



**WINDOW
Master®**

Fresh Air. Fresh People.

INITIAL PUBLIC OFFERING – WINDOWMASTER INTERNATIONAL A/S

DANISH CLEANTECH COMPANY – PROVIDER OF INTELLIGENT NATURAL VENTILATION
AND HEAT AND SMOKE VENTILATION SOLUTIONS

FINANCIAL AND CERTIFIED ADVISER



LETTER FROM THE CEO

Dear investor,

Today 39% of global energy related green house gas emissions are linked to buildings and construction processes, the transition to net-zero buildings is both urgent and imperative. To accomplish this, the world needs a change in attitude, and above all, it needs every individual, corporation, NGO, and government to start putting actions behind their words.

At WindowMaster, we strive to stay in the vanguard of green technology and offer sustainable solutions to the building industry to the benefit of both the indoor and outdoor environment. Our natural ventilation solutions directly lower building energy consumption and create healthy and safe indoor spaces. Thus, by delivering the green solutions of tomorrow, WindowMaster has become a preferred partner for innovative frontrunners in the construction industry anywhere in the world.

As WindowMaster's environmental awareness goes far beyond the specifics of our solutions, the UN Global Compact's Ten Principles and 17 sustainable development goals (SDGs) are an integral part of our business strategy, day-to-day operations, and organizational culture. As part of our general sustainability strategy, we have executed a range of short-term concrete initiatives e.g. reduced plastic consumption by 30% across the organization and reduced energy consumption at our premises by 20%. Naturally, our ambitions are much higher than this and together the Global Compact principles and SDGs help WindowMaster approach sustainability in a holistic way - as we continue our journey towards creating a more sustainable planet.

Looking ahead, we will continue our journey as environmental frontrunners by continuing to provide proven and sustainable solutions to the construction industry, while maintaining consciousness about our organization's own environmental footprint.



ERIK BOYTER, CEO
WINDOWMASTER INTERNATIONAL A/S



LEADING CLEANTECH COMPANY WITH PROVEN OPERATIONAL TRACK RECORD

1

MARKET LEADING CLEANTECH COMPANY

providing intelligent natural ventilation and heat and smoke ventilation solutions primarily for use in commercial buildings



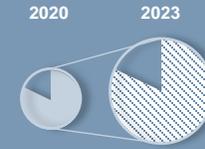
DKKm 210

in expected revenue for 2021



12.9% EBITDA

margin is expected in 2021. Optimization of the cost base fuels strong EBITDA growth



80%

market share in growing natural ventilation market

2

SUSTAINABLE IoT SOLUTION

based on a proven technology has positioned WindowMaster as tech-leader – tapping into the flourishing smart building market



↓CO₂

reduction through energy efficient solutions – easy to integrate with existing building management systems (BMS)



Tech-leader

with most advanced tech solutions within natural and heat & smoke ventilation



18% CAGR

Expected for the smart building market

3

GROWING MARKET DRIVEN BY GLOBAL TRENDS

towards reducing carbon emissions through smart and energy efficient buildings



#1

Buildings rank no. 1 in carbon emission accounting for 39% of global energy related emissions



↓70% CO₂

reduction target for Denmark and 40% reduction across the EU by 2030



€80-120bn ann.

is the value of the renovation market for buildings in relation to energy retrofits 2018-2030

4

UNIQUE PLATFORM FOR FUTURE GROWTH & PROFITABILITY

achieved through ambitious investments in product development, IT infrastructure, and strategic acquisitions



Complete product-mix

Heat & smoke ventilation provides stable revenue floor, while natural and hybrid ventilation have substantial upside potential



Scalability

As a result of a strategic shift from contractor to manufacturer



+30 Years

experience with great operational track record

30 YEARS OF STRONG OPERATIONAL TRACK RECORD

“We make your building breathe naturally”

- WindowMaster

2015 CHANGE IN OWNERSHIP STRUCTURE – MANAGEMENT BUY-IN

-  WindowMaster was established in 1990 as part of VKR Holding
-  Acquired by current CEO, Erik Boyter, in a management buy-in in 2015.
-  Employed a new management team and Board of Directors to set a new direction for the company.
-  WindowMaster's corporate HQ is located in Vedbæk, Denmark
-  Increased focus on creating high quality IoT solutions
-  Sales subsidiaries in Germany, Ireland, the UK and Switzerland - while an assembly facility has been established in Herford, Germany.

