WindowMaster A/S

Skelstedet 13
2950 Vedbæk
Central business registration
No 38260545

Annual report 2023

The Annual General Meeting adopted the annual report on 17.06.2024

Chairman of the General Meeting

Steen Overgaard Sørensen

Table of contents

Entity details

Entity
WindowMaster A/S
Skelstedet 13
2950 Vedbæk

Central Business Registrations No (CVR): 38260545
Registered in: Rudersdal
Financial year: 01.01.2023 - 31.12.2023

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

Director
Erik Koch Boyter, CEO

Auditors
PricewaterhouseCoopers
Strandvejen 44
2900 Hellerup

Statement by Management on annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of WindowMaster A/S for the financial year 01.01.2023 - 31.12.2023.

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 31.12.2023 and the result of its operations for the financial year 01.01.2023-31.12.2023.

We belive 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, 17.06.2024

Executive Board:

____
Erik Koch Boyter
CEO

Board of Directors:

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

To the shareholder of WindowMaster A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of WindowMaster A/S for the financial year 1 January - 31 December 2023, 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' 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.

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.

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.
• 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.

Hellerup, 17.06.2024
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Christian Møller Gyrsting State Authorised Public Accountant mne44111	Rebin Menmi State Authorised Public Accountant mne49873

Management review

Primary Activities
The primary activity of WindowMaster 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 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 1.6m against DKK 2.6m in 2022.

The financial performance 2023 has been affected by several elements/events:
- Executing on the WindowMaster Group's strategy from June 2022 "Accelerate Core" with focus on more project sales utilizing the full benefit of knowledge of integrating and controlling different building automation solutions. This has resulted in growth in the topline without adding additional resources.
- Negative effects from one key account – that have been significantly affected by the higher interest level – and thereby lower revenue.
- Continued effect of acquisition of Climatic A/S by 1st of January 2021. The acquisition is made to add more resources to our service and operational activity in the Nordic region.

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

Outlook
The outlook remains positive for 2024. Turnover is expected to increase in 2024 as well as Profit before tax is expected in a range between 2-3 million DKK - as the negative effects from high interest rates seems to have ended. And growth is seen to be 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 01.01.2023 - 31.12.2023

Notes		2023 DKK	2022 Restated DKK
	Gross profit	**23.581.022**	**24.839.254**
1	Staff costs	-17.606.325	-17.787.999
	Depreciation, amortisation and impairment losses	-3.521.192	-3.313.627
	Operating profit/loss	**2.453.505**	**3.737.628**
	Other financial income	49.791	158.939
2	Other financial expenses	-421.708	-510.077
	Profit/loss before tax	**2.081.588**	**3.386.490**
3	Tax on profit/loss for the year	-465.705	-764.613
	Profit/loss for the year	**1.615.883**	**2.621.877**
	Proposed distribution of profit/loss		
	Proposed dividend for the year	0	1.600.000
	Retained earnings	1.615.883	1.021.877
		1.615.883	**2.621.877**

Balance sheet as at 31.12.2023

Assets

Notes		2023 DKK	2022 Restated DKK
	Acquired customer contracts	3.111.773	4.547.976
4	**Intangible assets**	**3.111.773**	**4.547.976**
	Other fixtures and fittings, tools and equipment	0	24.826
	Right-of-use-assets	6.641.855	7.392.658
5	**Property, plant and equipment**	**6.641.855**	**7.417.484**
	Fixed assets	**9.753.628**	**11.965.460**
	Goods for resale	523.908	883.704
	Inventories	**523.908**	**883.704**
	Trade receivables	13.600.292	9.873.810
6	Contract work in progress	1.688.969	1.117.459
	Receivables from group enterprises	699.718	326.351
	Other receivables	4.882	7.257
	Prepayments	108.341	31.183
	Receivables	**16.102.202**	**11.356.060**
	Cash	**16.074.660**	**10.086.893**
	Current assets	**32.700.770**	**22.326.657**
	Total assets	**42.454.398**	**34.292.117**

