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Schroff GmbH**Straubenhardt****Annual financial statements for the financial year from January 1st, 2020 to December 31st, 2020****Management report for the 2020 financial year****Business and framework conditions****business model**

The Schroff brand from Schroff GmbH has been a global leader in electronic packaging systems for over five decades. This includes a wide range of accessories for protecting printed circuit boards - from card holders and lifting handles, front panels and handles to subracks, housings, backplanes, power supplies, cabinets and pre-assembled inserts for embedded computer systems.

shareholder relationships

Schroff GmbH is a 100% subsidiary of Schroff Holdings Germany GmbH, Straubenhardt. There has been a profit and loss transfer agreement with the parent company since July 9, 2007.

Overall economic and industry-specific development

The International Monetary Fund (IMF) estimates the decline in the global economy at -3.5% for 2020. Despite the prevailing uncertainty, the IMF expects growth of 6.0% in 2021 and 4.4% in 2022 for the global economy.

According to the Bureau of Economic Analysis, US Department of Commerce, US GDP fell 3.5% year-on-year to \$20.93 trillion. The reason for this is the corona pandemic, which has led to extensive lockdowns. As a result, numerous private consumer spending, exports and municipal and state investments have ceased.

Unlike the US, China's GDP grew 2.3% year-on-year and surpassed 100 trillion yuan (US\$15.42 trillion). The Chinese government has taken a number of measures to deal with the pandemic, including higher budget spending, tax breaks, and cuts in bank lending rates and reserve requirements to stabilize growth and jobs.

Economic development in the eurozone clouded over even more. According to Eurostat, GDP fell by 6.8% in the euro area and 6.4% in the EU in 2020 compared to 2019.

In the reporting year, the German economy recorded a real decline of 4.9%, a much weaker development than in the previous year and, after a ten-year growth phase, fell into a deep recession. Due to the pandemic, the economic sectors of industry, trade, transport and hospitality in particular recorded historic declines.

In contrast to the previous year, the German electronics industry recorded a decline in sales of 4.2%. For 2020 as a whole, the Central Association of the Electronics and Electrical Industry (ZVEI) calculated industry sales of around EUR 181.9 billion. Foreign trade fell by 5.7% year-on-year to EUR 202.7 billion in the year under review, which is due to the pandemic.

Financial performance indicators

The most important financial performance indicators are sales and earnings after taxes. In addition, the cash flow from current business activities, the days outstanding for receivables and the number of employees are used as parameters and control parameters.

The business development at Schroff GmbH in the reporting period was negative by 19.1% with sales of EUR 115.8 million compared to the previous year with EUR 143.1.

The company ended the 2020 financial year with a loss after taxes of EUR 12.6 million. This corresponds to an improvement in earnings of EUR 2.8 million compared to 2019, which ended with a loss after taxes of EUR 15.3 million.

The cash flow from operating activities deteriorated in the year under review from EUR 3.2 million in the previous year to EUR -1.3 million.

The average days outstanding for receivables from third parties decreased slightly compared to the previous year to 32 days (previous year 36 days). There were no significant bad debts in the year under review.

Compared to the previous year, Schroff GmbH has an average of 38 fewer employees (including trainees).

Research and Development

In the reporting period, research and development focused on the following topics:

New systems were developed for the VPX standard in order to better cover the market for robust and vibration-proof applications.

New protocols have been implemented for our control and monitoring module, which give us access to additional market segments.

Work was also carried out on improvements to the backplanes and modules for the PXI and MicroTCA product programs in order to enable higher data transmission rates.

In the field of cooling, work was carried out on additional products, especially in the field of water cooling.

The expenses for research and development amounted to EUR 2.0 million in the 2020 financial year (previous year: EUR 2.4 million). In 2020, an average of 17 employees (previous year: 25 employees) were employed in this area.

Corporate declaration according to § 289f HGB (unaudited)

With a resolution of November 23, 2015, the managing directors set a target of 30% for the proportion of women in the first management level below the management of Schroff GmbH in accordance with Section 36 GmbHG. In the second management level below the Executive Board, the target for the proportion of women is set at 20%.

With the shareholder resolution of November 23, 2015, the target for the proportion of women in management was set at 0.0%. If a Supervisory Board were to be set up, the target for the proportion of women on the Supervisory Board was set at 33.0%.

The target for the proportion of women in the first management level below the Executive Board was achieved in the reporting year and it is planned to maintain this target in the coming years. The target for the second management level below the Executive Board has not yet been reached due to low employee turnover and will continue to be focused on.

earnings situation

In the 2020 reporting year, sales at Schroff GmbH fell by 19.1% to EUR 115.8 million (previous year: EUR 143.1 million).

The breakdown of sales by geographic market shows, in some cases, very significant sales declines in all regions. With a decline in sales of 23.0%, foreign sales were hit harder than domestic sales. This resulted in a further increase in the domestic share of sales by 2.6 percentage points compared to the previous year to 50.5% and a reduction in the foreign share to 49.5%.

With regard to the development of sales by product category, it is evident that the "Systems" product category in particular was affected by declining sales of the categories with higher sales. Furthermore, declining sales were also recorded in the other product categories as well as in income from licenses and in other income.

Schroff GmbH ended the 2020 financial year with an after-tax loss of EUR 12.6 million (previous year: after-tax loss of EUR 15.3 million). The reason for the drop in losses compared to the previous year was that, despite the significant drop in sales, expenses were reduced to a similar extent and significantly higher interest income was generated in the form of income from loans.

