



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 880 011 332  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: KIDDE NORWAY AS  
Forretningsadresse: c/o Autronica Fire & Security AS  
Bromstadvegen 59  
7047 TRONDHEIM

### Regnskapsår

Årsregnskapets periode: 01.01.2019 - 31.12.2019

### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: Nei

### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Enrique Esteva  
Dato for fastsettelse av årsregnskapet: 18.06.2020

### Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert  
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 03.09.2021



## Resultatregnskap

| Beløp i: NOK                                  | Note | 2019               | 2018              |
|---|------|--------------------|-------------------|
| <b>RESULTATREGNSKAP</b>                       |      |                    |                   |
| <b>Kostnader</b>                              |      |                    |                   |
| Annen driftskostnad                           | 6    | 1 107 414          | 323 053           |
| <b>Sum kostnader</b>                          |      | <b>1 107 414</b>   | <b>323 053</b>    |
| <b>Driftsresultat</b>                         |      | <b>-1 107 414</b>  | <b>-323 053</b>   |
| <b>Finansinntekter og finanskostnader</b>     |      |                    |                   |
| Inntekt på investering i datterselskap        |      | 636 380 473        |                   |
| Renteinntekt fra foretak i samme konsern      |      | 5 516 098          | 5 475 255         |
| Annen renteinntekt                            |      | 177 817            | 8 306             |
| <b>Sum finansinntekter</b>                    |      | <b>642 074 388</b> | <b>5 483 561</b>  |
| Rentekostnad til foretak i samme konsern      |      | 7 347 694          | 12 546 589        |
| Annen rentekostnad                            |      |                    | 1 796             |
| <b>Sum finanskostnader</b>                    |      | <b>7 347 694</b>   | <b>12 548 385</b> |
| <b>Netto finans</b>                           |      | <b>634 726 694</b> | <b>-7 064 825</b> |
| <b>Ordinært resultat før skattekostnad</b>    |      | <b>633 619 281</b> | <b>-7 387 878</b> |
| Skattekostnad på ordinært resultat            | 4    | 3 427 224          | -1 461 738        |
| <b>Ordinært resultat etter skattekostnad</b>  |      | <b>630 192 057</b> | <b>-5 926 140</b> |
| <b>Årsresultat</b>                            |      | <b>630 192 057</b> | <b>-5 926 140</b> |
| <b>Årsresultat etter minoritetsinteresser</b> |      | <b>630 192 057</b> | <b>-5 926 140</b> |
| <b>Totalresultat</b>                          |      | <b>630 192 057</b> | <b>-5 926 140</b> |
| <b>Overføringer og disponeringer</b>          |      |                    |                   |
| Avsatt til annen egenkapital                  |      | 630 192 057        |                   |
| Overført udekket tap                          |      |                    | -5 926 140        |
| <b>Sum overføringer og disponeringer</b>      |      | <b>630 192 057</b> | <b>-5 926 140</b> |