2016 STRATEGIC SHIFT TO ESTABLISH SUSTAINABLE PLATFORM

-  The new management team initiated a strategic shift in business model
-  From primarily being a contractor to becoming a manufacturer.
-  Target was to establish a more scalable business model by primarily delivering products and solutions for external partners to install and configure.
-  As part of establishing a strong market position, WindowMaster executed strategic acquisitions in Norway and Switzerland.

 2016: WMa acquires BSI A/S

 2016: WMa acquires Focair SA

2019 ACQUISITION OF US DISTRIBUTOR TO STRENGTHEN NORTH AMERICAN PRESENCE

-  WindowMaster leveraged technological leadership, scalable business model, and market leading position in Europe
-  WindowMaster continued international expansion through the establishment of new subsidiaries and partnerships across the globe.
-  The latest initiative in this journey was the execution of a strategic acquisition of a US distributor in September 2019.

 2019: WMa acquires Clearline Inc

2020 MARKET LEADING CLEANTECH WITH GLOBAL REACH

-  Today, WindowMaster is the clear market leader in natural ventilation solutions
-  And among a few leading providers of heat and smoke ventilation.
-  As a direct result of the strategic shift from contractor to manufacturer, WindowMaster has increased EBITDA margin from 2.5% to 7.2.% over the period 2016-2019.
-  As a direct result of the COVID-19 pandemic, revenue in specific markets was affected in Q2 (UK and US). However, activity levels for June to August showed normalization, which indicates a strong H2 with revenue on level with H2 2019 and profitability surpassing H2 2019.

The image shows the exterior of the DSV Global Headquarters in Roskilde, Denmark. The building features a modern design with a white upper section and a lower section clad in vertical wood slats. Large, white, three-dimensional letters spelling 'DSV' are mounted on the wood-clad wall. In the foreground, there is a paved plaza with a small water fountain. The background shows a body of water and a blue sky with scattered clouds.

DSV

DSV GLOBAL HEADQUARTERS, ROSKILDE, DENMARK

WindowMaster has delivered natural ventilation, mixed mode ventilation, heat and smoke ventilation, and control of solar shading in both buildings at the DSV HQ

MARKET OVERVIEW – CLEAR MARKET LEADER IN GROWING MARKET

THE HEATING, VENTILATION AND AIR CONDITIONING MARKET (HVAC)

The heating, ventilation and air conditioning market includes both mechanical ventilation, natural ventilation, and mixed mode ventilation.



Mechanical ventilation solutions are constituted by fans or other mechanical plants. This market segment accounts for a very large majority of the HVAC market (98-99%).

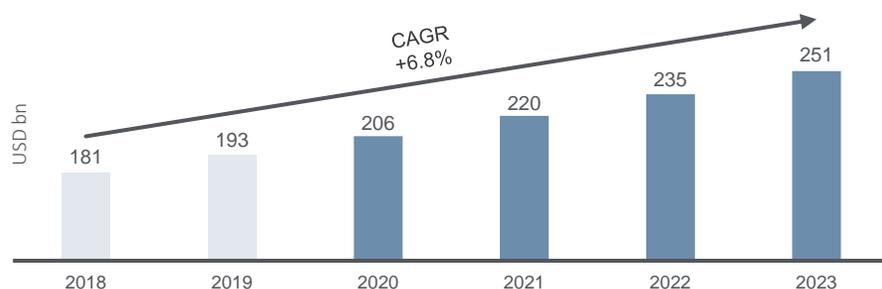


Natural ventilation solutions are activated based on temperature level, humidity level, and CO₂ level in a given room. In short, the system regulates a building's indoor climate by exploiting the natural forces created by temperature differences between the interior and the exterior environment, thermal displacement within the building, and winds around the building.



Mixed mode ventilation is a combination of natural and mechanical ventilation. In this setup, a balanced use of natural and mechanical ventilation occurs so that mechanical ventilation takes over when required by external conditions or when needed in specific areas of the building.