The cost of materials saw an almost sales-proportional decline of 19.8% or EUR 13.9 million for expenses for raw materials, consumables and supplies and purchased goods, whereas the expenses for purchased services increased disproportionately compared to 2019 by 38.2% or EUR 0.8 million have fallen. This essentially reflects the reduction in temporary workers made in the 2020 financial year.

As a result of the restructuring measures introduced in combination with further capacity adjustments in the form of time account reductions and short-time work, personnel expenses fell by a total of 12.8% compared to the previous year. This includes a decrease of 35.7% in expenses for pensions as a result of the conversion of the company pension to a defined contribution plan.

Other operating expenses fell by EUR 4.2 million or 18.3% compared to the previous year. The decline is mainly due to lower costs passed on to affiliated companies, particularly with regard to management fees and expenses for SAP.

In addition to the decreases in expenses shown, EUR 2.7 million higher interest income was generated in the form of income from loans compared to the previous year, which resulted from a loan to the shareholder.

The total after-tax loss is EUR 12.6 million, which is reported as a receivable from the assumption of losses due to the profit and loss transfer agreement concluded with Schroff Holdings Germany.

financial and asset position

The balance sheet total of Schroff GmbH increased compared to the previous year by a total of EUR 4.3 million to EUR 167.7 million.

Fixed assets rose by EUR 89.8 million to EUR 117.6 million. Financial assets increased by EUR 90 million. The reason for the increase is the granting of a long-term loan to the shareholder. The financial assets also include the 100% stake in Hoffman Schroff Poland Sp. zoo.

Current assets and prepaid expenses together decreased by EUR 85.5 million to EUR 50.1 million. Receivables from affiliated companies fell by EUR 83.3 million. The main reason for this reduction is the granting of the loan to the shareholder from the cash pool. Trade accounts receivable decreased by EUR 3.0 million to EUR 5.2 million shortly before the balance sheet date, both due to the development of sales and due to a number of larger incoming payments.

The subscribed capital is unchanged at EUR 30.3 million. The equity ratio fell from 18.6% to 18.1%.

EUR 8.3 million (previous year: EUR 13.7 million) was allocated to provisions for pensions and similar obligations in the reporting period. The reason for the decrease in additions is a restructuring of the pension commitments at Schroff GmbH and the switch of active employees to a contribution-based company pension scheme. Other provisions fell by EUR 2.1 million, mainly due to lower provisions for overtime and for customer discounts. in comparison to the previous year.

Trade payables fell by EUR 0.4 million. The main reason for this was an adjustment to the payment cycles for trade payables. Liabilities to affiliated companies fell by EUR 1.7 million to EUR 1.0 million, which is due to the poorer order situation in the year under review and the resulting decrease in orders for merchandise.

As of May 1, 2018, Schroff GmbH will be part of the group of companies nVent Electric plc, Dublin, Ireland, and will be financed exclusively through the group's cash pool from this point in time.

investments

Investments in buildings, technical equipment and machinery, factory and office equipment and software last year totaled EUR 2.3 million and were therefore EUR 0.3 million higher than the corresponding depreciation. Significant individual investments in the year under review were a front panel punching machine at EUR 0.3 million, a Stopa retrofit at EUR 0.7 million and a press-in machine for connectors at EUR 0.5 million, which are included in the assets under construction item. The investments should be completed in the following year.

risk report

Further development of the risk management system

Schroff GmbH has extensive reporting and control instruments that are constantly being adjusted and expanded. As a result, risks are already identified in day-to-day operations and controlled in a timely manner using appropriate measures.

As in previous years, Schroff GmbH had to meet the requirements of the Sarbanes-Oxley Act in the 2020 reporting year due to its affiliation with the nVent Group. As in previous years, the external audit carried out on behalf of nVent Electric plc did not result in any major objections.

An essential part of these requirements is the continuous review of the most important processes and control mechanisms at Schroff GmbH. These were checked for their topicality and effectiveness, optimized where necessary and finally mapped in a database. As part of this project, the systems for corporate management and risk control are also being reviewed and further developed.

Important elements of our risk management are a rolling planning of incoming orders, sales and earnings, taking into account economic and market-specific tendencies, the constant monitoring of margin development according to segments, customers and products, auditing and evaluation of suppliers, strict receivables management, inventory controlling, cost monitoring and our quality management.

The "3rd Party Program" was implemented in 2013 to further minimize risks. This program is aimed at combating corruption and includes the registration and assessment of our business partners in this regard. Specifically, it classifies our partners such as agents, distributors, general contractors, freight forwarders and suppliers into risk groups, depending on region and industry, and sets guidelines for dealing with them. This is intended to further reduce the risks in working with all business partners.

Sales risks

All economic activities are inevitably associated with risks. We counteract the risks on the sales side with careful and detailed budgeting and permanent target/actual monitoring with active management. The corona-related effects on the order situation are still noticeable. A definitive forecast is not possible at this time.

Schroff GmbH is not significantly dependent on individual major customers. There are therefore no existential risks from the loss of individual customers.

procurement risks

Due to its high purchasing volume, Schroff GmbH is exposed to the risks of availability and price increases for raw materials and parts, which are constantly leading to changing situations in the procurement markets due to the pandemic-related influences. In combination with the recovering economy and reduced capacities or capacity bottlenecks due to strong demand, this means that there are still supply risks. Schroff GmbH has taken precautions on the purchasing side for short-term failures.