## Balanse

| Beløp i: NOK                                   | Note | 2019                 | 2018                 |
|--|------|----------------------|----------------------|
| <b>BALANSE - EIENDELER</b>                     |      |                      |                      |
| <b>Anleggsmidler</b>                           |      |                      |                      |
| <b>Immaterielle eiendeler</b>                  |      |                      |                      |
| Utsatt skattefordel                            | 4    | 4 578 399            | 5 215 339            |
| <b>Sum immaterielle eiendeler</b>              |      | <b>4 578 399</b>     | <b>5 215 339</b>     |
| <b>Finansielle anleggsmidler</b>               |      |                      |                      |
| Investering i datterselskap                    | 1    | 688 062 974          | 1 208 815 928        |
| Konsernfordringer                              |      | 511 602 736          | 363 701 243          |
| <b>Sum finansielle anleggsmidler</b>           |      | <b>1 199 665 710</b> | <b>1 572 517 171</b> |
| <b>Sum anleggsmidler</b>                       |      | <b>1 204 244 109</b> | <b>1 577 732 510</b> |
| <b>Omløpsmidler</b>                            |      |                      |                      |
| <b>Varer</b>                                   |      |                      |                      |
| <b>Fordringer</b>                              |      |                      |                      |
| Andre kortsiktige fordringer                   |      | 37 310               | 5 000                |
| Konsernfordringer                              | 5    | 17 495 957           |                      |
| <b>Sum fordringer</b>                          |      | <b>17 533 267</b>    | <b>5 000</b>         |
| <b>Bankinnskudd, kontanter og lignende</b>     |      |                      |                      |
| Bankinnskudd, kontanter o.l.                   |      | 13 687 228           | 15 841 595           |
| <b>Sum bankinnskudd, kontanter og lignende</b> |      | <b>13 687 228</b>    | <b>15 841 595</b>    |
| <b>Sum omløpsmidler</b>                        |      | <b>31 220 494</b>    | <b>15 846 595</b>    |
| <b>SUM EIENDELER</b>                           |      | <b>1 235 464 603</b> | <b>1 593 579 105</b> |
| <b>BALANSE - EGENKAPITAL OG GJELD</b>          |      |                      |                      |
| <b>Egenkapital</b>                             |      |                      |                      |
| <b>Innskutt egenkapital</b>                    |      |                      |                      |
| Aksjekapital                                   | 2, 3 | 630 210 000          | 630 210 000          |
| Overkurs                                       | 3    | 2 190 000            | 2 190 000            |



### Balanse

| <b>Beløp i: NOK</b>               | <b>Note</b> | <b>2019</b>          | <b>2018</b>          |
|-----------------------------------|-------------|----------------------|----------------------|
| <b>Sum innskutt egenkapital</b>   |             | <b>632 400 000</b>   | <b>632 400 000</b>   |
| <b>Opptjent egenkapital</b>       |             |                      |                      |
| Annen egenkapital                 |             | 598 581 839          | -31 610 217          |
| Udekket tap                       | 3           |                      |                      |
| <b>Sum opptjent egenkapital</b>   |             | <b>598 581 839</b>   | <b>-31 610 217</b>   |
| <b>Sum egenkapital</b>            |             | <b>1 230 981 839</b> | <b>600 789 783</b>   |
| <b>Gjeld</b>                      |             |                      |                      |
| <b>Langsiktig gjeld</b>           |             |                      |                      |
| <b>Annen langsiktig gjeld</b>     |             |                      |                      |
| Langsiktig konserngjeld           | 5           |                      | 990 958 077          |
| <b>Sum annen langsiktig gjeld</b> |             |                      | <b>990 958 077</b>   |
| <b>Sum langsiktig gjeld</b>       |             | <b>0</b>             | <b>990 958 077</b>   |
| <b>Kortsiktig gjeld</b>           |             |                      |                      |
| Betalbar skatt                    |             | 2 790 285            | 1                    |
| Kortsiktig konserngjeld           | 5           |                      | 178 811              |
| Annen kortsiktig gjeld            |             | 1 692 480            | 1 652 434            |
| <b>Sum kortsiktig gjeld</b>       |             | <b>4 482 764</b>     | <b>1 831 245</b>     |
| <b>Sum gjeld</b>                  |             | <b>4 482 764</b>     | <b>992 789 322</b>   |
| <b>SUM EGENKAPITAL OG GJELD</b>   |             | <b>1 235 464 603</b> | <b>1 593 579 105</b> |



To the General Meeting of Kidde Norway AS

## *Independent Auditor's Report*

### *Report on the Audit of the Financial Statements*

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#### *Opinion*

We have audited the financial statements of Kidde Norway AS, which comprise the balance sheet as at 31 December 2019, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

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#### *Basis for Opinion*

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards 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 as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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#### *Other information*

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information 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 other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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*PricewaterhouseCoopers AS, Brattørkaia 17B, Postboks 6365 Torgard, NO-7492 Trondheim*

*T: 02316, org. no.: 987 009 713 VAT, www.pwc.no*

*State authorised public accountants, members of The Norwegian Institute of Public Accountants, and authorised accounting firm*



Independent Auditor's Report - Kidde Norway AS

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### *Responsibilities of the Board of Directors and the Managing Director for the Financial Statements*

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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### *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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

### *Report on Other Legal and Regulatory Requirements*

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#### *Opinion on the Board of Directors' report*

