



WindowMaster Climatic A/S

Skelstedet 13

2950 Vedbæk

Central business registration

No 38260545

Annual report 2022

The Annual General Meeting adopted the annual
report on 27.04.2023

Chairman of the General Meeting

Steen Overgaard Sørensen

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Entity details

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Entity

WindowMaster Climatic A/S
Skelstedet 13
2950 Vedbæk

Central Business Registrations No (CVR): 38260545
Registered in: Rudersdal
Financial year: 01.01.2022 - 31.12.2022

Board of Directors

Michael Gaarmann, Chairman
Erik Koch Boyter, Board Member
Steen Overgaard Sørensen, Board Member

Director

Erik Koch Boyter, CEO

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
2300 København S

Statement by Management on annual report

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The Board of Directors and the Executive Board have today considered and approved the annual report of WindowMaster Climatic A/S for the financial year 01.01.2022 - 31.12.2022.

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 31.12.2022 and the result of its operations for the financial year 01.01.2022-31.12.2022.

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, 27.04.2023

Executive Board:

Erik Koch Boyter
CEO

Board of Directors:

Michael Gaarmann
Chairman

Erik Koch Boyter
Board Member

Steen Overgaard Sørensen
Board Member

To the shareholders of WindowMaster Climatic A/S

Opinion

We have audited the financial statements of WindowMaster Climatic A/S for the financial year 01.01.2022 - 31.12.2022, 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 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

Basis for opinion

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

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.

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.

Copenhagen, 27.04.2023

Deloitte Statsautoriseret Revisionspartnerselskab
Business Registration No 33 96 35 56

Claus Jorch Andersen
State Authorised Public
Accountant
mne33712

Primary Activities

The primary activity of WindowMaster Climatic A/S is to sell and service 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 Climatic 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 2.8m against DKK 2.7m in 2021.

The financial performance 2021 has been affected by several elements/events:

- Improved effect of acquisition of Climatic A/S by 1st of January 2021. The acquisition is made to add more resources to our service and operation activity in the Nordic region. Climatic A/S contributed with additional sales and profit.
- Full integration of the part of Climatic A/S that fits to WindowMaster business model was concluded. Part of the business that is not a strategic fit remains in the company Climatic A/S.
- Growth is seen in the light of the continued uncertainty, challenging supply and delivery situation. This gives confidence to the future as the increased turnover is gained from faster implementation of the new strategy 'Accelerate Core'.

Under the above mentioned circumstances, the result of the year is considered satisfactory.

Net profit (loss) in relation to expected development assumed in previous report

The result ended at the same level as last year, but with overall activity lower than expectations. The result however considered satisfactory seen in the light of the challenging supply and delivery situation.

Outlook

Despite continued general market uncertainty and uncertainty in electronic component supply and significant inflation on all cost categories the outlook remains positive for 2023. Turnover is expected to increase in 2023. Growth is generated by general market growth on existing markets due to the green agenda but also an extension of activity into more contracting business as announced in our new strategy 'Accelerate Core'. WindowMaster possesses strong knowledge of integrating and controlling different building automation solutions (solar shading, Hybrid ventilation, Natural ventilation, etc.) and therefore harvesting more growth on hours sold and related products on top of WindowMasters core products.

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.

The Company is reviewing all potential actions to accommodate these risks and has established corrective actions to secure that the supply chain is up and running with limited interruptions in deliveries to end customers.

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 01.01.2022 - 31.12.2022

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<u>Notes</u>	2022	2021
	DKK	DKK
Gross profit	22,987,664	20,012,971
1 Staff costs	-17,787,999	-15,225,967
Depreciation, amortisation and impairment losses	<u>-1,472,487</u>	<u>-1,239,483</u>
Operating profit/loss	3,727,178	3,547,521
Other financial income	158,939	27,577
Other financial expenses	<u>-283,029</u>	<u>-92,495</u>
Profit/loss before tax	3,603,088	3,482,603
2 Tax on profit/loss for the year	<u>-812,265</u>	<u>-768,481</u>
Profit/loss for the year	<u>2,790,823</u>	<u>2,714,122</u>
Proposed distribution of profit/loss		
Proposed dividend for the year	1,600,000	2,250,000
Retained earnings	<u>1,190,823</u>	<u>464,122</u>
	<u>2,790,823</u>	<u>2,714,122</u>

Balance sheet as at 31.12.2022

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Assets

<u>Notes</u>	<u>2022 DKK</u>	<u>2021 DKK</u>
Goodwill	4,547,976	5,984,179
3 Intangible assets	4,547,976	5,984,179
Other fixtures and fittings, tools and equipment	24,826	61,110
4 Property, plant and equipment	24,826	61,110
Fixed assets	4,572,802	6,045,289
Manufactured goods and goods for resale	883,704	709,967
Inventories	883,704	709,967
Trade receivables	9,905,750	6,546,594
5 Contract work in progress	1,117,459	298,231
Receivables from group enterprises	326,351	1,234,098
Other receivables	7,257	8,435
Prepayments	31,183	150,217
Receivables	11,388,000	8,237,575
Cash	10,086,893	14,014,049
Current assets	22,358,597	22,961,591
Total assets	26,931,399	29,006,880

