



WindowMaster A/S

Skelstedet 13

2950 Vedbæk

Central business registration

No 38260545

Annual report 2019

The Annual General Meeting adopted the annual
report on 24.03.20.

Chairman of the General Meeting

Andreas M. Fritzen

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Entity details

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Entity

WindowMaster A/S
Skelstedet 13
2950 Vedbæk

Central Business Registrations No (CVR): 38260545
Registered in: Rudersdal
Financial year: 01.01.19 - 31.12.19

Board of Directors

Michael Gaardmann, Chairman
Erik Koch Boyter
Steen Overgaard Sørensen

Director

Erik Koch Boyter

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
City Tower, Værkmestergade 2
8000 Aarhus

The Board of Directors and the Executive Board have today considered and approved the annual report of WindowMaster A/S for the financial year 01.01.2019 - 31.12.2019.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2019 and the result of its operations for the financial year 01.01.2019-31.12.2019.

Based on the financial performance of the company in 2019, the Board of Directors will propose a dividend of DKK 3,000,000 at the Annual General Meeting.

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.

Vedbæk, 24.03.20

Executive Board:

Erik Koch Boyter

Board of Directors:

Michael Gaardmann
Chairman

Erik Koch Boyter

Steen Overgaard Sørensen

To the shareholder of WindowMaster A/S

Opinion

We have audited the financial statements of WindowMaster A/S for the financial year 01.01.2019 - 31.12.2019, which comprise the income statement, balance sheet 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 31.12.2019 and of the results of its operations for the financial year 01.01.2019 - 31.12.2019 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 of 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent 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, 24.03.20

Deloitte Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Michael Bach
State Authorised Public
Accountant
mne19691

Søren Lassen
State Authorised Public
Accountant
mne18520

Primary Activities

The primary activity of WindowMaster A/S is to sell ventilation solutions and automatic window control. Solutions comprise hardware as well as software for control of Natural Ventilation, Mixed Mode Ventilation and Smoke Ventilation. All solutions are developed and marketed by WindowMaster International A/S. WindowMaster A/S are selling the solutions to the Danish market and other selected Export markets.

Development in activities and finances

Profit for the year after tax amounts to DKK 2.6m against DKK 2.9m in 2018. The result of the year is considered satisfactory.

Outlook

It is management's expectation that profit for 2020 will be effected by the COVID-19 crises. Without the COVID-19 crises it was expected to reach a profit in the range of DKK 2.7-3.5m. It is obvious that 2020 outlook is somewhat downgraded - not knowing the full effect at present. But based on the present information available, management has initiate plans to reduce fixed costs - with the aim to lower the Zero sale on short term. Finally it is an option to utilize several supporting instruments launched by the Danish governments. The total effect on the profit is a reduction of between 10-30%.

It is obvious that the situation from the COVID-19 crises is very uncertain with several potential scenarios and management still have actions available to adjust along the way to secure the business. The uncertainty for WindowMaster is linked to close down and postponement of building projects - not being able to execute on projects - thereby delaying the turnover. Also potential credit risk could be seen for some customers during this crises.

Particular risks

The Company is affected by building life cycles on the Danish market as well as the selected Export markets.

The Company has not significant risks relating to individual customers or cooperative partners other than the usual business risks as well as generally occurring customer/supplier relationships.

Events after the balance sheet date

Aside from the above mentioned, no events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

Income statement for 01.01.19 - 31.12.19

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<u>Notes</u>	<u>2019</u> <u>DKK</u>	<u>2018</u> <u>DKK</u>
Gross profit	16,372,094	15,992,506
1 Staff costs	-12,877,844	-12,232,000
Depreciation, amortisation and impairment losses	<u>-42,630</u>	<u>-17,821</u>
Operating profit/loss	3,451,620	3,742,685
Other financial income	46,054	69,412
Other financial expenses	<u>-81,657</u>	<u>-60,267</u>
Profit/loss before tax	3,416,017	3,751,830
2 Tax on profit/loss for the year	<u>-753,000</u>	<u>-827,000</u>
Profit/loss for the year	<u>2,663,017</u>	<u>2,924,830</u>
Proposed distribution of profit/loss		
Extraordinary dividend, March 2019	3,000,000	0
Proposed dividend for the year	3,000,000	0
Retained earnings	<u>-3,336,983</u>	<u>2,924,830</u>
	<u>2,663,017</u>	<u>2,924,830</u>