Balance sheet as at 31.12.2023

Liabilities

Notes		2023 DKK	2022 Restated DKK
	Contributed capital	525.000	525.000
	Proposed dividend for the year	0	1.600.000
	Retained earnings	6.236.780	4.620.897
	Equity	**6.761.780**	**6.745.897**
7	Deferred tax	1.832.758	1.697.532
	Lease liabilities	5.040.897	5.705.626
	Other payables	1.028.256	1.047.797
8	**Non-current liabilities**	**7.901.911**	**8.450.955**
7	Current portion af long-term liabilities	56.214	27.014
	Lease liabilities	1.942.041	1.903.630
	Bank Loans	53.586	56.365
6	Contract work in progress	1.508.796	1.494.615
	Trade payables	3.230.925	1.433.854
	Prepayments received from customers	2.490.303	2.689.893
	Payables to group enterprises	12.499.641	6.843.548
	Joint taxation contribution payable	330.480	0
9	Other payables	5.678.721	4.646.346
	Current liabilities	**27.790.707**	**19.095.265**
	Liabilities other than provisions	**35.692.618**	**27.546.220**
	Equity and liabilities	**42.454.398**	**34.292.117**

10 Contingents liabilities
11 Assets charged and collateral
12 Group relations

Statement of change in equity for 2023

	Contributed capital	Retained earnings	Proposed dividend for the year	Total
	DKK	**DKK**	**DKK**	**DKK**
Equity beginning of the year	525.000	4.789.843	1.600.000	6.914.843
Effects of IFRS adoption	0	-168.946	0	-168.946
Adjusted equity beginning of the year	**525.000**	**4.620.897**	**1.600.000**	**6.745.897**
Dividend paid	0	0	-1.600.000	-1.600.000
Profit/loss for the year	0	1.615.883	0	1.615.883
Equity end of the year	**525.000**	**6.236.780**	**0**	**6.761.780**

Notes to financial statements

Notes		2023 DKK	2022 DKK
1	**Staff costs**		
	Wages and salaries	16.354.912	16.517.739
	Pension cost	1.108.984	1.113.044
	Other social security cost	142.429	157.216
		17.606.325	**17.787.999**
	Average number of employees	24	26

Remuneration of management is not disclosed due to the use of the one-member exception. The Board of Directors is not remunerated.

		2023 DKK	2022 DKK
2	**Finance cost**		
	Financial cost arising from group enterprises	160.516	170.777
	Other financial income	261.192	339.300
		421.708	**510.077**

		2023 DKK	2022 DKK
3	**Tax on profit/loss for the year**		
	Current tax	330.480	0
	Changes in deferred tax	135.225	764.613
		465.705	**764.613**

		Acquired customer contracts DKK
4	**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	-2.633.039
	Amortisation for the year	-1.436.203
	Amortisation and impairment losses end of year	**-4.069.242**
	Carrying amount end of year	**3.111.773**

Notes		Other fixtures and fittings, tools and equipment DKK
5	**Property, plant and equipment**	
	Cost beginning of year	213.214
	Cost end of year	**213.214**
	Depreciation and impairment losses beginning of year	-188.388
	Deprciation for the year	-24.826
	Depreciation and impairment losses end of year	**-213.214**
	Carrying amount end of year	**0**

	2023 DKK	2022 DKK
Right-of-use-assets		
Buildings	4.926.077	5.383.079
Vehicles	1.715.778	2.009.579
Total right-of-use-assets	**6.641.855**	**7.392.658**

Additions to the right-of-use-assets during the 2023 financial year were 864,803 DKK (2022: 8,199,427 DKK).