In the case of critical materials, the price and delivery risk is limited by concluding framework agreements. At the same time, volume effects from being part of the nVent Group are increasingly being used. In our global purchasing organization, we also use synergy effects through secondary suppliers and secondary tools in other regions of the world. In individual cases, there is a switch from high-quality to standard qualities in order to be able to guarantee continuous production and delivery.

To limit the risk of price increases on the procurement markets, we practice intensive global sourcing, especially in best-cost countries, avoid single-source dependencies and try to provide price adjustment options in longer-term contracts with our customers whenever possible.

The affected markets are constantly monitored in order to identify risks from the procurement markets at an early stage that could affect business activities and earnings. nVent makes intensive use of opportunities provided by market research institutes (IHS Markit, The Hackett Group, BME, etc.).

Financial Risks

Currency risks are essentially excluded by invoicing in EUR. Billing in USD is only accepted in individual cases. Currency losses are therefore not a significant risk for Schroff GmbH.

There is no bad debt risk that could lead to a significant impairment of the financial position of Schroff GmbH. Through continuous creditworthiness monitoring, effective credit controlling and consistent receivables management, our receivables can be realized promptly.

Due to the affiliation to the group of companies of nVent Electric plc and the exclusive financing via the group's cash pool, there is only a very low liquidity risk. The company's solvency is largely dependent on the value of the claims from the cash pool balance (EUR 9.3 million) at nVent Global S.à.r.l, Luxembourg. The recoverability of the loans to affiliated companies (EUR 90.0 million) also depends on the financial situation of the shareholder and thus indirectly of the entire group due to the affiliation to the nVent Electric plc group of companies. There are currently no indications that these claims are impaired.

IT risks

In 2020, IT's focus was to replace legacy systems and platforms with new, modern technology in line with our digital transformation strategy. However, with the global pandemic, the focus shifted in the second quarter of the year to adjusting to the new normal of working from home while continuing to support business operations.

In the second half of the year, the replacement of the BaSys system by Enovia for the management of electronic components was completed, a new Acquia-based platform was introduced for Schroff.nvent.com with e-commerce functions, SAP supply chain optimizations were implemented for Straubenhardt, a Salesforce Service Cloud Proof of Concept to be completed and work to begin replacing the Siemens phone system with a Cloud Teams-enabled system, which went live in February 2021.

summary

With regard to future development, the corona crisis continues to represent an unassessable risk for the customers and markets of Schroff GmbH and will therefore also have an impact on the business development of Schroff GmbH in the course of 2021.

Forecast report and opportunities for future development

The German Electrical and Electronic Manufacturers' Association (ZVEI) expects growth of five percent for 2021, although according to the ZVEI this forecast is subject to a high degree of uncertainty. In this context, reference is made in particular to the current lockdown and its uncertain duration and scope.

The corporate planning for 2020 with the originally forecast sales and earnings development was not achieved due to the economic effects of the global corona pandemic. However, the earnings effect of the decline in sales was compensated for with the measures to reduce expenses that were introduced in 2019 and continued in 2020, and thanks to higher interest income, the loss after taxes was ultimately reduced compared to the previous year.

In the corporate planning for 2021, we are assuming an increase in sales of around 8%. In contrast to the previous year, the start of 2021 was very positive in terms of incoming orders, which meant that higher sales than planned could be realized in the first quarter. On the basis of the significant increase in sales planned for 2021 and the optimized cost basis, earnings after taxes will improve significantly, but we still expect a loss after taxes in 2021 due to the considerable expenses for pensions.

We continue to see significant risks in the diverse, global effects of the corona pandemic and in an additional increase in economic uncertainty due to unresolved structural problems in the euro area and more protectionism.

Balance sheet as of December 31, 2020

assets

	12/31/2020		12/31/2019	
	EURO		EURO	
A. Fixed assets				
I. Intangible assets				
Purchased industrial property rights and similar rights and values as well as licenses to such rights and values	395,409.99	395,409.99	460,991.19	460,991.19
II. Tangible assets				
1. Land, land rights and buildings, including buildings on third-party land	8,586,038.83		9,357,893.23	
2. Technical installations and machines	2,586,533.08		3,213,400.20	
3. Other equipment, fixtures and fittings	726,564.68		1,066,417.94	
4. Assets under construction	2,009,513.78	13,908,650.37	370,718.91	14,008,430.28
III. financial assets				
1. Shares in affiliated companies	13,270,618.03		13,270,618.03	
2. Loans to affiliated companies	90,000,000.00	103,270,618.03	0.00	13,270,618.03
		117,574,678.39		27,740,039.50
B. Current Assets				
I. Inventories				
1. Raw, auxiliary and operating materials	5,313,503.20		6,002,349.62	
2. Work in progress	3,396,667.04		3,362,177.61	
3. Finished Goods and Merchandise	7,267,015.29	15,977,185.53	5,998,828.97	15,363,356.20