Balance sheet as at 31.12.19

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Assets

<u>Notes</u>	<u>2019</u> <u>DKK</u>	<u>2018</u> <u>DKK</u>
Other fixtures and fitting, tool and equipment	146,397	189,027
3 Propety, plant and equipment	146,397	189,027
Fixed assets	146,397	189,027
Manufactured goods and goods for resale	881,479	716,186
Inventories	881,479	716,186
Trade receivables	6,628,922	9,782,306
4 Contract work in progress	497,739	394,982
Receivables from group enterprises	441,390	330,733
Other receivables	0	29,673
Prepayments	11,641	54,513
Receivables	7,579,692	10,592,207
Cash	6,556,178	6,424,688
Current assets	15,017,349	17,733,081
Total assets	15,163,746	17,922,108

Balance sheet as at 31.12.19

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Liabilities

<u>Notes</u>	<u>2019</u> <u>DKK</u>	<u>2018</u> <u>DKK</u>
Contributed capital	525,000	525,000
Proposed dividend for the year	3,000,000	0
Retained earnings	2,746,481	6,083,464
Equity	6,271,481	6,608,464
5 Deferred tax	2,151,000	1,927,000
6 Other provisions	0	317,038
Provisions	2,151,000	2,244,038
Other payables	429,839	0
Non-current liabilities other than provisions	429,839	0
Bank loans	0	34,113
4 Contract work in progress	1,619,353	2,192,409
Trade payables	827,986	1,310,032
Payables to group enterprises	0	1,853,298
Joint taxation contribution payable	1,015,000	476,000
7 Other payables	2,849,087	3,203,754
Current liabilities other than provisions	6,311,426	9,069,606
Liabilities other than provisions	6,741,265	9,069,606
Equity and liabilities	15,163,746	17,922,108
8 Unrecognised rental and lease commitments		
9 Contingents liabilities		
10 Assets charged and collateral		
11 Group relations		

Statement of change in equity for 2019

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	Contributed capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity beginning of the year	525,000	6,083,464	0	6,608,464
Dividend paid	0	-3,000,000	0	-3,000,000
Proposed dividend for the year	0	-3,000,000	3,000,000	0
Profit/loss for the year	0	2,663,017	0	2,663,017
Equity end of the year	525,000	2,746,481	3,000,000	6,271,481

Notes	2019 DKK	2018 DKK
1 Staff costs		
Wages and salaries	11,902,130	11,329,551
Pension cost	845,377	792,389
Other social security cost	130,337	110,060
	12,877,844	12,232,000
Average number of employees	21	19
	2019 DKK	2018 DKK
2 Tax on profit/loss for the year		
Current tax	529,000	476,000
Changes in deferred tax	224,000	351,000
	753,000	827,000
		Other fixtures and fittings, tools and equipment DKK
3 Property, plant and equipment		
Cost beginning of year		213,214
Cost end of year		213,214
Depreciation and impairment losses beginning of year		-24,187
Depreciation for the year		-42,630
Depreciation and impairment losses end of year		-66,817
Carrying amount end of year		146,397