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

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#### *Opinion on Registration and Documentation*

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

(2)



Independent Auditor's Report - Kidde Norway AS

Trondheim, 18 June 2020  
**PricewaterhouseCoopers AS**

Ronny Lysmen  
State Authorised Public Accountant  
(This document is signed electronically)

(3)



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

| <i>Name</i>   | <i>Method</i> | <i>Date</i>      |
|---------------|---------------|------------------|
| Lysmen, Ronny | BANKID_MOBILE | 2020-07-02 13:17 |

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## Annual Report 2019

### Kidde Norway AS

#### THE BUSINESS ACTIVITIES

Kidde Norway AS is the parent company in the Kidde Norway AS Group. The Group consists of the following companies:

- Autronica Fire and Security AS and subsidiaries, owned 100%, with headquarter in Trondheim;
- Kidde Norway AS, headquarter in Trondheim;

Kidde Norway AS is a holding company with no sales revenue or employees. Kidde Norway AS is a wholly-owned subsidiary of United Technologies Corporation (UTC), in the USA. On April 3, 2020, United Technologies Corporation ("UTC") separated into three independent, publicly traded companies; UTC, Otis Worldwide Corporation and Carrier Global Corporation (the "Separation"). As a result of the Separation, the ultimate parent of the Company changed from UTC to Carrier Global Corporation.

#### PROFIT, INVESTMENTS, FINANCING AND LIQUIDITY

In 2019, Kidde Norway had a profit for the year of MNOK 630. The profit was driven by sales of subsidiary Pratt & Whitney Military Norway As and income from Group Companies

Cash and cash equivalents at 31.12.19 were MNOK 13,7, compared to MNOK 15.8 at 31.12.18. The cash pool arrangement with Autronica was settled back in 2015.

Total capital had a closing balance of MNOK 1,235 in the year, compared to MNOK 1,594 at the end of 2018. The equity capital share at 31.12.2019 was 99,6 %, compared to 37,7 % in 2018.

#### GOING CONCERN

The year's accounts are prepared under the going concern assumption. The basis of the assumption is the profit prognosis for 2020. The company's economic and financial position is assessed as satisfactory, the assessment is based on the company's purposes.

With the Covid-19 outbreak it was only from the end of January that the existence of an effective "International Emergency" was declared and a pandemic was only declared on 12 March 2020. The Company's services have generally been considered essential in nature and business has been continued throughout the outbreak. The Covid-19 outbreak was therefore considered by the Directors to be an event that does not entail adjustment to the balances represented within the financial statements. In any case the situation and its impact on the Company are constantly kept under close review by the Directors and appropriate measures are being implemented to protect the Company. Currently, the Directors believe that there is no substantial doubt about the Company's ability to continue as a going concern, for a reasonable period of time, from the date the financial statements are issued.

#### WORK ENVIRONMENT AND PERSONNEL

The company had no employees and does not conduct business that pollutes the environment.



**PROFIT ALLOCATION**

The Board recommends the following allocation the year's profit:

|                              |             |
|------------------------------|-------------|
| Transferred to other equity: | 630 192 057 |
| Total allocation:            | 630 192 057 |

Trondheim, 18<sup>th</sup> of June 2020

Isto Hantila  
Chairman of the Board

Edgar Skjervold  
Managing Director/  
Member of the Board

Juha Kuivalainen  
Member of the Board



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## **Financial Statements 2019**