	12/31/2020		12/31/2019	
	EURO		EURO	
II. Receivables and other assets				
1. Trade accounts receivable	5,199,661.29		8,247,044.78	
2. Receivables from affiliated companies (including receivables from the shareholder)	27,871,225.90 (12,572,331.23)		111,167,552.43 (26,383,008.38)	
3. Other Assets	789,496.16	33,860,383.35	643,941.92	120,058,539.13
III. Cash and bank balances		3,062.52		3,946.56
		49,840,631.40		135,425,841.89
C. Prepaid expenses		232,167.03		177,158.21
		167,647,476.82		163,343,039.60

liabilities

	12/31/2020		12/31/2019	
	EURO		EURO	
A. Equity				
Subscribed capital		30,319,149.00		30,319,149.00
		30,319,149.00		30,319,149.00
B. Provisions				
1. Provisions for pensions and similar obligations	125,854,177.00		117,050,920.00	
2. Other provisions	5,761,807.44	131,615,984.44	7,885,941.88	124,936,861.88
C. Liabilities				
1. Deposits received on orders	150,160.00		50,363.82	
2. Trade Accounts Payable	3,203,873.56		3,587,208.02	
3. Liabilities to affiliated companies	974,383.24		2,693,891.59	
4. Other Liabilities	1,383,926.58	5,712,343.38	1,755,565.29	8,087,028.72
		167,647,476.82		163,343,039.60

Profit and Loss Account for the period from January 1st to December 31st 2020

	2020		2019	
	EURO	EURO	EURO	EURO
1. Revenue		115,832,619.54		143,093,556.63
2. Increase in inventories of finished goods and work in progress		669,455.60		827,201.97
3. Other own work capitalized		298,064.42		393,519.63
4. Other operating income		5,480,685.82		4,942,464.03
5. Cost of Materials				
a) Expenses for raw materials, auxiliary materials and supplies and for purchased goods	56,336,513.60		70,243,271.15	
b) Expenses for purchased services	1,271,737.41	57,608,251.01	2,059,466.66	72,302,737.81
6. Personnel expenses				
a) Wages and salaries	39,955,459.41		43,529,964.16	
b) Social security contributions and expenses for pensions and for assistance	16,164,955.83	56,120,415.24	20,855,951.47	64,385,915.63
7. Depreciation on intangible assets and property, plant and equipment		1,974,412.89		1,807,427.58
8. Other Operating Expenses		18,566,979.85		22,737,290.53
9. Income from other securities and loans from financial assets		2,725,000.00		0.00
10. Other Interest and Similar Income		7,687.77		51,959.72
11. Interest and Similar Expenses		3,214,882.85		3,331,036.82
12. Expenses (previous year: income) from income taxes		2,348.76		-458.10
13. Earnings after tax		- 12,473,777.45		- 15,255,248.29
14. Other Taxes		88,046.89		89,914.78
15. Loss taken on under a profit and loss transfer agreement		12,561,824.34		15,345,163.07
16. Net Income/Loss		0.00		0.00

Appendix for the 2020 financial year**preliminary remark**

Schroff GmbH has its registered office in Straubenhardt and is entered in the commercial register at the District Court of Mannheim (HRB 503549).

The annual financial statements were prepared in accordance with the provisions of the German Commercial Code in the version of the Accounting Directive Implementation Act (BilRUG) and the GmbHG.

Schroff GmbH is a large corporation in accordance with Section 267, Paragraph 3, Clause 1 of the German Commercial Code.

A. Notes to the Balance Sheet and Profit and Loss Account

1. Accounting and valuation methods

The accounting and valuation methods have remained unchanged compared to the previous year.

Purchased intangible assets are valued at acquisition cost less scheduled straight-line depreciation. Two to six years are regularly used as a basis for assessing the useful life.

Property, plant and equipment are valued at acquisition or production cost. In addition to direct material costs and overhead costs as well as production wages (direct and overhead costs), the production costs of self-constructed systems also include appropriate parts of the costs of general administration and depreciation of the production area.

Depreciable property, plant and equipment are depreciated on a straight-line basis over their normal useful life, which is between one and twenty-one years.

The scheduled depreciation on the additions in the 2020 financial year is calculated using the straight-line method. Since the 2018 financial year, investments in low-value assets with acquisition costs of more than EUR 150 to EUR 1,000 are no longer depreciated on a straight-line basis in a collective item over 5 years. Assets whose acquisition or production costs are up to EUR 800 (net) are written off immediately.

Financial assets are valued at acquisition cost. If the impairment is expected to be permanent, it is written down to the lower fair value.

Raw materials, consumables and supplies as well as goods are stated at the lower of cost or current market value. Work in progress and finished goods are valued at production cost in accordance with Section 255 (2) HGB. Included are the direct material and production costs, appropriate parts of the material and production overheads and the depreciation of the fixed assets, insofar as this is caused by the production. The risks inherent in inventories due to long periods of storage are taken into account through appropriate devaluations. Stocks are valued without loss and in accordance with the strict lower-value principle.

Receivables and other assets are generally stated at their nominal value. We have taken the identifiable risks into account through individual devaluations. The general credit risk in trade accounts receivable is also taken into account by means of a general allowance.

The provisions for pensions are determined using the projected unit credit method, taking into account actuarial principles and in accordance with the provisions of the Accounting Law Modernization Act. The 2018 G mortality tables by Prof. Dr. Klaus Heubeck used and made the following assumptions (pa):

interest rate	2.31%
salary trend	3%
BBG trend	2%
pension trend	2%
turnover rate	5%

The pension provisions are discounted at a flat rate using the average market interest rate for the last ten years determined by the Deutsche Bundesbank, based on a residual term of 15 years. The difference when using the 10-year average interest rate compared to the 7-year average interest rate is EUR 18,588 thousand (previous year: EUR 18,056 thousand) in accordance with Section 253 (6) HGB. In the opinion of the Federal Ministry of Finance, the distribution block codified for this difference in § 253 Para.