Global HVAC market development 2018-2023



As a central component in building operations, the HVAC market is naturally also affected by the increased environmental focus as this applies significant pressure to classic energy heavy ventilation solutions such as mechanical ventilation systems and air conditioners. As a result, **demand is increasing for a sustainable and energy efficient way to regulate indoor climate in buildings all over the world**. Thus, growth in the market for natural and mixed mode ventilation is expected to exceed the 6.8% CAGR for the general market for HVAC.

HEAT AND SMOKE VENTILATION MARKET

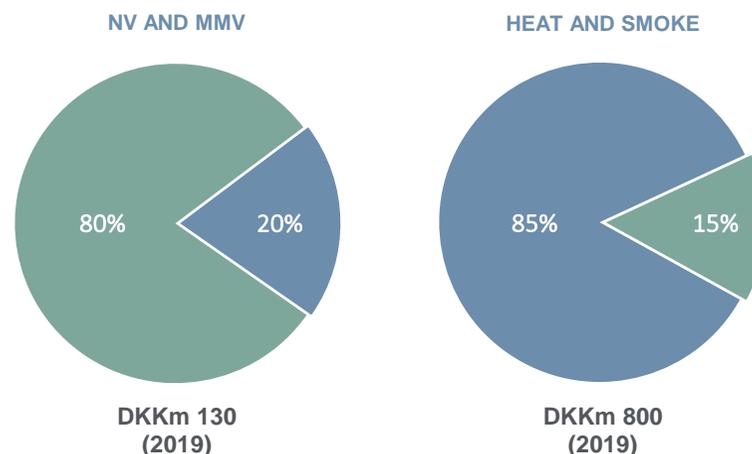


Heat and smoke ventilation utilizes thermal buoyancy to direct smoke out of the building through roof windows or windows placed in the uppermost part of the façade, while opening of windows placed in the lower part of the building ensures inflow of fresh air.

Management expects conservative growth rates of 2-3% for the general market for heat and smoke ventilation. As opposed to the market for natural ventilation, where comfort is one of the primary areas of focus, **the main priority in the market for heat and smoke ventilation is safety**. Consequently, **one of the main market drivers is the development in regulatory standards**. The direct connection to the regulatory environment means that this market is **less cyclical** than is the case for the market for comfort ventilation.

Due to **high barriers to entry**, the market for heat and smoke ventilation is consolidated around a few major players. This is primarily due to the complex and costly process required to satisfy the regulatory requirements for heat and smoke ventilation solutions.

Over the past two years, **WindowMaster has been able to gain market share through several important additions to the actuator portfolio** as well as substantial investments in EN tests and approvals, which ultimately has expanded usability of WindowMaster's heat and smoke ventilation solutions.



■ WindowMaster ■ Competitors

INTELLIGENT NATURAL AND MIXED MODE VENTILATION SOLUTIONS

AUTOMATED SYSTEMS

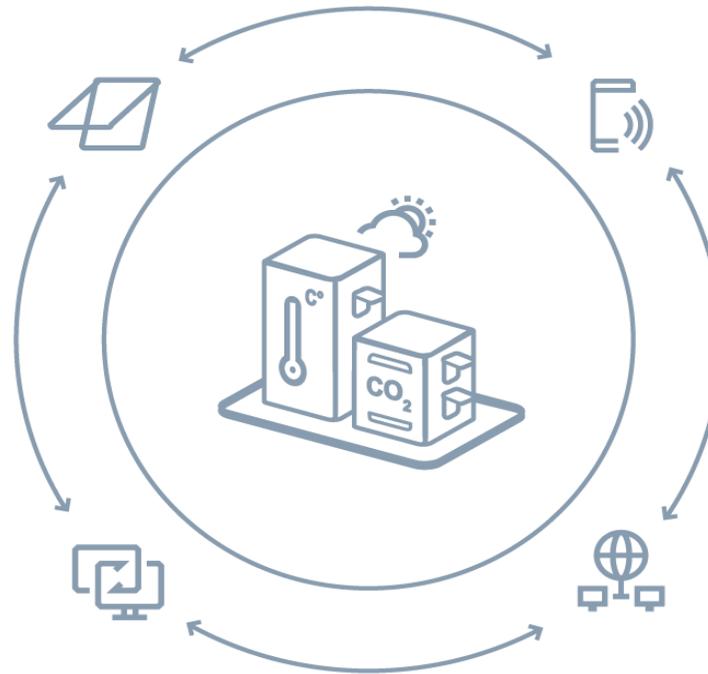
- A universal solution able to cover both single zone and large-scale setups
- Offering control of natural ventilation, mixed mode ventilation, heating, and solar shading in one solution
- New and higher level of interaction between the building occupant and the NV solution