**Kidde Norway AS**

**Org.nr.:880 011 332**

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## Kidde Norway AS

### INCOME STATEMENT

|  | Note | 2019               | 2018              |
|--|------|--------------------|-------------------|
| <u>Other operating expenses</u>                | 6    | -1 107 414         | -323 053          |
| <b>Total operating expenses</b>                |      | <b>-1 107 414</b>  | <b>-323 053</b>   |
| <b>Operating profit</b>                        |      | <b>-1 107 414</b>  | <b>-323 053</b>   |
| <b>Financial income and financial expenses</b> |      |                    |                   |
| Gain from realisation of investment            | 7    | 182 896 286        | 0                 |
| Income from group companies                    | 1    | 453 484 187        | 0                 |
| Interest received from group companies         |      | 5 516 098          | 5 475 255         |
| Other interest income                          |      | 177 817            | 8 306             |
| Interest paid to group companies               |      | -7 347 694         | -12 546 589       |
| Other interest expense                         |      | 0                  | -1 795            |
| Other financial expense                        |      | 0                  | 0                 |
| <b>Total financial records</b>                 |      | <b>634 726 694</b> | <b>-7 064 823</b> |
| <b>Profit before tax</b>                       |      | <b>633 619 281</b> | <b>-7 387 876</b> |
| <u>Income tax expense</u>                      | 4    | -3 427 224         | 1 461 738         |
| <b>Profit for the year</b>                     |      | <b>630 192 057</b> | <b>-5 926 138</b> |
| <b>Allocation</b>                              |      |                    |                   |
| Transferred to other equity                    | 3    | 630 192 057        | -5 926 138        |
| <b>Total allocation</b>                        |      | <b>630 192 057</b> | <b>-5 926 138</b> |



## Kidde Norway AS

BALANCE SHEET AT 31.12.

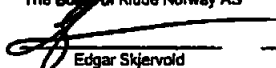
| <b>ASSETS</b>                                     | <b>Note</b> | <b>2019</b>          | <b>2018</b>          |
|---|-------------|----------------------|----------------------|
| Deferred tax asset                                | 4           | 4 578 399            | 5 215 339            |
| <b>Total intangible assets</b>                    |             | <b>4 578 399</b>     | <b>5 215 339</b>     |
| Investments in subsidiaries                       | 1           | 688 062 974          | 1 208 815 928        |
| Loans to group companies                          | 5           | 511 602 736          | 363 701 243          |
| <b>Total financial fixed assets</b>               |             | <b>1 199 665 710</b> | <b>1 572 517 171</b> |
| <b>TOTAL FIXED ASSETS</b>                         |             | <b>1 204 244 109</b> | <b>1 577 732 510</b> |
| <b>Current Assets</b>                             |             |                      |                      |
| Other receivables                                 |             | 37 310               | 5 000                |
| Other receivables from group companies            | 5           | 17 495 957           | 0                    |
| <b>Total receivables</b>                          |             | <b>17 533 267</b>    | <b>5 000</b>         |
| <b>Bank deposits, cash &amp; cash equivalents</b> |             | <b>13 687 228</b>    | <b>15 841 595</b>    |
| <b>TOTAL CURRENT ASSETS</b>                       |             | <b>31 220 495</b>    | <b>15 846 595</b>    |
| <b>TOTAL ASSETS</b>                               |             | <b>1 235 464 603</b> | <b>1 593 579 105</b> |

**Kidde Norway AS**  
BALANCE SHEET AT 31.12.

| <b>EQUITY AND LIABILITIES</b>             | <b>Note</b> | <b>2019</b>          | <b>2018</b>          |
|---|-------------|----------------------|----------------------|
| Share capital                             | 2, 3        | 630 210 000          | 630 210 000          |
| Share premium                             | 3           | 2 190 000            | 2 190 000            |
| <b>Total paid-in equity</b>               |             | <b>632 400 000</b>   | <b>632 400 000</b>   |
| Other equity                              | 3           | 598 581 839          | -31 610 217          |
| <b>Total retained earnings</b>            |             | <b>598 581 839</b>   | <b>-31 610 217</b>   |
| <b>TOTAL EQUITY</b>                       |             | <b>1 230 981 839</b> | <b>600 789 783</b>   |
| Long term liabilities to group companies  | 5           | 0                    | 990 958 077          |
| <b>Total long term liabilities</b>        |             | <b>0</b>             | <b>990 958 077</b>   |
| Tax payable                               | 4           | 2 790 285            | 0                    |
| Short term liabilities to group companies | 5           | 0                    | 178 811              |
| Other short term liabilities              |             | 1 692 480            | 1 652 434            |
| <b>Total short term liabilities</b>       |             | <b>4 482 765</b>     | <b>1 831 245</b>     |
| <b>TOTAL LIABILITIES</b>                  |             | <b>4 482 764</b>     | <b>992 789 321</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>       |             | <b>1 235 464 603</b> | <b>1 593 579 105</b> |