Balance sheet as at 31.12.2022

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Liabilities

<u>Notes</u>	<u>2022</u> <u>DKK</u>	<u>2021</u> <u>DKK</u>
Contributed capital	525,000	525,000
Proposed dividend for the year	1,600,000	2,250,000
Retained earnings	<u>4,789,843</u>	<u>3,599,020</u>
Equity	6,914,843	6,374,020
6 Deferred tax	<u>1,745,184</u>	<u>932,919</u>
Provisions	1,745,184	932,919
Other payables	<u>1,047,797</u>	<u>1,059,044</u>
7 Non-current liabilities other than provisions	1,047,797	1,059,044
7 Current portion of long-term liabilities other than provisions	27,014	0
Bank Loans	56,365	60,098
5 Contract work in progress	1,494,615	1,044,045
Trade payables	1,433,854	769,952
Deferred income	2,689,893	3,390,050
Repayments received from customers	31,940	733,266
Payables to group enterprises	6,843,548	8,086,166
Joint taxation contribution payable	0	2,506,739
8 Other payables	<u>4,646,346</u>	<u>4,050,581</u>
Current liabilities other than provisions	17,223,575	20,640,897
Liabilities other than provisions	<u>18,271,372</u>	<u>21,699,941</u>
Equity and liabilities	<u>26,931,399</u>	<u>29,006,880</u>
9 Unrecognised rental and lease commitments		
10 Contingents liabilities		
11 Assets charged and collateral		
12 Group relations		

Statement of change in equity for 2022

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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	3,599,020	2,250,000	6,374,020
Dividend paid	0	0	-2,250,000	-2,250,000
Profit/loss for the year	0	1,190,823	1,600,000	2,790,823
Equity end of the year	525,000	4,789,843	1,600,000	6,914,843

<u>Notes</u>	2022 DKK	2021 DKK
1 Staff costs		
Wages and salaries	16,517,739	14,041,234
Pension cost	1,113,044	1,052,734
Other social security cost	157,216	131,999
	17,787,999	15,225,967
Average number of employees	26	23
	2022 DKK	2021 DKK
2 Tax on profit/loss for the year		
Current tax	0	2,506,739
Changes in deferred tax	812,265	-1,738,258
	812,265	768,481
		Goodwill DKK
3 Intangible assets		
Cost beginning of year		7,181,015
Additions		0
Cost end of year		7,181,015
Amortisation and impairment losses beginning of year		-1,196,836
Amortisation for the year		-1,436,203
Amortisation and impairment losses end of year		-2,633,039
Carrying amount end of year		4,547,976
		Other fixtures and fittings, tools and equipment DKK
4 Property, plant and equipment		
Cost beginning of year		213,214
Cost end of year		213,214
Depreciation and impairment losses beginning of year		-152,104
Depreciation for the year		-36,284
Depreciation and impairment losses end of year		-188,388
Carrying amount end of year		24,826

<u>Notes</u>	<u>2022</u> <u>DKK</u>	<u>2021</u> <u>DKK</u>	
5 Contract work in progress			
Sales value of production of the period	21,411,622	9,287,823	
Payments received on account	-21,788,778	-10,033,637	
	<u>-377,156</u>	<u>-745,814</u>	
Recognised as follows in the balance sheet:			
Contract work in progress under assets	1,117,459	298,231	
Contract work in progress under liabilities	-1,494,615	-1,044,045	
	<u>-377,156</u>	<u>-745,814</u>	
	<u>2022</u> <u>DKK</u>	<u>2021</u> <u>DKK</u>	
6 Deferred tax			
Intangible assets	-5,049	-37,615	
Property, plant and equipment	-127,890	-570	
Receivables	2,110,891	971,104	
Tax losses carried forward	-232,768	0	
	<u>1,745,184</u>	<u>932,919</u>	
	<u>Due within 1</u> <u>year</u> <u>DKK</u>	<u>Due within 2-</u> <u>5 years</u> <u>DKK</u>	<u>Due after</u> <u>more than 5</u> <u>years</u> <u>DKK</u>
7 Liabilities other than provisions			
Other payables	27,014	139,104	908,693
	<u>27,014</u>	<u>139,104</u>	<u>908,693</u>
Other payables consists of long-term holiday pay obligations.			
	<u>2022</u> <u>DKK</u>	<u>2021</u> <u>DKK</u>	
8 Other short-term payables			
VAT and duties	1,252,872	1,266,914	
Wages and salaries, personal income taxes, social security costs, etc payable	165,440	654,697	
Holiday pay obligation	1,465,207	1,297,404	
Other costs payable	1,762,827	831,567	
	<u>4,646,346</u>	<u>4,050,582</u>	

	2022	2021
	DKK	DKK
9 Unrecognised rental and lease commitments		
Liabilities under rental or lease agreements until maturity in total	<u>1,887,707</u>	<u>1,098,928</u>

10 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.

11 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.

The assets provided security in has a book value of DKK 15,362,256. There are no bank debt.

12 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**Goodwill**

Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation period is 5 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

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. Indirect production costs comprise indirect materials and labour costs, costs of maintenance, depreciation of machinery, factory buildings and equipment used in the manufacturing process, and costs of factory administration and management. Financial 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.

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 re-ceived, 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 comprise of 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.

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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Underskrivere

  Steen Overgård Sørensen Board Member cacbe8c8-5810-4de7-8164-aa2ab8eae159 27-04-2023 15:21	  Erik Koch Boyter CEO baa31553-09a9-49b7-ae1d-04899551260f 27-04-2023 15:27
  Steen Overgård Sørensen Chairman of the General Meeting cacbe8c8-5810-4de7-8164-aa2ab8eae159 27-04-2023 15:27	  Erik Koch Boyter Board Member baa31553-09a9-49b7-ae1d-04899551260f 27-04-2023 15:28
  Michael Gaarmann Chairman 2a3f5de1-b376-4ff0-ab87-4d57ca420729 27-04-2023 16:15	  Claus Jorch Andersen State Authorised Public Accountant PID:9208-2002-2-189421970445 27-04-2023 16:43

Dokumenter i transaktionen

Annual report WindowMaster Climatic 2022.pdf	Nærværende dokument
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