The other provisions are recognized at the settlement amount required based on prudent business judgement. A cost increase of 3% was taken into account when assessing the settlement amount. Other provisions with a term of more than one year are discounted using interest rates appropriate to the period, which have been published by the Deutsche Bundesbank, taking into account actuarial principles. For the discounting of the provisions for death benefits, the interest rate for 2020 based on the remaining term is 2.31%. There is a difference according to Section 253 (6) HGB of EUR 63k.

Liabilities are recognized at the settlement amount.

The company is an organ company. Deferred taxes are only reported by the parent company.

currency conversion

In accordance with Section 256a HGB, assets and liabilities denominated in foreign currencies with a remaining term of up to one year are translated at the mean spot exchange rate on the balance sheet date.

2. Notes to the balance sheet

Capital assets

The 100% stake in Hoffman Schroff Poland Sp.zoo is reported under financial assets.

Shareholding Schroff GmbH

Status: 12/31/2018

Company name and registered office	Shareholding	Equity 12/31/2018	Annual result as of December 31, 2018
		kEUR	kEUR
Hoffman Schroff Poland 100% Sp.zoo, Dzierzoniow, Poland		19.124	1,082

The development of the individual fixed asset items in the year under review is shown in the fixed asset movement schedule, which is attached to the notes as an appendix.

current assets

Receivables and other assets

If the individual items contain receivables with a remaining term of more than one year, these are shown below:

	12/31/2020		12/31/2019	
	In total	Remaining term more than 1 year	In total	Remaining term more than 1 year
	kEUR	kEUR	kEUR	kEUR
Requests from deliveries and services	5,200	-	8,247	-
Receivables from affiliated companies	27,871	-	111.167	-
Other assets	789	-	644	-
	33,860	-	120,058	-

Receivables from affiliated companies include receivables from the shareholder in the amount of EUR 12,572 thousand (previous year: EUR 26,383 thousand).

Receivables from affiliated companies include trade receivables of EUR 5,986 thousand (previous year: EUR 8,689 thousand), receivables from short-term loans of EUR 0 thousand (previous year: EUR 11,000 thousand) and cash pool receivables of EUR 9,323 thousand (Previous year: EUR 76,133 thousand). In addition, there are other

receivables from the profit transfer of EUR 12,562 thousand (previous year: EUR 15,345 thousand).

Equity capital

The subscribed capital is unchanged at EUR 30,319 thousand, consisting of a share held by Schroff Holdings Germany GmbH as the legal successor to EuronVent GmbH, Straubenhardt. Due to the profit and loss transfer agreement concluded with Schroff Holdings Germany GmbH, the loss for the financial year in the amount of EUR 12,562k is shown as a receivable from Schroff Holdings Germany GmbH.

accruals

The other provisions essentially consist of provisions for personnel expenses of EUR 3,138 thousand (previous year EUR 4,127 thousand), partial retirement of EUR 546 thousand (previous year EUR 872 thousand), warranties of EUR 661 thousand (previous year EUR 650 thousand) and provisions for outstanding supplier invoices totaling EUR 825 thousand (previous year: EUR 543 thousand).

liabilities

The remaining term for liabilities of up to one year and more than five years is shown in the following overview:

	12/31/2020			12/31/2019	
	In total kEUR	Remaining term up to 1 year kEUR	remaining term over 5 years kEUR	In total kEUR	Remaining term up to 1 year kEUR
Advance payments received on orders	150	150	-	50	50
liabilities from goods and services	3.204	3.204	-	3,587	3,587
Liabilities to affiliated companies	974	974	-	2,694	2,694
Other liabilities	1,384	1.215	169	1,756	1,588
	5,712	5,543	169	8,087	7,919

In the previous year, other liabilities of EUR 168 thousand had a remaining term of more than 5 years. The liabilities with a remaining term of more than 5 years are based on liabilities to the support fund Gunther Schroff eV

As in the previous year, liabilities to affiliated companies do not include any liabilities to shareholders.

Liabilities to affiliated companies include trade payables of EUR 974 thousand (previous year: EUR 2,694 thousand).

Other liabilities include tax liabilities of EUR 791 thousand (previous year EUR 660 thousand) and social security liabilities of EUR 31 thousand (previous year EUR 37 thousand).

Other Financial Obligations

Purchase commitments from investments amount to EUR 861 thousand (previous year: EUR 2,344 thousand). The total amount of future payment obligations from long-term leasing and rental agreements is around EUR 707 thousand (previous year EUR 1,715 thousand), of which EUR 0 thousand (previous year EUR 0 thousand) to affiliated companies.

A conditional payment obligation to a cooperative exists in the amount of EUR 0.9 thousand (previous year EUR 0.9 thousand).

3. Notes to the Profit and Loss Account

The income statement is structured according to the nature of expense method.