BMS COMPLIANT

- Fully compatible with any existing building management systems (BMS)
- Integrated solution with other BMS systems or full ownership as a stand-alone solution
- Environmental data can be supplied by existing sensors or through sensors supplied by WindowMaster

NV Embedded®



MOBILE MANAGEMENT

- NV Embedded® app and dashboard
- Providing building occupants with detailed information about indoor climate (e.g. temperature, CO₂ level, and humidity)
- Informs facility managers of fault indications, status reports, manual override options, and configuration of the system



CLOUD-BASED

- Remote access and control
- Instant online status of individual zones or entire buildings
- Exterior and interior climate sensors supply data to the NV Embedded® control system
- Automatic regulation of the indoor climate based on provided inputs

NV EMBEDDED® REPRESENTS THE NEXT GENERATION OF INTELLIGENT NATURAL VENTILATION SOLUTIONS

FUTURE GROWTH TO BE DRIVEN BY SEVERAL GLOBAL TRENDS AND INITIATIVES

Strong global drivers

Healthy buildings, climate change, and political initiatives concerning the construction industry are key market drivers for WindowMaster's **proven sustainable solutions**



Climate change and initiatives to reduce carbon emission exert pressure on the construction industry as buildings hold the #1 rank in carbon emission accounting for 39% of global energy related carbon emission. Alone, the energy consumption from ventilation, heating, cooling, and lighting constitutes 28% of global energy related carbon emission.



Political initiatives such as the EU's *Clean energy for all act* targets both new construction projects as well as energy renovations of existing buildings. Further, The European Green Deal incentivizes energy efficient buildings and solutions¹.



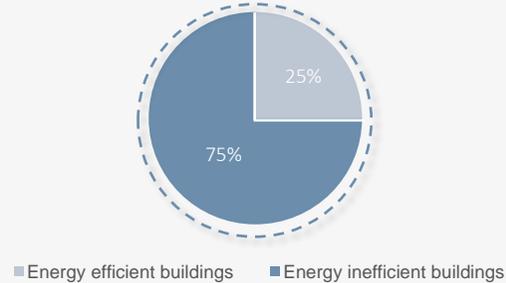
The importance of **Healthy buildings** has been underlined by the COVID-19 pandemic. WHO and national health organizations advise to open windows and doors whenever possible to provide fresh air. In addition, building industry experts conclude that the general trend towards more natural ventilation has been accelerated as a result of the COVID-19 pandemic.

1. *Building and renovation – The European Green Deal (Dec, 2019)*

Increasing spending in sustainable solutions

With The European Green Deal, political initiatives materialize and providers of sustainable and energy efficient solutions will benefit

Share of energy retrofitable buildings (Europe)



In a new directive, the EU accelerates the annual building renovation rate by stating: ***“in order to meet our climate and energy objectives, the current rates of renovations should at least double”***²

2. *“In focus: Energy efficiency in buildings” - European Commission (Feb, 2020)*

Increasing demand for WindowMaster's solutions

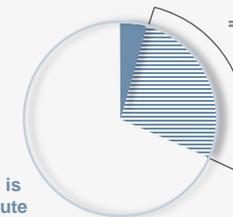
WindowMaster taps into the enormous HVAC market as market leader in rapidly growing natural ventilation subsector

Current HVAC market



= ~ 1-2% natural ventilation

USDbn 193 (2019)



= Natural ventilation share to increase significantly

USDbn 251 (2023)

Natural ventilation is expected to constitute increasing share of HVAC market – driven by strong market trends

Strong global drivers facilitate a market shift to sustainable solutions – WindowMaster is uniquely positioned as a leader in natural ventilation solutions

NATURAL VENTILATION INCREASES WELL-BEING AND PRODUCTIVITY OF EMPLOYEES

“Focus on employee well-being is a good business”

– The World Green Building Council (GBC)

Whereas the primary focus for governmental authorities is to create energy efficient buildings², this should by far be the only motivation for corporations to focus on optimizing control of the indoor climate by switching to a natural ventilation solution.

