



**Emerson Automation Solutions
Final Control Denmark A/S**

Generatorvej 8 A, 2.
2860 Søborg
CVR No. 73697115

**Annual report 01.10.2018 -
30.09.2019**

The Annual General Meeting adopted the
annual report on 16.03.2020

Leo Zwinkels

Chairman of the general meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's extended review report	4
Management commentary	6
Income statement for 2018/19	7
Balance sheet at 30.09.2019	8
Statement of changes in equity for 2018/19	10
Notes	11
Accounting policies	13

Entity details

Entity

Emerson Automation Solutions Final Control Denmark A/S

Generatorvej 8 A, 2.

2860 Søborg

CVR No.: 73697115

Date of foundation: 02.04.1984

Registered office: Gladsaxe

Financial year: 01.10.2018 - 30.09.2019

Board of Directors

Lars Peter Larsson, formand

Hans Jakob Nørr

Lars Åke Edman

Executive Board

Leonardus Everardus Maria Zwinkels, adm. dir.

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

P. O. Box 1600

0900 Copenhagen C

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Emerson Automation Solutions Final Control Denmark A/S for the financial year 01.10.2018 - 30.09.2019.

The annual report is presented 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 30.09.2019 and of the results of its operations for the financial year 01.10.2018 - 30.09.2019.

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.

Copenhagen, 16.03.2020

Executive Board

Leonardus Everardus Maria Zwinkels

adm. dir.

Board of Directors

Lars Peter Larsson

formand

Hans Jakob Nørr

Lars Åke Edman

Independent auditor's extended review report

To the shareholders of Emerson Automation Solutions Final Control Denmark A/S

Conclusion

We have performed an extended review of the financial statements of Emerson Automation Solutions Final Control Denmark A/S for the financial year 01.10.2018 - 30.09.2019, 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.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 30.09.2019 and of the results of its operations for the financial year 01.10.2018 - 30.09.2019 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements" section. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting 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 extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity

personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

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 extended review 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 extended review 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 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, 16.03.2020

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Jan Larsen

State Authorised Public Accountant
Identification No (MNE) mne16541

Management commentary

Primary activities

The Entity's primary activities are marketing and sale of valves etc. from the Emerson Group.

The entire cost of sales of Emerson Automation Solutions Final Control Denmark A/S' relates to transactions with entities of the Emerson Group.

The company's activity has been sold to another group entity in 2017

Description of material changes in activities and finances

In the financial year 2018/19, the Entity generated a loss of DKK 513 thousand, which is considered unsatisfactory.

Income statement for 2018/19

	Notes	2018/19 DKK	2017/18 DKK
Revenue		0	901,764
Cost of sales		0	(712,045)
Other external expenses		(484,274)	(514,088)
Gross profit/loss		(484,274)	(324,369)
Staff costs	1	0	322,460
Operating profit/loss		(484,274)	(1,909)
Other financial income	2	0	15,456
Other financial expenses	3	(36,602)	(186,507)
Profit/loss before tax		(520,876)	(172,960)
Tax on profit/loss for the year	4	8,053	43,884
Profit/loss for the year		(512,823)	(129,076)
Proposed distribution of profit and loss:			
Retained earnings		(512,823)	(129,076)
Proposed distribution of profit and loss		(512,823)	(129,076)

Balance sheet at 30.09.2019

Assets

	Notes	2018/19 DKK	2017/18 DKK
Trade receivables		0	21,764
Deferred tax		183,338	211,496
Other receivables		278	279
Receivables		183,616	233,539
Cash		3,870,031	4,959,799
Current assets		4,053,647	5,193,338
Assets		4,053,647	5,193,338

Equity and liabilities

	Notes	2018/19 DKK	2017/18 DKK
Contributed capital		701,000	701,000
Retained earnings		2,428,238	2,941,061
Equity		3,129,238	3,642,061
Payables to group enterprises		812,909	470,922
Income tax payable		0	1,039,757
Other payables		111,500	40,598
Current liabilities other than provisions		924,409	1,551,277
Liabilities other than provisions		924,409	1,551,277
Equity and liabilities		4,053,647	5,193,338
Contingent liabilities	5		
Assets charged and collateral	6		
Group relations	7		

Statement of changes in equity for 2018/19

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	701,000	2,941,061	3,642,061
Profit/loss for the year	0	(512,823)	(512,823)
Equity end of year	701,000	2,428,238	3,129,238

Notes

1 Staff costs

	2018/19 DKK	2017/18 DKK
Wages and salaries	0	(316,310)
Other social security costs	0	(6,150)
	0	(322,460)
Number of employees at balance sheet date	0	0
Average number of full-time employees	0	0

2 Other financial income

	2018/19 DKK	2017/18 DKK
Other financial income	0	15,456
	0	15,456

3 Other financial expenses

	2018/19 DKK	2017/18 DKK
Other financial expenses	36,602	186,507
	36,602	186,507

4 Tax on profit/loss for the year

	2018/19 DKK	2017/18 DKK
Current tax	(98,000)	(40,678)
Adjustment concerning previous years	89,947	(3,206)
	(8,053)	(43,884)

5 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where Demcos Holding A/S serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

6 Assets charged and collateral

None.

7 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Emerson Electric Co. USA.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Emerson Electric Co. USA.

Copies of the consolidated financial statements of Emerson Electric Co. can be obtained at:
<http://www.emerson.com/en-us/investors/annual-reports>

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 addition of certain provisions for reporting class C.

The accounting policies applied to these 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 sheet 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

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 is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

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, and social security contributions, pension contributions, etc for entity staff.

Other financial income

Other financial income comprises dividends etc received on other investments, interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, and tax surcharge under the Danish Tax Prepayment Scheme 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.

The Entity is jointly taxed with Emerson Electric's Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

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.

Deferred tax assets, including the tax base of tax loss carryforwards, 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 comprises cash in hand and bank deposits.

Other financial liabilities

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

Income tax receivable or payable

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