
Nidec Industrial Automation Denmark A/S

Hollufgårds Allé 9, DK-5220 Odense SØ

Annual Report for
1 April 2021 - 31 March 2022

CVR No. 73 58 80 14

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 23/9 2022

Daniel Maria De Paepe
Chairman of the
general meeting



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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Financial Statements of Nidec Industrial Automation Denmark A/S for the financial year 1 April 2021 - 31 March 2022.

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

In our opinion the Financial Statements give a true and fair view of the financial position at 31 March 2022 of the Company and of the results of the Company operations for 2021/22.

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

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

Odense SØ, 23 September 2022

Executive Board

Claus Bergø Rasmussen
CEO

Board of Directors

Daniel Maria De Paepe
Chairman

Claus Bergø Rasmussen

Guillaume Michel Dominique Yves
Legras

Independent Auditor's report

To the shareholder of Nidec Industrial Automation Denmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2022 and of the results of the Company's operations for the financial year 1 April 2021 - 31 March 2022 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Nidec Industrial Automation Denmark A/S for the financial year 1 April 2021 - 31 March 2022, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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.

Independent Auditor's report

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.

Odense M, 23 September 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Brian Petersen

State Authorised Public Accountant

mne33722

Company information

The Company	Nidec Industrial Automation Denmark A/S Hollufgårds Allé 9 DK-5220 Odense SØ Telephone: 63141463 Email: info.dk@mail.nidec.com Website: nidecautomation.com CVR No: 73 58 80 14 Financial period: 1 April 2021 - 31 March 2022 Incorporated: 18 June 1984 Financial year: 39th financial year Municipality of reg. office: Odense
Board of Directors	Daniel Maria De Paepe, Chairman Claus Bergø Rasmussen Guillaume Michel Dominique Yves Legras
Executive board	Claus Bergø Rasmussen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Munkebjergvænget 1, 3. og 4. sal 5230 Odense M

Management's review

Key activities

The Company is primarily engaged in the sale of rotating machines and related products.

Development in the year

The income statement of the Company for 2021/22 shows a profit of DKK 2,978,443, and at 31 March 2022 the balance sheet of the Company shows positive equity of DKK 14,212,001.

Uncertainty relating to recognition and measurement

There has been no uncertainty regarding recognition and measurement in the Annual Report.

Unusual events

The financial position at 31 March 2022 of the Company and the results of the activities and cash flows of the Company for the financial year for 2021/22 have not been affected by any unusual events.

Subsequent events

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

Income statement 1 April 2021 - 31 March 2022

	Note	2021/22	2020/21
		DKK	DKK
Gross profit		12,189,343	10,542,190
Staff expenses	1	-7,563,499	-8,295,398
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-617,939	-782,097
Profit/loss before financial income and expenses		4,007,905	1,464,695
Financial income		29,499	56,755
Financial expenses	2	-218,913	-124,166
Profit/loss before tax		3,818,491	1,397,284
Tax on profit/loss for the year	3	-840,048	-318,009
Net profit/loss for the year		2,978,443	1,079,275

Distribution of profit

	2021/22	2020/21
	DKK	DKK
Proposed distribution of profit		
Retained earnings	2,978,443	1,079,275
	2,978,443	1,079,275

Balance sheet 31 March 2022

Assets

	Note	2021/22 DKK	2020/21 DKK
Acquired other similar rights		1,016,392	1,351,444
Goodwill		0	185,405
Intangible assets	4	1,016,392	1,536,849
Other fixtures and fittings, tools and equipment		14,955	104,538
Property, plant and equipment	5	14,955	104,538
Deposits		142,493	142,493
Fixed asset investments	6	142,493	142,493
Fixed assets		1,173,840	1,783,880
Finished goods and goods for resale		422,680	650,259
Inventories		422,680	650,259
Trade receivables		15,708,359	13,366,367
Receivables from group enterprises		1,830,497	0
Corporation tax		0	495,506
Prepayments		826,346	646,894
Receivables		18,365,202	14,508,767
Cash at bank and in hand		17,041,172	11,676,518
Current assets		35,829,054	26,835,544
Assets		37,002,894	28,619,424