Naturally, more energy efficient buildings result in lower energy consumption, which ultimately yields energy cost savings for companies. However, the **largest gain** from switching from mechanical ventilation to natural, or mixed mode ventilation is constituted by **increased productivity of employees**.³

30k
DKK

In yearly productivity gains per employee can be achieved by switching to NV or MMV

90%

of a human life is spent within man-made structures

65%

reduction in SBS symptoms can be achieved by utilizing NV or MMV solutions

² European Commission (2019). Energy performance of buildings directive.

³ Teknologisk Institut, Nielsen, K., Wargocki, P., & Christensen, U. (2019). *Energirenovering af erhvervsbyggeri: Indeklimaforbedringen skal med i business-casen*. Taastrup, Denmark: Teknologisk Institut.

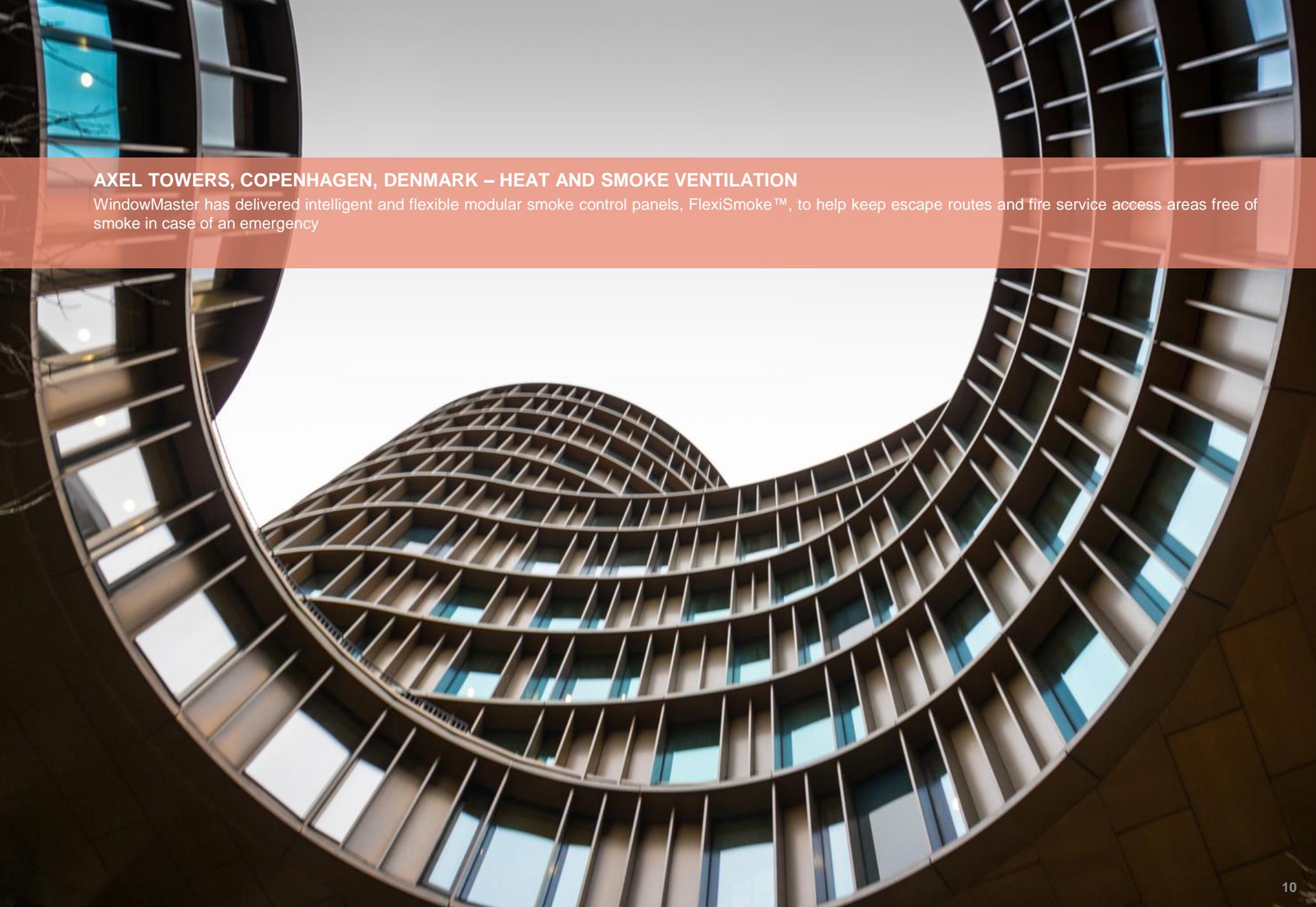
CUSTOMER AND CONSUMER BENEFITS

Research shows that **humans spend approximately 90% of their lives inside** man-made structures. Everyday issues such as headache, difficulty to concentrate and fatigue are strongly influenced by the indoor climate that individuals find themselves in on a daily basis. **The World Health Organization (WHO) has for a long time emphasized the seriousness of poor indoor air quality**, leading to the so-called Sick Building-Syndrome (SBS) i.e. people showing symptoms of illness or feeling unwell for no apparent reason.

For corporations, the well-being of employees is strongly correlated with employee productivity. Independent studies have shown that utilizing natural or mixed mode ventilation can decrease the SBS symptoms by more than 65%, which ultimately leads to **more satisfied employees and increased productivity levels**. Consequently, **it is paramount for employers to ensure efficient and sustainable regulation of the indoor climate**.

The productivity gains achieved by switching from mechanical ventilation to mixed mode or natural ventilation has been demonstrated in a study conducted at Carnegie Mellon University. This study concluded that when comparing mechanical ventilation with mixed mode or natural ventilation, natural ventilation or mixed mode ventilation could provide 0.8 – 1.3 % savings in health costs, 3-18% productivity gains, 47-79% HVAC energy savings, and an average ROI of 120%.