	2023 DKK	2022 DKK
Lease liabilities		
Current	1.942.041	1.903.630
Non-current	5.040.897	5.705.626
Total lease liabilities	**6.982.938**	**7.609.256**

The statement of profit and loss shows the following amount related to leases:

	2023 DKK	2022 DKK
Depreciation charge of right-to-use-assets		
Buildings	1.038.577	942.829
Vehicles	1.021.586	898.311
Total depreciation charge of right-to-use-assets	**2.060.163**	**1.841.140**
Interest expenses (included in finance expense)	247.287	227.048
Expenses relating to leases of low-value assets (included in external costs)	0	0
Expenses relating to variable lease payments not included in lease liabilities (included in external costs)	0	0

Notes		2023 DKK	2022 DKK
6	**Contract work in progress**		
	Sales value of production of the period	13.945.712	21.411.622
	Payments received on account	-13.765.539	-21.788.778
		180.173	**-377.156**
	Recognised as follows in the balance sheet:		
	Contract work in progress under assets	1.688.969	1.117.459
	Contract work in progress under liabilities	-1.508.796	-1.494.615
		180.173	**-377.156**

Notes to financial statements, continued

		2023 DKK	2022 DKK
7	**Deferred tax**		
	Intangible assets	218.166	127.890
	Property, plant and equiment	7.883	5.049
	Lease liabilities less right-to-use-assets	75.038	47.652
	Receivables	-2.133.845	-2.110.891
	Tax losses carried forward	0	232.768
		-1.832.758	**-1.697.532**

		Due within 1 year DKK	Due within 2-5 years DKK	Due after more than 5 years DKK
8	**Liabilities other than provisions**			
	Other payables	56.214	143.972	884.284
		56.214	**143.972**	**884.284**

Other payables consists of long-term holdiday pay obligations.

		2023 DKK	2022 DKK
9	**Other short-term payables**		
	VAT and duties	2.004.126	1.252.872
	Wages and salaries, personal income taxes, social security costs, etc payable	484.339	165.440
	Holiday pay obligation	1.390.317	1.465.207
	Other costs payable	1.799.939	1.762.827
		5.678.721	**4.646.346**

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 18,998,815. 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.

Accounting policies

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 rullings for reporting class C enterprises.

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

Adoption of IFRS Accounting Standards

Revenue
The Company has decided to adopt IFRS 15 Revenue from Contracts with Customers for the financial year ending 31 December 2022 as permitted under the Danish Financial Statements Act. This is a change of the Company's accounting policies as revenue was previously recognised and measured in accordance with the general requirements in the Danish Financial Statements Ast. Due to the change of accounting policies the comparative figures has been adjusted to give the financial statement a true and fair view.

The adoption of IFRS 15 have had no effect on the profit and loss or equity.

Leases
The Company has decided to adopt IFRS 16 Leases for the financial year ending 31 December 2022 as permitted under the Danish Financial Statements Act. This is a change of the Company's accounting policies as leases was previously recognised and measured in accordance with the general requirements in the Danish Financial Statements Ast. Due to the change of accounting policies the comparative figures has been adjusted to give the financial statement a true and fair view.

The adoption of IFRS 16 have had a negative effect on the restated profit and loss for 2022 of DKK 168,946. The restated profit and loss equals DKK 2,621,877 (2022 before IFRS adoption DKK 2,790,823). The adoption of IFRS 16 have had an effect on the assets and liabilities of DKK 7,360,718.

First-time adoption of IFRS
The comparative figures for 2022 in the income statement and the balance sheet items as at 1 January 2022 and 31 December 2022 were restated in accordance with IFRS. The accounting policies applied are based on the standards and interpretations effective for 2023. No standards or interpretations which are not yet effective have been adopted.

Company accounting policies

Recognation 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.

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

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

Acquired customer contracts
Separately acquired customer contracts are shown at historical cost. Trademarks and other rights acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

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

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.

Contract assets
Contract assets are measured at the selling price of the work carried out at the balance 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 financecosts are recognised in the income statement as incurred.

Trade 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 financecosts are recognised in the income statement as incurred.

Other receivables
Other receivables consist of accrual accounting, deposits and other accounts receivable.

Dividend
Dividend is recognised in the balance sheet as a liability when adopted at the annual general meeting. Proposed but not yet paid dividend for the financial year is recognised in equity until approved by the shareholders at the general meeting.

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

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.

Cash
Cash comprise of bank deposits.

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.

Trade and other payables
These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

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.

Other financial liabilities
Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.