Breakdown of sales by geographic market

	2020 kEUR	2019 kEUR
Federal Republic of Germany	58,479	68,576
Other EC	32,865	41,920
Rest of Europe	6,848	8.210
America	5,550	11.157
Other Regions	12,091	13,231
	115,833	143,094

Breakdown of sales by product category

	2020 kEUR	2019 kEUR
cabinets	23,512	28.157
EMCA (Electromechanical Components and Accessories)	57,546	63,368
systems	21,348	32,899
enclosures	6,088	7,832
cooling	2,518	3,092
Off-Platform	3,715	5,663
Miscellaneous Products	181	381
Income from licenses, other income	925	1,702
	115,833	143,094

Other company income

Other operating income includes income from other periods from the reversal of provisions in the amount of EUR 887 thousand (previous year: EUR 344 thousand) and in the amount of EUR 187 thousand (previous year: EUR 0 thousand) from the reversal of value adjustments on receivables.

Other operating income includes income from currency translation of EUR 138 thousand (previous year: EUR 0 thousand) and, as in the previous year, no extraordinary income.

Expenses for retirement benefits

In the year under review, EUR 8,305 thousand (previous year: EUR 12,924 thousand) was spent on pensions.

Other operating expenses

These essentially relate to rents and leases of EUR 2,515 thousand (previous year EUR 3,249 thousand), selling expenses and advertising costs of EUR 4,889 thousand (previous year EUR 5,382 thousand), third-party services of EUR 2,930 thousand (previous year EUR 3,886 thousand) and various operating expenses and general administrative and selling expenses of EUR 8,181 thousand (previous year EUR 10,126 thousand).

No extraordinary expenses are included in other operating expenses.

Financial result/interest result

Income from and expenses to affiliated companies to be reported separately:

	2020		2019	
	In total kEUR	Regarding affiliated companies kEUR	In total kEUR	Regarding affiliated companies kEUR
Income from loans of financial assets	2,725	2,725	-	-
Other interest and similar income	8th	8th	52	52
Interest and similar expenses	3,215	30	3,331	-

The interest expenses from the allocation to the pension provisions and the provisions for partial retirement, death benefits and anniversaries in the amount of EUR 3,185 thousand (previous year EUR 3,330 thousand) are included in interest and similar expenses.

B. Other Information

employees on average over the year

	2020	2019
Wage earners	393	421
employee	268	278
	661	699

Information according to § 285 No. 17 HGB

The total fee charged by the auditor for the financial year is EUR 134 thousand for auditing services and EUR 25 thousand for tax consulting services.

Information according to § 285 No. 21 HGB

Related persons and companies are all natural and legal persons and companies belonging to the group of companies of nVent Electric plc, Dublin, Ireland, who control Schroff GmbH or can significantly influence it. There were no transactions in the fiscal year that required disclosure but were not carried out under normal market conditions within the meaning of Section 285 No. 21 HGB.

remuneration of the management

In application of Section 286 Paragraph 4 HGB, the remuneration of the management is not disclosed. The provisions for current pensions and pension entitlements for former members of management amount to EUR 2,724 thousand.

members of the management board

Volker Haag, Engineering Leader, nVent Enclosures Division

Mustafa Karabuz, Schroff Product Leader, nVent Enclosures Division

Group affiliation

The company belongs to the group of companies of nVent Electric plc, Dublin, Ireland, and is included in its consolidated financial statements (smallest and largest group of consolidated companies). These consolidated financial statements are available at the registered office of the group parent company.

In the exempting consolidated financial statements of nVent Electric plc according to US GAAP accounting regulations, the following accounting and valuation methods, which deviate from German law in the following respect, are used in particular:

Self-created intangible fixed assets are to be capitalized.

Goodwill only arises if differences cannot be traced back to the payment of identifiable intangible assets. They are not amortized.

Long-term foreign currency receivables and liabilities are recognized at fair value, even if this is higher than acquisition cost due to exchange rate changes.

Deferred tax assets are recognized for temporary differences in valuation between US GAAP and taxes that are expected to reverse in the future.

When measuring the pension provisions, they are discounted using the current capital market interest rate.

Certain financial instruments are measured at fair value, even if this is higher than acquisition cost.

The Company treats all companies as associated companies which are included in the consolidated financial statements of nVent Electric plc.

Events after the balance sheet date that are of particular importance

Business development in 2021 will continue to be shaped by the effects of the corona pandemic. More detailed information on this can be found in the management report. There were no other events of particular importance that occurred after the end of the financial year and that are relevant to the assessment of the company.

Appropriation of earnings

The loss of the fiscal year in the amount of EUR 12,562 thousand is assumed by Schroff Holdings Germany GmbH on the basis of the profit and loss transfer agreement concluded with Schroff Holdings Germany GmbH and shown in the balance sheet as a receivable from affiliated companies.