WindowMaster's intelligent natural ventilation solutions regulate the indoor climate to ensure an optimal environment to facilitate increased productivity from employees. Several global corporations have already switched from mechanical ventilation to WindowMaster's natural ventilation solution to reap the productivity benefits from maintaining an optimal indoor climate.



AXEL TOWERS, COPENHAGEN, DENMARK – HEAT AND SMOKE VENTILATION

WindowMaster has delivered intelligent and flexible modular smoke control panels, FlexiSmoke™, to help keep escape routes and fire service access areas free of smoke in case of an emergency

EXPECTATIONS FOR THE FUTURE – SUBSTANTIAL POTENTIAL UPSIDE

Financial performance

As it is the case for companies across the world, H1 2020 was for WindowMaster affected by the COVID-19 pandemic. The reduction in revenue from 2019 to 2020 is directly linked to the COVID-19 situation, due to substantial virus spread in some WindowMaster markets.

However, in Q3 activity has picked up with order backlog **indicating that activity for H2 2020 will be back on level with H2 2019 with Q4 looking particularly strong.**

As part of the company's long-term strategy, WindowMaster spent Q2 2020, executing on several initiatives to reduce the cost base.

The financial effect of the initiatives will be partly in effect from Q3 and in full effect from Q4 2020. With the revenue normalization and cost base reduction combined, **WindowMaster will experience an increase in EBITDA margin in 2021.**

Capitalizing on well-established platform



Platform

Since 2015, ambitious investments in product development, IT infrastructure, and strategic acquisitions have contributed to establishing WindowMaster's position as a **clear market leader within natural ventilation solutions** and have facilitated the shift from contractor to manufacturer.



Increased profitability

In 2020, **WindowMaster had a strong focus on cost optimization to increase profitability.** This cost reduction has primarily been achieved through reductions in staff costs and an increased digitalization of marketing and sales processes.

WindowMaster has thus established a sustainable platform that can be capitalized on over the coming years. **With revenue expected to normalize in 2021 at approx. DKKm 210, EBITDA is expected to increase to approx. DKKm 27** as a result of the these long-term optimizations to the operational platform.