<u>Notes</u>	<u>2019</u> <u>DKK</u>	<u>2018</u> <u>DKK</u>
4 Contract work in progress		
Sales value of production of the period	20,672,681	16,539,107
Payments received on account	<u>-21,794,295</u>	<u>-18,336,534</u>
	<u>-1,121,614</u>	<u>-1,797,427</u>
Recognised as follows in the balance sheet:		
Contract work in progress under assets	497,739	394,982
Contract work in progress under liabilities	<u>-1,619,353</u>	<u>-2,192,409</u>
	<u>-1,121,614</u>	<u>-1,797,427</u>
	<u>2019</u> <u>DKK</u>	<u>2018</u> <u>DKK</u>
5 Deferred tax		
Property, plant and equipment	8,000	9,000
Inventories	0	-2,000
Receivables	<u>2,143,000</u>	<u>1,920,000</u>
	<u>2,151,000</u>	<u>1,927,000</u>
6 Other provisions		
Other provisions include expected costs for guarantee obligations. For the financial year 2019 and going forward, WindowMaster A/S has no long any guarantee provisions, since they are all held by the production company within the WindowMaster Group		
	<u>2019</u> <u>DKK</u>	<u>2018</u> <u>DKK</u>
7 Other short-term payables		
VAT and duties	633,197	392,869
Wages and salaries, personal income taxes, social security costs, etc payable	135,364	294,159
Holiday pay obligation	1,431,420	2,012,391
Other costs payable	<u>649,106</u>	<u>504,335</u>
	<u>2,849,087</u>	<u>3,203,754</u>
	<u>2019</u> <u>DKK</u>	<u>2018</u> <u>DKK</u>
8 Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	<u>1,478,235</u>	<u>1,071,876</u>

9 Contingent liabilities

The Group participates in a Danish joint taxation arrangement with Berkshire Boyter Holding ApS serving as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the total known net liabilities of the jointly taxed companies in the joint taxation are shown in the management company's annual accounts.

10 Assets charged and collateral

A floating charge of DKK 20,000,000 nominal has been provided as security for bank loans within the WindowMaster Group.

11 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
WindowMaster International A/S, Skelstedet 13, 2950 Vedbæk

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises, with some selected rulings for reporting class C enterprises.

The accounting policies applied to the financial statements are consistent with those applied last year.

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 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.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, cost of sales and external expenses.

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.

Contract work in progress is included in revenue based on the stage of completion so that revenue corresponds to the selling price of the work performed in the financial year (the percentage-of-completion method).

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

Staff Costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

Remuneration to part of the Executive Board is not included in staff costs as the Executive Board is partially remunerated by the Parent. Management fee is recognised under other external expenses, and the share attributable to remuneration to the Executive Board is included as part of the management remuneration disclosed in the notes.

Depreciation, amortisation and impairment losses

Depreciation relating to tangible assets comprise depreciation and impairment losses for the financial year, as well as gains and losses from the sale of tangible assets.

Other financial income

Other financial income comprises interest income or exchange gains on payables and transactions in foreign currencies etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises or exchange losses on payables and transactions in foreign currencies 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**Property, plant and equipment**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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:

Other fixtures and fittings, tools and equipment	3-5 years
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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.

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.

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.

Contract work in progress

Contract work in progress is measured at the selling price of the work carried out at the balance sheet date.

The selling price is measured based on the stage of completion and the total estimated income from the individual contracts in progress. Usually, the stage of completion is determined as the ratio of actual to total budgeted consumption of resources.

If the selling price of a project in progress cannot be made up reliably, it is measured at the lower of costs incurred and net realisable value.

Each contract in progress is recognised in the balance sheet under receivables or liabilities other than provisions, depending on whether the net value, calculated as the selling price less prepayments received, is positive or negative.

Costs of sales work and of securing contracts as well as finance costs are recognised in the income statement as incurred.

Prepayments

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

Cash

Cash comprises cash in hand and bank deposits.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carry forwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other provisions

Other provisions comprise anticipated costs of non-recourse guarantee commitments and loss on contract work in progress.

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.

Once it is probable that total costs will exceed total income from a contract in progress, provision is made for the total loss estimated to result from the relevant contract.

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.

Income tax receivable or payable from/for joint taxation

Current joint tax receivable or payable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

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“Med min underskrift bekræfter jeg indholdet og alle datoer i dette dokument.”

Michael Bach

Revisor

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IP: 5.186.xxx.xxx

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NEM ID 

Erik Koch Boyter

Adm. direktør

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IP: 80.197.xxx.xxx

2020-04-25 05:47:59Z

NEM ID 

Erik Koch Boyter

Bestyrelsesmedlem

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IP: 80.197.xxx.xxx

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Søren Lassen

Revisor

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Steen Overgård Sørensen

Bestyrelsesmedlem

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Andreas Marslew Fritzen

Dirigent

Serienummer: PID:9208-2002-2-386496115285

IP: 87.59.xxx.xxx

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Michael Gaarmann

Bestyrelsesformand

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