

# CCL Label A/S

Nyagervej 11  
DK-2605 Brøndby

CVR no. 15 51 24 15

## Annual report 2022

The annual report was presented and approved at  
the Company's annual general meeting on

6 June 2023

Brian Kluge   
Chairman of the annual general meeting

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of CCL Label A/S for the financial year 1 January – 31 December 2022.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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

Brøndby, 6 June 2023  
Executive Board:



Brian Kluge

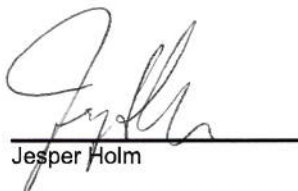
Board of Directors:



Lee Gerard Pretsell  
Chairman



Günther Johann Birkner



Jesper Holm



Martin Aron Rasmussen



Hasse Vad



## Independent auditor's report

### To the shareholders of CCL Label A/S

#### Opinion

We have audited the financial statements of CCL Label A/S for the financial year 1 January – 31 December 2022 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements 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 in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that 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 and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. 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 financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also

## Independent auditor's report

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

## Statement on the Management's review

Management is responsible for the Management's review.

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

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Aalborg, 6 June 2023

**KPMG**

Statsautoriseret Revisionspartnerselskab

CVR no. 25 57 81 98



Steffen S. Hansen  
State Authorised  
Public Accountant  
mne32737

**CCL Label A/S**  
Annual report 2022  
CVR no. 15 51 24 15

## Management's review

### Company details

CCL Label A/S  
Nyagervej 11  
DK-2605 Brøndby

CVR no.:	15 51 24 15
Established:	27 February 1960
Registered office:	Brøndby
Financial year:	1 January – 31 December

### Board of Directors

Lee Gerard Pretsell, Chairman  
Günther Johann Birkner  
Jesper Holm  
Martin Aron Rasmussen  
Hasse Vad

### Executive Board

Brian Kluge

### Auditor

KPMG  
Statsautoriseret Revisionspartnerselskab  
Østre Havnegade 22D  
DK-9000 Aalborg  
CVR no. 25 57 81 98

## Management's review

### Financial highlights

DKK'000	2022	2021	2020	2019	2018
<b>Key figures</b>					
Gross profit	49,740	31,062	32,939	48,425	52,038
Operating profit/loss	3,263	-3,053	2,522	12,512	13,468
Profit/loss from financial income and expenses	-3,663	-3,718	-785	-8,434	-11,234
Profit for the year	27,953	263,529	52,950	3,168	2,041
<b>Balance sheet</b>					
Total assets	590,040	563,453	552,137	364,865	186,701
Equity	356,212	328,259	309,345	256,395	-81,510
Investment in property, plant and equipment	2,902	12,535	4,665	19,528	21,205
<b>Ratios</b>					
Return on invested capital	0.0%	0.0%	0.3%	3.4%	7.2%
Return on equity	8.2%	82.7%	18.7%	3.6%	-86.1%
Solvency ratio	60.4%	58.3%	56.0%	70.3%	-43.7%
<b>Other</b>					
Average number of full- time employees	155	142	145	145	157

The financial ratios have been calculated as follows:

Return on invested capital

$$\frac{\text{Operating profit/loss} * 100}{\text{Average invested capital}}$$

Return on equity

$$\frac{\text{Profit/loss from ordinary activities after tax} * 100}{\text{Average equity}}$$

Solvency ratio

$$\frac{\text{Equity ex. non-controlling interests at year-end} * 100}{\text{Total equity and liabilities at year-end}}$$

## Management's review

### Operating review

#### Principal activities

The Company principal activities are production and sale of labels, inserts and carton.

#### Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK 27,953,433 as against DKK 263,528,579 in 2021 due to lower dividend from subsidiaries. The development in operating profit is positive.

Equity in the Company's balance sheet at 31 December 2022 stood at DKK 356,212,013 as against DKK 328,258,580 at 31 December 2021.