  
Isto Hantila  
Chairman of the Board

Trondheim, 14th June 2020  
The Board of Kidde Norway AS

  
Edgar Skjervold  
Member of the Board  
Juha Kulvalainen  
Member of the Board



## Cash flow statement

|   | 2019                | 2018              |
|---|---------------------|-------------------|
| <b>Cash flow from operations</b>                                  |                     |                   |
| Profit or loss before income taxes                                | 633 619 281         | -7 387 877        |
| Taxes paid in the period  | 0                   | -689 011          |
| Loss or profit on sold assets                                     | -182 896 286        | 0                 |
| Change in other provisions  | -17 488 221         | 7 098 247         |
| Items classified as investment or financing activities            | -435 988 230        | 0                 |
| <b>Net cash flow from operations</b>                              | <b>-2 753 453</b>   | <b>-978 638</b>   |
| <b>Cash flow from investments</b>                                 |                     |                   |
| Sale of fixed assets  | 703 649 239         | 0                 |
| Dividend income   | 435 988 230         | 0                 |
| Loans to group companies  | -147 901 493        | 0                 |
| <b>Net cash flow from investments</b>                             | <b>991 735 976</b>  | <b>0</b>          |
| <b>Cash flow from financing</b>                                   |                     |                   |
| Payments of debt to group companies                               | -991 136 888        | 0                 |
| Payment of dividend   | 0                   | 0                 |
| <b>Net cash flow from financing</b>                               | <b>-991 136 888</b> | <b>0</b>          |
| <b>Net change in cash and cash equivalents</b>                    | <b>-2 154 365</b>   | <b>-978 638</b>   |
| Cash from merger  |                     |                   |
| <b>Cash and cash equivalents at the beginning of the period</b>   | <b>15 841 595</b>   | <b>16 820 236</b> |
| <b>Cash and cash equivalents per 31.12.2019</b>                   | <b>13 687 227</b>   | <b>15 841 595</b> |
| <b>Specification of cash and cash equivalents per 31.12.2019</b>  |                     |                   |
| Bank deposits, cash etc.  | 13 687 227          | 15 841 597        |
| <b>In addition the company holds the following drawing rights</b> |                     |                   |
| Unused cash credit  | -                   | -                 |



## Notes to the Financial Statements for 2019

### Accounting principles

The financial statements have been prepared in compliance with the Norwegian Accounting Act and the generally accepted accounting principles in Norway.

### Classification of balance sheet items

Assets intended for long term ownership or use are classified as fixed assets. Assets relating to the trading cycle are classified as current assets. Receivables are classified as current assets if they are to be repaid within one year after the transaction date. Analog criteria apply to liabilities.

Current assets are recognised at the lowest of purchase cost and fair value. Short term debt is recognised in the balance sheet at nominal value on the date of establishment.

Fixed assets are recognised at purchase cost. Fixed assets that reduce in value are depreciated linearly over the expected useful life of the asset. Fixed assets that experience a decrease in value that is not expected to be temporary are devalued to fair value. Long term debts in Norwegian Kroner, with the exception of other provisions, are recognised in the balance sheet at nominal value on the date of establishment.

### Subsidiaries

Subsidiary companies are recognised at cost in the company accounts. The cost price increases when funds are administered by capital increases, or when group contributions are given to subsidiaries. Dividends/group contributions are recognised as income the same year as the provision is made in the subsidiary/group company. In cases where dividends/group contributions substantially exceed the share of withheld profit following the acquisition, the exceeding amount is considered as repayment of invested capital, and deducted from the recorded value of the investment in the balance sheet.

The investment is recognised at cost price of the shares unless devaluation has been necessary.

### Tax

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at 22 % on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carry forward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented as net values.

Receivable group contributions are booked as income from group companies and as a reduction of deferred tax assets and an increase of current tax liability in the balance sheet.

### Cash flow statement

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts within three months from purchase date.