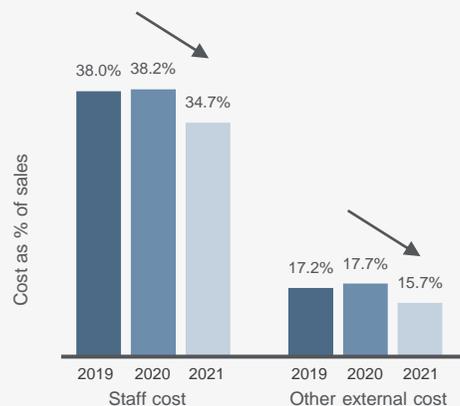
Substantial upside potential in natural ventilation

The financial forecast presented below should be considered as the management team's base case estimates. **WindowMaster's long operational track record provides strong documentation for the company's capabilities to achieve this level of financial results.**

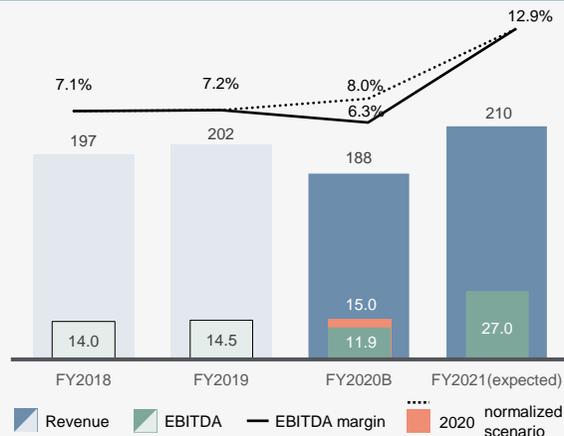
However, considering the described mega trends of increased focus on climate change, operational sustainability, and the technological development supporting the smart building market, there are many indications that things are rapidly changing and that **WindowMaster's market stand to be strongly affected by these changes** that are currently just starting to kick in.

The extent and timing of market effects derived from these mega trends remain uncertain. However, WindowMaster's management team is convinced that these factors will drive global markets in the coming years, **and thus provide substantial upside potential for WindowMaster.**

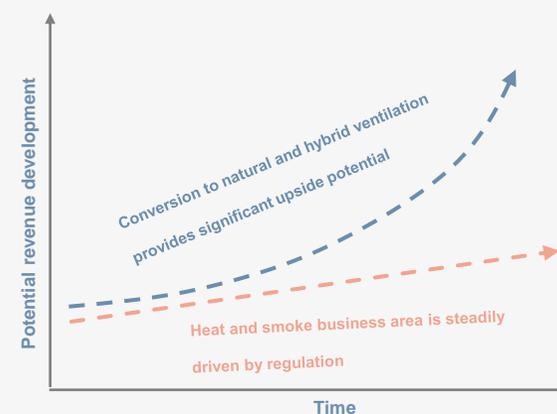
Development in cost level 2019-2021



Financial forecast 2020-2021 (DKKm)



Upside potential in natural and heat & smoke ventilation



EXECUTIVE MANAGEMENT AND BOARD OF DIRECTORS

EXECUTIVE MANAGEMENT: +20 YEARS OF EXPERIENCE FROM SENIOR MANAGEMENT POSITIONS



Erik Boyter

Chief Executive Officer

Joined WindowMaster through a management buy-in in 2015
Former COO of Pressalit Holding A/S (1998-2008)
Private equity experience as Partner in Odin Equity Partners



Steen Overgaard Sørensen

Chief Financial Officer

Joined WindowMaster as CFO in 2016
Former Financial Director at Rockwool and Rockfon

BOARD OF DIRECTORS: LONG-TIME EXECUTIVE LEVEL INDUSTRY EXPERIENCE



Lars Fournais

Chairman

Chairman of the Board of Directors at AGF Fodbold
+15 years of experience from construction and building associated companies



Michael Gaermann

Vice Chairman

Chairman of the Board of Directors at AVN Gruppen A/S
Owner, Partner and lawyer at Lundgrens



Leif Jensen

Board member

Member of the Board of Directors at Velux Stiftung and Hempel A/S
Former CEO of VKR holding A/S (2001-11)



Mette Søs Lassen

Board member

Executive Director at Ramboll
20 years of experience within consulting engineering corporations