Straubenhardt, June 4, 2021

Schroff GmbH

Volker Haag

Mustafa Karabuz

INSTALLATION REPORT 2020

Acquisition and manufacturing costs

Status			As of December
01.01.2020	additions	departures	31, 2020

	Euro Acquisition Status 01.01.2020	Euro additions	Euro manufacturing departures	Euro costs	Euro As of December 31, 2020
A. Fixed assets					
I. Intangible assets					
Purchased industrial property rights and similar rights and values as well as licenses to such rights and values	16,187,884.04	143,910.00	506,491.70		15,825,302.04
	16,187,884.04	143,910.00	506,491.70		15,825,302.34
II. Tangible assets					
1. Land, land rights and buildings, including buildings on third-party land	22,504,540.67	0.00	607,234.68		21,897,305.99
2. Technical installations and machines	26,569,618.03	397,663.41	703,094.99		26,264,186.45
3. Other equipment, fixtures and fittings	11,345,751.50	153,826.43	388,697.39		11,110,880.54
4. Assets under construction	370,718.91	1,638,794.87	0		2,009,513.78
	60,790,629.11	2,190,284.71	1,699,027.06		61,281,886.76
III. financial assets					
1. Shares in affiliated companies	13,270,618.03	0.00	0.00		13,270,618.03
2 Loans to affiliated companies	0.00	90,000,000.00	0.00		90,000,000.00
	13,270,618.03	90,000,000.00	0.00		103,270,618.03
	90,249,131.18	92,334,194.71	2,205,518.76		180,377,807.13
		depreciation			
	Status 01.01.2020	additions	departures		As of December 31, 2020
	Euro	Euro	Euro		Euro
A. Fixed assets					
I. Intangible assets					
Purchased industrial property rights and similar rights and values as well as licenses to such rights and values	15,726,892.85	209,491.20	506,491.70		15,429,892.35
	15,726,892.85	209,491.20	506,491.70		15,429,892.35
II. Tangible assets					
1. Land, land rights and buildings, including buildings on third-party land	13,146,647.44	324,521.63	159,901.91		13,311,267.16
2. Technical installations and machines	23,356,217.83	947,177.32	625,741.78		23,677,653.37
3. Other equipment, fixtures and fittings	10,279,333.56	493,222.74	388,240.44		10,384,315.86
4. Assets under construction	0.00	0.00	0.00		0.00
	46,782,198.83	1,764,921.69	1,173,884.13		47,373,236.39
III. financial assets					
1. Shares in affiliated companies	0.00	0.00	0.00		0.00
2 Loans to affiliated companies	0.00	0.00	0.00		0.00
	0.00	0.00	0.00		0.00
	62,509,091.68	1,974,412.89	1,680,375.83		62,803,128.74
				book values	book values
				As of December 31, 2020	As of 12/31/2019
				Euro	Euro
A. Fixed assets					
I. Intangible assets					
Purchased industrial property rights and similar rights and values as well as licenses to such rights and values			395,409.99		460,991.19
			395,409.99		460,991.19
II. Tangible assets					
1. Land, land rights and buildings, including buildings on third-party land			8,586,038.83		9,357,893.23
2. Technical installations and machines			2,586,533.08		3,213,400.20
3. Other equipment, fixtures and fittings			726,564.68		1,066,417.94
4. Assets under construction			2,009,513.78		370,718.91
			13,908,650.37		14,008,430.28
III. financial assets					
1. Shares in affiliated companies			13,270,618.03		13,270,618.03
2 Loans to affiliated companies			90,000,000.00		0.00
			103,270,618.03		13,270,618.03
			117,574,678.39		27,740,039.50

INDEPENDENT AUDITOR'S REPORT

To Schroff GmbH, Straubenhardt

audit opinions

We have the annual financial statements of Schroff GmbH, Straubenhardt, - consisting of the balance sheet as of December 31, 2020 and the income statement for the financial year from January 1 to December 31, 2020 and the appendix, including the presentation of the accounting and Valuation methods - checked. In addition, we have audited the management report of Schroff GmbH, Straubenhardt, for the fiscal year from January 1 to December 31, 2020. In accordance with the German statutory

provisions, we have not checked the content of the declaration on corporate governance in accordance with Section 289f (4) HGB (information on the proportion of women).

According to our assessment based on the knowledge gained during the audit

- The attached annual financial statements correspond in all material respects to the German commercial law regulations applicable to corporations and, in compliance with the German principles of proper accounting, convey a true and fair view of the assets and financial position of the company as of December 31, 2020 and its earnings position for the financial year from January 1 to December 31, 2020 and
- the attached management report conveys an overall correct picture of the situation of the company. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the corporate governance statement mentioned above.

In accordance with Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any objections to the regularity of the annual financial statements and the management report.

Basis for the test results

We conducted our audit of the annual financial statements and the management report in accordance with Section 317 of the German Commercial Code, taking into account the German generally accepted auditing principles established by the Institute of Public Auditors in Germany (IDW). Our responsibilities under these regulations and principles are further described in the "Auditor's responsibility for the audit of the annual financial statements and management report" section of our auditor's report. We are independent of the company in accordance with the requirements of German commercial and professional law and have our other German professional responsibilities in compliance with these requirements. We believe that

Other Information

The legal representatives are responsible for the other information. The other information includes:

- the declaration on corporate governance in accordance with Section 289f (4) HGB (information on the proportion of women),
- but not the annual financial statements, not the management report information audited for content and not our associated auditor's report.

Our opinions on the annual financial statements and on the management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, we have a responsibility to read the other information identified above and, in doing so, to consider whether the other information

- exhibit material discrepancies with the annual financial statements, the audited management report information or our knowledge obtained in the audit, or
- otherwise appear materially misrepresented.