Notes to the Financial Statements for 2019

## Note 1 Long-term investments in subsidiaries

| Subsidiary  | Business HQ | Share | Cost price         | Equity this year<br>(100 %) | Net profit (+) or<br>loss (-) this year |
|---|-------------|-------|--------------------|-----------------------------|---|
| Autronica Fire & Security AS                        | Trondheim   | 100%  | 688 062 974        | 302 438 087                 | 55 784 597                              |
| <b>Sum of long-term investments in subsidiaries</b> |             |       | <b>688 062 975</b> |                             |   |

Subsidiary companies are recognised at cost in the company accounts. The cost price increases when funds are administered by capital increases, or when group contributions are given to subsidiaries. Dividends/group contributions are recognised as income the same year as the provision is made in the subsidiary/group company. In cases where dividends/group contributions substantially exceed the share of withheld profit following the acquisition, the exceeding amount is considered as repayment of invested capital, and deducted from the recorded value of the investment in the balance sheet.

The investment is recognised at cost price of the shares unless devaluation has been necessary.

Kidde Norway AS realised the investment in subsidiary company-Pratt & Whitney Military Norway AS (PW Norway AS) in September 2019. Before the transaction, PW Norway AS made a distribution of NOK 710 000 000 to Kidde Norway AS in June 2019. According to the the Norwegian Accounting Act and the generally accepted accounting principles in Norway, NOK 189 247 047 is treated as a dividend, and NOK 520 752 953 is treated as write-down of cost price of investment.

Autronica Fire & Security AS made a distribution of NOK 246 741 183 to Kidde Norway AS in December 2019. Group contribution of 2019 from Autronica Fire & Security AS is NOK 17 495 957.

## Note 2 Share capital and shareholder information

The share capital of NOK 630 210 000 consists of 150 050 shares at NOK 4 200. All shares have the same rights.

Kidde Norway AS is owned 100% by UTC Fire & Security Luxembourg S.a r.l. Kidde Norway AS was a part of United Technologies Corp Inc (UTC) with headquarters in Hartford, Connecticut, USA.

There are no statutory consolidated financial statement for Kidde Norway AS as it is consolidated into UTC's financial statement.

On April 3, 2020, United Technologies Corporation ("UTC") separated into three independent, publicly traded companies, UTC, Otis Worldwide Corporation and Carrier Global Corporation (the "Separation"). As a result of the Separation, the ultimate parent of the Company changed from UTC to Carrier Global Corporation.

## Note 3 Shareholders' equity

| Equity changes in the year | Share              |                  |                    | Total                |
|----------------------------|--------------------|------------------|--------------------|----------------------|
|                            | Share capital      | premium          | Other equity       |                      |
| Equity 01.01.              | 630 210 000        | 2 190 000        | -31 610 217        | 600 789 783          |
| Profit for the year        | -                  | -                | 630 192 057        | 630 192 057          |
| <b>Equity 31.12.</b>       | <b>630 210 000</b> | <b>2 190 000</b> | <b>598 581 840</b> | <b>1 230 981 839</b> |