Balance sheet 31 March 2022

Liabilities and equity

	Note	2021/22	2020/21
		DKK	DKK
Share capital	7	800,000	800,000
Retained earnings		13,412,001	10,433,558
Equity		14,212,001	11,233,558
Provision for deferred tax		51,173	159,792
Provisions		51,173	159,792
Other payables		852,775	836,054
Long-term debt	8	852,775	836,054
Trade payables		349,886	292,941
Payables to group enterprises		14,996,495	11,487,853
Corporation tax		681,223	0
Other payables	8	5,859,341	4,609,226
Short-term debt		21,886,945	16,390,020
Debt		22,739,720	17,226,074
Liabilities and equity		37,002,894	28,619,424
Contingent assets, liabilities and other financial obligations	9		
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Statement of changes in equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 April	800,000	10,433,558	11,233,558
Net profit/loss for the year	0	2,978,443	2,978,443
Equity at 31 March	800,000	13,412,001	14,212,001

Notes to the Financial Statements

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
1. Staff Expenses		
Wages and salaries	6,918,120	7,532,366
Pensions	597,117	693,999
Other social security expenses	48,262	69,033
	<u>7,563,499</u>	<u>8,295,398</u>
 Average number of employees	 <u>12</u>	 <u>11</u>

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
2. Financial expenses		
Other financial expenses	184,258	83,542
Exchange adjustments, expenses	29,089	40,602
Exchange loss	5,566	22
	<u>218,913</u>	<u>124,166</u>

	<u>2021/22</u>	<u>2020/21</u>
	DKK	DKK
3. Income tax expense		
Current tax for the year	948,667	0
Deferred tax for the year	-108,619	310,939
Adjustment of deferred tax concerning previous years	0	7,070
	<u>840,048</u>	<u>318,009</u>

Notes to the Financial Statements

4. Intangible fixed assets

	Acquired other similar rights	Goodwill
	DKK	DKK
Cost at 1 April	1,658,574	2,595,565
Cost at 31 March	<u>1,658,574</u>	<u>2,595,565</u>
Impairment losses and amortisation at 1 April	307,131	2,410,161
Amortisation for the year	335,051	185,404
Impairment losses and amortisation at 31 March	<u>642,182</u>	<u>2,595,565</u>
Carrying amount at 31 March	<u>1,016,392</u>	<u>0</u>
Amortised over	<u>5 years</u>	<u>7 years</u>

5. Property, plant and equipment

	Other fixtures and fittings, tools and equipment
	DKK
Cost at 1 April	493,239
Additions for the year	7,899
Cost at 31 March	<u>501,138</u>
Impairment losses and depreciation at 1 April	388,700
Depreciation for the year	97,483
Impairment losses and depreciation at 31 March	<u>486,183</u>
Carrying amount at 31 March	<u>14,955</u>
Amortised over	<u>3-5 years</u>

Notes to the Financial Statements

6. Other fixed asset investments

	Deposits DKK
Cost at 1 April	142,493
Cost at 31 March	142,493
Carrying amount at 31 March	142,493

7. Share capital

The share capital consists of 800 shares of a nominal value of DKK 1,000. No shares carry any special rights.

8. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2021/22 DKK	2020/21 DKK
Other payables		
After 5 years	0	0
Between 1 and 5 years	852,775	836,054
Long-term part	852,775	836,054
Within 1 year	0	0
Other short-term payables	5,859,341	4,609,226
	6,712,116	5,445,280

	2021/22 DKK	2020/21 DKK
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9. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Rental Obligations	220,911	310,755
Other Obligations	22,158	153,689

Notes to the Financial Statements

10. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

Controlling interest:

Nidec Leroy-Somer Holding, France, holds the majority of the share capital in the Company.

Ownership:

The following shareholder is recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Nidec Leroy-Somer Holding
Boulevard Marcellin Leroy
CS10015
16915 Angoulême Cedex 9
France

Name

Nidec Leroy-Somer Holding

Place of registered office

Boulevard Marcellin Leroy, CS10015
16915 Angoulême Cedex 9
France

Notes to the Financial Statements

11. Accounting policies

The Annual Report of Nidec Industrial Automation Denmark A/S for 2021/22 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021/22 are presented in DKK.

Recognition and measurement

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

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

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

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

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

Income statement

Net sales

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

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

Expenses for raw materials and consumables

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

Other external expenses

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

Gross profit

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

Notes to the Financial Statements

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Financial income and expenses

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

Tax on profit/loss for the year

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

Balance sheet

Intangible fixed assets

Goodwill acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 7 year.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Other fixtures and fittings, tools and equipment	3-5 years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

Fixed asset investments consist of deposits

Other fixed asset investments

Fixed asset investments consist of deposits.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

Notes to the Financial Statements

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

Receivables

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

Prepayments

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

Deferred tax assets and liabilities

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

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

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

Current tax receivables and liabilities

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

Financial debts

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

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