

**Ziehl-Abegg Danmark ApS**  
Pakhusgården 40, 5000 Odense C

Company reg. no. 31 26 29 92

**Annual report**

**1 January - 31 December 2020**

The annual report was submitted and approved by the general meeting on the 30 March 2021.



**Peter Finkl**  
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

## Management's report

The board of directors and the managing director have today presented the annual report of Ziehl-Abegg Danmark ApS for the financial year 1 January to 31 December 2020.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

We recommend that the annual report be approved by the general meeting.

Odense, 3 March 2021

### **Managing Director**



Carsten Schousboe Sundman

### **Board of directors**



Peter Fenk  
Chairman



Olaf Kahig



Carsten Schousboe Sundman

## **Independent auditor's report**

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### **To the shareholder of Ziehl-Abegg Danmark ApS**

#### **Opinion**

We have audited the annual accounts of Ziehl-Abegg Danmark ApS for the financial year 1 January to 31 December 2020, which comprise accounting policies, profit and loss account, balance sheet, statement of changes in equity and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 December 2020 and of the results of the company's operations for the financial year 1 January to 31 December 2020 in accordance with the Danish Financial Statements Act.

#### **Basis for opinion**

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the below section "Auditor's responsibilities for the audit of the annual accounts". We are independent of the company in accordance with international ethics standards for accountants (IESBA's Code of Ethics) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these standards and requirements. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### **The management's responsibilities for the annual accounts**

Management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the management determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, management is responsible for evaluating the company's ability to continue as a going concern, and, when relevant, disclosing matters related to going concern and using the going concern basis of accounting when preparing the annual accounts, unless management either intends to liquidate the company or to cease operations, or if it has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the annual accounts**

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements may arise due to fraud or error and may be considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions made by users on the basis of the annual accounts.

## **Independent auditor's report**

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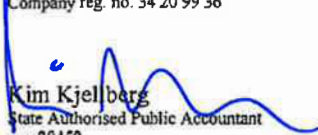
As part of an audit conducted in accordance with international standards on auditing and the additional requirements applicable in Denmark, we exercise professional evaluations and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the annual accounts, whether due to fraud or error, design and perform audit procedures in response 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 the risk of not detecting a misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the 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 by management and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's preparation of the annual accounts being based on the going concern principle and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may raise significant doubt about 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 annual accounts 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 annual accounts, including the disclosures in the notes, and whether the annual accounts reflect 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 the internal control that we identify during our audit.

Copenhagen, 3 March 2021

**Grant Thornton**  
State Authorised Public Accountants  
Company reg. no. 34 20 99 36

  
Kim Kjellberg  
State Authorised Public Accountant  
mnc29452

## Company information

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<b>The company</b>	Ziehl-Abegg Danmark ApS Pakhusgården 40 5000 Odense C
	Company reg. no. 31 26 29 92 Established: 11 February 2008 Domicile: Odense Financial year: 1 January - 31 December
<b>Board of directors</b>	Peter Fenkl, Am Waldmorgen 27, 63512 Hainburg, Tyskland / Germany, Chairman Olaf Kanig Carsten Schousboe Sundman, Chr. Richardts Vej 7, 5230 Odense M
<b>Managing Director</b>	Carsten Schousboe Sundman
<b>Auditors</b>	Grant Thornton, Statsautoriseret Revisionspartnerselskab Stockholmsgade 45 2100 København Ø
<b>Bankers</b>	Nordea Bank Danmark A/S, Vestre Stationsvej 7, 5100 Odense C
<b>Parent company</b>	Ziehl-Abegg SE

## Accounting policies

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The annual report for Ziehl-Abegg Danmark ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

### Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

## Income statement

### Gross profit

Gross profit comprises the revenue, cost of sales and other external costs.

## **Accounting policies**

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Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, loss on debtors, and operational leasing costs.

### **Staff costs**

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

### **Depreciation, amortisation and writedown**

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

### **Results from equity investment in**

#### **Tax of the results for the year**

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

## **The balance sheet**

### **Property, plant, and equipment**

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.



## Accounting policies

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The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0 %

Assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement under depreciation.

### Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

### Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

## **Accounting policies**

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### **Inventories**

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the market price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

### **Receivables**

Receivables are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

### **Accrued income and deferred expenses**

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

### **Available funds**

Available funds comprise cash at bank and in hand.

### **Equity**

#### **Dividend**

Dividend expected to be distributed for the year is recognised as a separate item under equity.

### **Income tax and deferred tax**

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

## **Accounting policies**

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### **Provisions**

Provisions comprise expected costs of warranty commitments.. Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

Provisions are measured at net realisable value or at fair value. If the fulfilment of a liability is expected to take place far in the future, the liability is measured at fair value.

### **Liabilities other than provisions**

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

### **Accrued expenses and deferred income**

Received payments concerning income during the following years are recognised under accrued expenses and deferred income.

## Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Gross profit</b>	<b>11.701.986</b>	<b>16.078.094</b>
2 Staff costs	-4.954.829	-4.792.290
Depreciation and writedown relating to tangible fixed assets	-900	-18.822
<b>Operating profit</b>	<b>6.746.257</b>	<b>11.266.982</b>
Other financial costs	-229.578	-505.364
<b>Pre-tax net profit or loss</b>	<b>6.516.679</b>	<b>10.761.618</b>
3 Tax on ordinary results	-1.441.028	-2.374.031
<b>Net profit or loss for the year</b>	<b>5.075.651</b>	<b>8.387.587</b>
<b>Proposed appropriation of net profit:</b>		
Dividend for the financial year	0	7.500.000
Transferred to retained earnings	5.075.651	887.587
<b>Total allocations and transfers</b>	<b>5.075.651</b>	<b>8.387.587</b>

## Statement of financial position at 31 December

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All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Non-current assets</b>		
4 Other fixtures and fittings, tools and equipment	0	900
Total property, plant, and equipment	0	900
<b>Total non-current assets</b>	<b>0</b>	<b>900</b>
<b>Current assets</b>		
Manufactured goods and trade goods	6.220.518	4.959.429
Total inventories	6.220.518	4.959.429
Trade debtors	19.865.530	17.654.677
Receivables from group enterprises	0	80.160
Deferred tax assets	201.718	119.840
Other debtors	49.854	48.564
Accrued income and deferred expenses	24.817	18.463
Total receivables	20.141.919	17.921.704
Available funds	357.144	472.137
<b>Total current assets</b>	<b>26.719.581</b>	<b>23.353.270</b>
<b>Total assets</b>	<b>26.719.581</b>	<b>23.354.170</b>

## Statement of financial position at 31 December

All amounts in DKK.

<b>Equity and liabilities</b>		
<u>Note</u>	<u>2020</u>	<u>2019</u>
<b>Equity</b>		
Contributed capital	125.000	125.000
Results brought forward	12.707.012	7.631.361
Proposed dividend for the financial year	0	7.500.000
<b>Total equity</b>	<b><u>12.832.012</u></b>	<b><u>15.256.361</u></b>
 <b>Provisions</b>		
Other provisions	<u>672.500</u>	<u>372.500</u>
<b>Total provisions</b>	<b><u>672.500</u></b>	<b><u>372.500</u></b>
 <b>Liabilities other than provisions</b>		
Trade creditors	244.513	127.593
Debt to group enterprises	9.380.734	3.678.184
Corporate tax	778.906	1.812.814
Other debts	2.776.534	2.106.718
Accruals and deferred income	<u>34.382</u>	<u>0</u>
Total short term liabilities other than provisions	<u>13.215.069</u>	<u>7.725.309</u>
 <b>Total liabilities other than provisions</b>	<b><u>13.215.069</u></b>	<b><u>7.725.309</u></b>
 <b>Total equity and liabilities</b>	<b><u>26.719.581</u></b>	<b><u>23.354.170</u></b>

**1 The significant activities of the enterprise**

**5 Contingencies**

**6 Related parties**

## Statement of changes in equity

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All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Proposed dividend for the financial year</u>	<u>Total</u>
Equity 1 January 2019	125.000	6.743.774	4.500.000	11.368.774
Distributed dividend	0	0	-4.500.000	-4.500.000
Retained earnings for the year	0	887.587	7.500.000	8.387.587
Equity 1 January 2020	125.000	7.631.361	7.500.000	15.256.361
Distributed dividend	0	0	-7.500.000	-7.500.000
Retained earnings for the year	0	5.075.651	0	5.075.651
	<b>125.000</b>	<b>12.707.012</b>	<b>0</b>	<b>12.832.012</b>

## Notes

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All amounts in DKK.

### 1. The significant activities of the enterprise

The activity of the company is to do business in the market for technology of ventilation, including fans, monitors and electric motors.

	<u>2020</u>	<u>2019</u>
<b>2. Staff costs</b>		
Salaries and wages	4.311.987	4.277.494
Pension costs	584.099	452.371
Other costs for social security	24.140	24.424
Other staff costs	34.603	38.001
	<u><b>4.954.829</b></u>	<u><b>4.792.290</b></u>
 Average number of employees	 <u>7</u>	 <u>7</u>
 <b>3. Tax on ordinary results</b>		
Tax on net profit or loss for the year	1.522.906	2.376.814
Adjustment of deferred tax for the year	-81.878	-2.783
	<u><b>1.441.028</b></u>	<u><b>2.374.031</b></u>
 <b>4. Other fixtures and fittings, tools and equipment</b>		
Cost 1 January 2020	<u>356.704</u>	<u>356.704</u>
<b>Cost 31 December 2020</b>	<u><b>356.704</b></u>	<u><b>356.704</b></u>
 Amortisation and writedown 1 January 2020	 -355.804	 -336.982
Amortisation and depreciation for the year	<u>-900</u>	<u>-18.822</u>
<b>Amortisation and writedown 31 December 2020</b>	<u><b>-356.704</b></u>	<u><b>-355.804</b></u>
 <b>Carrying amount, 31 December 2020</b>	 <u><b>0</b></u>	 <u><b>900</b></u>



## Notes

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All amounts in DKK.

### 5. Contingencies

#### Contingent liabilities

##### Leasing liabilities

The company has entered into operational leasing contracts and leasehold of premises with an outstanding period of 3-36 months. The total outstanding leasing payment is TDKK 1.389 at 31 December 2020.

##### Purchase commitments

As at 31 December 2020, the company has a commitment to purchase goods from group companies for a total of TDKK 24.035

### 6. Related parties

#### Consolidated annual accounts

The company is included in the consolidated annual accounts of Ziehl-Abegg SE, Germany and may be ordered by contacting the company.