Erik Boyter

Board member

Member of the Board of Directors at Dansk Industri Byg
CEO of WindowMaster International A/S since 2015

USE OF PROCEEDS AND IPO INFORMATION

SUMMARY INFORMATION ABOUT THE OFFERING

Market	Nasdaq First North Growth Market Denmark
Offer Price	DKK 10.42 per Offer Share
Minimum subscription (365 shares)	3,803.3 DKK
Size of the Offering	DKK 49 – 59 million
Existing Offer Shares	3,262,956
New Offer Shares	1,439,539 – 2,399,232
Total Offer Shares	4,702,495 – 5,662,188
Pre-subscription amount	DKK 20,360,000
The Offer period begins	October 6, 2020, CET 9:00
The Offer period ends	October 19, 2020, CET 23:59
Result of Offering announced	October 21, 2020
Settlement/Payment	October 23, 2020
First day of trading	October 27, 2020
ISIN	DK0061278355

SUBMISSION OF APPLICATION TO SUBSCRIBE

Investors must subscribe for a minimum of DKK 3,803.3 corresponding to 365 Offer Shares. Applications to subscribe for Offer Shares in the Offering should be made by submitting the application to the investor's own account holding bank during the Offer period or through the investor's own online bank during the Offer period. The application form is enclosed in the Company Description available at the company's website www.windowmaster.dk/om-os/investor. Applications are binding and cannot be altered or cancelled. For orders to be accepted, the application form must be submitted to the investor's own account holding bank in complete and executed form in due time to allow the investor's own account holding bank to process and forward the application to ensure that it is in the possession of Danske Bank no later than 23:59 Central European Time on October 19, 2020. Persons who are account customers at Nordnet AB may apply for the acquisition of shares through Nordnet's Online Service.

Subscribe through Nordnet: <https://www.nordnet.dk/dk/kampagner/windowmaster>

BACKGROUND AND USE OF PROCEEDS

Considering the organizational transformation that WindowMaster has undergone since the change in ownership in 2015, both Executive Management and the Board of Directors are focused on ensuring that the company is in an optimal position to fully capitalize on its strong and well-established operational platform. **Listing on Nasdaq First North Growth Market will provide WindowMaster with a strong financial foundation to continue the positive development through both organic and acquisitive growth** as this strong public marketplace provides access to the additional capital required to carry out one or more contemplated strategic acquisitions over the coming years.

With the capital raised through the issuance of the New Offer Shares, WindowMaster can **maintain the ambitious capex levels in digital and software product development required to continue organic growth**. In addition, the general strengthening of the company's balance sheet increases WindowMaster's "purchasing power" allowing the company to execute on smaller potential strategic acquisitions – where minimum one additional market position in Europe is targeted in the short term.

The proceeds from the sale of the Existing Offer Shares will provide additional financial flexibility in WindowMaster as it will be allocated to pay off the remaining acquisition debt in Selskabet af 5. februar 2015 ApS, the company established to acquire WindowMaster, which dates back to Erik Boyter's acquisition of the company in 2015. The allocation of the proceeds from the sale of the existing shares in the offering to repay the acquisition debt in Selskabet af 5. februar 2015 ApS **provides additional financial space to increase the debt level in WindowMaster International A/S**. Ultimately, repayment of this acquisition debt facilitates **an accelerated development of WindowMaster** as it allows for a **higher degree of reinvestment of capital in the company** as the obligation to pay out dividends to service debt is eliminated.

OWNERSHIP STRUCTURE BEFORE AND AFTER THE OFFERING

	Ownership before the Offering		Ownership after the Offering			
	# of shares	Percent	Minimum		Maximum	
Shareholder						
Existing shareholders	12,000,000	100%	8,737,044	65.0%	8,737,044	60.7%
New shareholders		0%	4,702,495	35.0%	5,662,188	39.3%
Total	12,000,000	100%	13,439,539	100%	14,399,232	100%

Certified Adviser



Jesper Skaarup Vestergaard
Partner
Grant Thornton
+45 31 79 90 00
jesper.vestergaard@dk.gt.com



Jens Christian Johansen
Senior Associate
Grant Thornton
+45 27 59 18 83
jens.johansen@dk.gt.com

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