchange rate gains and losses regarding receivable and payables denominated in foreign currencies.

#### **Tax on profit/(loss) for the year**

Tax for the year consists of current tax and changes in deferred tax for the year.

### **Balance Sheet**

#### **Investments in subsidiaries**

Investments in subsidiaries are recognized at cost. Investments are periodically reviewed for impairment indicators. If an impairment is required the Company records a provision for impairment against the investment value. Dividend income and adjustments to investments in group enterprises are recorded at the rate on transaction date.

#### **Receivables**

Receivables are measured in the balance sheet at the lower of amortized cost and net realizable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

#### **Cash**

Cash and cash equivalent transactions with external parties are recorded in the financial statement on the date from which funds deposited in the bank are available, or on a value date basis.

## **Accounting policies**

### **Payables**

Payable amounts represent goods and services received and are recorded in the period in which they were received. Accrued liabilities are recorded when obligations are measurable and likely to occur.

### **Income taxes**

The current tax payable or receivable is recognized in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax. Deferred tax is recognized on all temporary differences between the carrying amount and tax-based value of assets and liabilities. Deferred tax assets, including the tax base of tax loss carryforwards, are recognized in the balance sheet at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets.

The company is jointly taxed with other Danish Group-companies. The current tax is allocated among the jointly taxed companies proportionally to their taxable income (Full allocation with a refund concerning tax losses).

**Income statement**  
for the period from  
1. Oct. 2017 until 30. Sept. 2018

	<b>Note</b>	<b>2017/18 DKK</b>	<b>2016/17 DKK</b>
Administration costs		-107,389	-105,826
<b>Operating profit/(loss)</b>		<b>-107,389</b>	<b>- 105,826</b>
Dividend		0	16,655,565
Financial income	2	1,233,611	485,395
Financial expense	3	-2,679	-1,887,357
<b>Profit/(loss) before tax</b>		<b>1,123,543</b>	<b>15,147,777</b>
Tax on result for the year	4	-247,179	266,001
<b>Profit/(loss) for the year</b>		<b>876,364</b>	<b>15,413,778</b>
Proposed distribution of profit/loss Transferred to/from retained earnings		876,364	15,413,778

## Balance sheet at 30. Sept. 2018

### Assets

	Note	2017/18 DKK	2016/17 DKK
<b>Non-current Assets</b>			
<i>Financial assets</i>			
Investment in subsidiaries	5	70,476,772	70,476,772
Investment in associated companies	5	0	0
<b>Total Non-current Assets</b>		<b>70,476,772</b>	<b>70,476,772</b>
<b>Current Assets</b>			
<i>Receivables</i>			
Receivables from group companies		10,075,324	9,869,945
Tax receivable		0	205,378
<i>Liquid Assets</i>			
Cash and banks		34,906,696	33,771,365
<b>Total Current Assets</b>		<b>44,982,020</b>	<b>43,846,688</b>
<b>Total Assets</b>		<b>115,458,792</b>	<b>114,323,460</b>

## Balance sheet at 30. Sept. 2017

### Liabilities and Equity

	Note	2017/18 DKK	2016/17 DKK
<b>Equity</b>			
Share capital	6	109,312,669	109,312,669
Retained earnings	6	5,767,124	4,890,760
<b>Total Equity</b>		<b>115,079,793</b>	<b>114,203,429</b>
<b>Short-term Liabilities</b>			
Current tax payable		247,179	0
Other payables		131,820	120,031
<b>Total Short-term Liabilities</b>		<b>378,999</b>	<b>120,031</b>
<b>Total Liabilities</b>		<b>378,999</b>	<b>120,031</b>
<b>Total Liabilities and Equity</b>		<b>115,458,792</b>	<b>114,323,460</b>
Related parties	7		
Contingent liabilities	8		

## Notes to the annual accounts

### Note 1

The objective of the company is to act as a holding company.

### Note 2

	2017/2018	2016/2017
<i>Financial Income</i>		
Interest - External	550,653	82,053
Interest - Group companies	0	109,517
FX gain	682,958	293,825
	<b>1 233 611</b>	<b>485,395</b>

### Note 3

<i>Financial Expense</i>		
Interest - External	-2,679	-310,187
Interest - Group companies	0	-77,242
FX loss	0	-1,499,928
	<b>-2,679</b>	<b>-1,887,357</b>

### Note 4

<i>Corporation tax</i>		
Charge to the profit and loss account	-247,179	266,001
	<b>-247,179</b>	<b>266,001</b>

## Note 5

### *Investments in subsidiaries*

<b>DKK</b>	<b>2017/2018</b>	<b>2016/2017</b>
Cost at 1 October	80,219,813	80,219,813
<b>Cost at 30 September</b>	<b>80,219,813</b>	<b>80,219,813</b>
Value adjustments at 1 October	-9,743,041	-9,743,041
<b>Value adjustments at 30 September</b>	<b>-9,743,041</b>	<b>-9,743,041</b>
<b>Carrying amount at 30 September</b>	<b>70,476,772</b>	<b>70,476,772</b>

### *Investments in associated companies*

<b>DKK</b>	<b>2017/2018</b>	<b>2016/2017</b>
Cost at 1 October	5,892,799	5,892,799
<b>Cost at 30 September</b>	<b>5,892,799</b>	<b>5,892,799</b>
Value adjustments at 1 October	-5,892,799	-5,892,799
<b>Value adjustments at 30 September</b>	<b>-5,892,799</b>	<b>-5,892,799</b>
<b>Carrying amount at 30 September</b>	<b>0</b>	<b>0</b>

## Note 6

### *Equity*

<b>DKK</b>	<b>Share capital</b>	<b>Retained earnings</b>	<b>Total</b>
Equity at 1 October	109,312,669	4,890,760	114,203,429
Net profit/(loss) for the year		876,364	876,364
<b>Equity at 30 September</b>	<b>109,312,669</b>	<b>5,767,124</b>	<b>115,079,793</b>

### *Changes in share capital in the past five financial years*

<b>DKK</b>	<b>2017/2018</b>	<b>2016/2017</b>	<b>2015/2016</b>	<b>2014/2015</b>	<b>2013/2014</b>
Share capital at October 1	109,312,669	109,312,669	109,312,669	109,312,669	109,312,669
<b>Share capital at Sep. 30</b>	<b>109,312,669</b>	<b>109,312,669</b>	<b>109,312,669</b>	<b>109,312,669</b>	<b>109,312,669</b>

## **Note 7**

### *Related parties and ownership*

#### **Controlling interest and ownership**

Tyco International Holding S.a.r.l.

#### **Basis**

Controlling shareholder

#### **Consolidated accounts**

The statutory accounts of the company is part of the consolidated accounts of the ultimate parent company:

Johnson Controls International Plc., Ireland

The consolidated accounts may be obtained on written request at:

Tyco Integrated Systems (Denmark) ApS.

## **Note 8**

### *Contingent Liabilities*

The Company was until the financial year 2016 a part of a Danish joint taxation with Water Holding (Denmark) ApS as an administration company. Water Holding (Denmark) ApS has been liquidated. According to the joint taxation provision of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes etc. for the jointly taxed companies and from 1 July 2012 also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.

As from financial year 2016 the Company is part of a Danish joint taxation group with Johnson Controls Denmark ApS as an administration company. According to the joint taxation provision of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2016 for income taxes etc. for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividends for these companies.