Notes to the Financial Statements for 2019

## Note 4 Taxes

|  | 2019                | 2018              |
|--|---------------------|-------------------|
| <b>Calculation of deferred tax benefit</b>                                   |                     |                   |
| <b>Temporary differences</b>   |                     |                   |
| Assets   | 0                   | 0                 |
| Carried forward interest deduction   | 20 810 906          | 23 384 832        |
| Net temporary differences  | 20 810 906          | 23 384 832        |
| Carried forward losses   | -                   | 321 258           |
| <b>Basis for deferred tax</b>  | <b>20 810 906</b>   | <b>23 706 090</b> |
| Deferred tax benefit at 22 % in 2018 and 2019                                | 4 578 399           | 5 215 339         |
| <b>Deferred tax in the balance sheet</b>                                     | <b>4 578 399</b>    | <b>5 215 339</b>  |
| <b>Basis for income tax expense, changes in deferred tax and tax payable</b> |                     |                   |
| Result before taxes  | 633 619 281         | -7 387 877        |
| Permanent differences  | -635 536 940        | 1 796             |
| <b>Basis for the tax expense for the year</b>                                | <b>-1 917 659</b>   | <b>-7 386 081</b> |
| Change in temporary differences  | 0                   | 1                 |
| <b>Basis for payable taxes in the income statement</b>                       | <b>-1 917 659</b>   | <b>-7 386 080</b> |
| + Group contributions received   | 17 495 957          | 0                 |
| - Benefit carried forward interest deduction                                 | -2 573 926          | 0                 |
| + Carried forward losses pr 31.12.2018                                       | -321 258            | 0                 |
| <b>Taxable income (basis for payable taxes in the balance sheet)</b>         | <b>12 683 114</b>   | <b>-7 386 080</b> |
| <b>Components of the income tax expense</b>                                  |                     |                   |
| Payable tax on this year's result  | 2 790 285           | -                 |
| Adjustment for prior years' provision  | -                   | -                 |
| <b>Total payable tax</b>   | <b>2 790 285</b>    | <b>-</b>          |
| Change in deferred tax   | 636 939             | -1 698 798        |
| Change in deferred tax due to change in tax rate                             | -                   | 237 061           |
| <b>Tax expense</b>   | <b>3 427 224</b>    | <b>-1 461 737</b> |
| <b>Reconciliation of the tax expense</b>                                     |                     |                   |
| Result before taxes  | 633 619 281         | -7 387 877        |
| Calculated tax 22 % in 2019  | 139 396 242         | -1 699 212        |
| <b>Tax expense</b>   | <b>3 427 224</b>    | <b>-1 461 737</b> |
| <b>Difference</b>  | <b>-135 969 018</b> | <b>237 475</b>    |
| The difference consist of:   |                     |                   |
| 22 % of permanent differences  | -139 818 127        | 413               |
| Change in deferred tax due to change in tax rate                             | 0                   | 237 061           |
| Tax effect of group contribution booked as income                            | 3 849 111           | 0                 |
| Other differences  | -                   | -                 |
| <b>Sum explained differences</b>   | <b>-135 969 018</b> | <b>237 474</b>    |
| <b>Payable taxes in the balance sheet</b>                                    |                     |                   |
| Payable tax in the tax charge  | 2 790 285           | -                 |
| Tax effect of group contribution   | -                   | -                 |
| <b>Payable tax in the balance sheet</b>                                      | <b>-2 790 285</b>   | <b>-</b>          |

## Note 5 Intercompany receivables/Intercompany payables

|  |             |             |
|--|-------------|-------------|
|  | 2019        | 2018        |
| Loans to group companies   | 511 602 736 | 363 701 243 |
|  | 2019        | 2018        |
| Short-term intercompany receivables  | 17 495 957  | -           |
| This consist of this year's group contribution from Autronica Fire & Security AS |             |             |
|  | 2019        | 2018        |
| Long-term liabilities - Intercompany   | -           | 990 958 077 |
| This consist of long-term loans to Autronica and UTILI                           |             |             |
|  | 2019        | 2018        |
| Short-term liabilities - Intercompany  | -           | 178 711     |



## Notes to the Financial Statements for 2019

### Note 6 Payroll expenses, number of employees, remunerations, loans to employees, etc.

The company has no employees, hence no requirement to have an occupational pension scheme.

| Expensed audit fee   | 2019           | 2018           |
|--|----------------|----------------|
| Statutory audit (incl. technical assistance with financial statements in 2019) | 171 145        | 195 215        |
| Other assistance (to be specified)   | -              | -              |
| <b>Total audit fees</b>  | <b>171 145</b> | <b>195 215</b> |

VAT is not included in the audit fee.

### Note 7 Related-party transactions

Remuneration to executives is disclosed in note 6, and balance with group companies is disclosed in note 5

| Related-party transactions:                     | 2019        |
|---|-------------|
| a) Gain from realisation of investment          |             |
| Sales of subsidiary :                           |             |
| - Pratt & Whitney Military Norway AS            | 182 896 286 |
| b) Purchases of goods and services              |             |
| Purchases of goods:                             |             |
| - Associated companies                          | 0           |
| Purchases of services:                          |             |
| - Entity controlled by key management personnel | 0           |
| - Parent company (management services)          | 0           |

### Note 8 Subsequent events after 31.12.2019

Reduction of the share capital by NOK 552 000 000 was approved by the shareholder on 10th March, 2020, and was legally effective is on 7th May, 2020.