Responsibility of the legal representatives for the annual financial statements and the management report

The legal representatives are responsible for the preparation of the annual financial statements, which comply with the German commercial law provisions applicable to corporations in all material respects, and for the fact that the annual financial statements, in compliance with the German principles of proper accounting, give a true and fair view of the assets, financial - and results of operations of the company. Furthermore, the legal representatives are responsible for the internal controls which they have determined to be necessary in accordance with the German principles of proper accounting in order to enable the preparation of annual financial statements,

In preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

In addition, the legal representatives are responsible for preparing the management report, which as a whole provides a suitable view of the company's position and is consistent with the annual financial statements in all material respects, complies with German legal requirements and suitably presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) they have deemed necessary to enable the preparation of a management report in accordance with the applicable German statutory provisions and to be able to provide sufficient suitable evidence for the statements in the management report.

Auditor's responsibility for the audit of the annual financial statements and the management report

Our objective is to obtain reasonable assurance as to whether the annual financial statements as a whole are free from material - intentional or unintentional - misstatements and whether the management report as a whole provides a suitable view of the company's position and, in all material respects, with the annual financial statements and is consistent with the findings obtained in the audit, complies with German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report which contains our audit opinions on the annual financial statements and on the management report.

Adequate assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with Section 317 of the German Commercial Code, taking into account the German principles of proper auditing established by the Institut der Wirtschaftsprüfer (IDW) will always uncover a material misstatement. Misstatements may 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 made on the basis of these financial statements and management report.

During the audit, we exercise professional judgment and maintain a critical attitude. Furthermore

- We identify and assess the risks of material - intentional or unintentional - misstatements in the annual financial statements and in the management report, plan and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is greater than that arising from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- We gain an understanding of the internal control system relevant to the audit of the annual financial statements and the precautions and measures relevant to the audit of the management report in order to plan audit procedures that are appropriate in the given circumstances, but not with the aim of providing an audit opinion on the effectiveness of these systems of society.
- we evaluate the appropriateness of the accounting methods used by the legal representatives as well as the justifiability of the estimated values presented by the legal representatives and the related disclosures.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that cast significant doubt on the Company's ability to continue as a going concern can raise. If we conclude that there is a material uncertainty, we are required to draw attention to the related disclosures in the financial statements and management report in the auditor's report or, if such disclosures are inappropriate, to modify our respective audit opinion. We base our conclusions 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 be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in such a way that the annual financial statements, in compliance with German legally required accounting principles, give a true and fair view of the assets, financial and earnings situation of the company.
- We assess the consistency of the management report with the annual financial statements, its compliance with the law and the view it conveys of the company's situation.
- we perform audit procedures on the future-oriented information presented by the legal representatives in the management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not provide a separate audit opinion on the future-oriented information and the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We discuss with those charged with governance, among other things, the planned scope and timing of the audit and significant audit findings, including any deficiencies in the internal control system that we identify during our audit.

Mannheim, June 4, 2021

Deloitte GmbH
auditing company
Stefan Wilsch, auditor

Juliet Sochiera, Chartered Accountant

Shareholder resolutions of Schroff GmbH

1. Preliminary remark

Schroff Holdings Germany GmbH, based in Straubenhardt, holds the entire share capital of Schroff GmbH (the "Company"), based in Straubenhardt, entered in the commercial register of the District Court of Mannheim under HRB 503549.

There is a profit and loss transfer agreement between Schroff Holdings Germany GmbH as the controlling company and the company as the controlled company.

Waiving compliance with any formal and deadline requirements for convening and holding a general meeting of Schroff GmbH, the following is resolved:

2. Shareholder resolutions

2.1 The annual accounts of the Company for the financial year 2020 (the "Accounts"), attached hereto, are hereby adopted.

2.2 The result shown in the annual financial statements was balanced in accordance with the profit and loss transfer agreement between the company and Schroff Holdings Germany GmbH.

2.3 The managing directors in office in the 2020 financial year, Mustafa Karabuz and Volker Haag, are granted discharge for the 2020 financial year.

2.4 Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, has been appointed as the company's auditor for the 2021 financial year. The audit can be carried out by any office of Deloitte GmbH Wirtschaftsprüfungsgesellschaft.

The German version is authoritative.

Shareholder's Resolutions of Schroff GmbH

1. Preliminary Remarks

Schroff Holdings Germany GmbH with its seat in Straubenhardt holds the entire share capital in Schroff GmbH (the "Company") with its seat in Straubenhardt, registered with the commercial register of the Mannheim local court under HRB 503549.

A profit and loss transfer agreement exists between Schroff Holdings Germany GmbH as dominating entity and the Company as dominated entity.

Waiving any and all requirements as to form and notice for the calling and conducting of shareholders' meetings of Schroff GmbH, it is resolved as follows:

2. Shareholder's Resolutions

2.1 The financial statements of the Company for the 2020 fiscal year (the "Financial Statements"), attached hereto as Annex, shall hereby be adopted.

2.2 The annual result as stated in the Financial Statements was balanced in accordance with the profit and loss transfer agreement existing between the Company and Schroff Holdings Germany GmbH.

2.3 The managing directors in office in the 2020 fiscal year, Mustafa Karabuz and Volker Haag, shall hereby be granted discharge for the 2020 fiscal year.

2.4 Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, shall hereby be appointed as auditor of the Company for the 2021 fiscal year. The audit may be conducted by any office of Deloitte GmbH Wirtschaftsprüfungsgesellschaft.

The German version shall prevail.

Prague, August 25, 2021

Mark Tapsik
for/on behalf of

Schroff Holdings Germany GmbH

Attachment / Annex

Financial Statements for the 2020 Fiscal Year/ Financial Statements for the 2020 Fiscal Year