#### Outlook

Due to the global raw material shortage situation and war in Europe, the outlook is subject to a higher degree of uncertainty, but Management still expects to report positive earnings due to its strong business model, which is supported by its operations and pipeline at the time of finalising the annual report.

#### Investments

During recent years, the majority of the production equipment was replaced with newer and more effective equipment. These investments will ensure that CCL in the future is competitive.

Investments will remain at the same level during the years to come.

#### Intellectual capital

The primary intellectual capital of CCL Label A/S is its employees and their knowledge.

#### Environmental matters

We strive to become a more sustainable business. In 2022, both sites ran 100% on green CO2 neutral energy and green CO2 neutral power. Several initiatives to improve our footprint were already launched in 2021.

#### Product development

CCL Label A/S has continuously given product development high priority and developed several new products during the year. Product development is carried out by the Company and in cooperation with its customers to ensure a successful outcome for the products developed.

#### Financial instruments

##### *The Company's goals and policies for management of financial risks*

As a Canadian-owned company, we are in full compliance with Bill 198.



## **Management's review**

### **Operating review**

#### ***The Company's risk exposure***

Activities are primarily settled in DKK, EUR and SEK. Foreign exchange translations are deemed not to have any significant impact on results.

#### **Events after the balance sheet date**

No events have occurred after the balance sheet date of material importance to the annual report for 2022.

## Financial statements 1 January – 31 December

### Income statement

DKK	Note	2022	2021
<b>Gross profit</b>		49,740,469	31,061,598
Distribution costs	2	-15,190,466	-9,118,557
Administrative expenses	2	-31,286,793	-24,995,950
<b>Operating profit/loss</b>		3,263,210	-3,052,909
Other operating income		459,037	902,968
Other operating costs		-500,826	0
<b>Profit/loss before financial income and expenses</b>		3,221,421	-2,149,941
Income from equity investments in group entities		26,041,667	267,648,227
Other financial income		13,052	85,068
Other financial expenses	3	-3,676,409	-3,802,995
<b>Profit before tax</b>		25,599,731	261,780,359
Tax on profit for the year		2,353,702	1,748,220
<b>Profit for the year</b>	4	27,953,433	263,528,579

## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	31/12 2022	31/12 2021
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>	5		
Goodwill		194,354	388,707
Software		<u>9,065,066</u>	<u>5,655,059</u>
		<u>9,259,420</u>	<u>6,043,766</u>
<b>Property, plant and equipment</b>	6		
Land and buildings		10,417,737	11,147,710
Plant and machinery		34,140,710	38,540,356
Fixtures and fittings, tools and equipment		2,730,593	2,991,962
Leasehold improvements		<u>38,775</u>	<u>0</u>
		<u>47,327,815</u>	<u>52,680,028</u>
<b>Investments</b>	7		
Equity investments in group entities		448,944,594	448,944,594
Other securities and equity investments		610,306	610,306
Deposits		<u>861,065</u>	<u>839,276</u>
		<u>450,415,965</u>	<u>450,394,176</u>
<b>Total fixed assets</b>		<u>507,003,200</u>	<u>509,117,970</u>
<b>Current assets</b>			
<b>Inventories</b>			
Raw materials and consumables		7,551,300	9,381,877
Work in progress		5,944,371	2,093,248
Finished goods and goods for resale		<u>5,757,278</u>	<u>1,715,228</u>
		<u>19,252,949</u>	<u>13,190,353</u>
<b>Receivables</b>			
Trade receivables		35,032,406	27,917,043
Receivables from group entities		2,189,100	3,112,279
Other receivables		1,982,702	755,007
Corporation tax		3,062,753	0
Prepayments	8	<u>1,228,934</u>	<u>1,108,378</u>
		<u>43,495,895</u>	<u>32,892,707</u>
<b>Cash at bank and in hand</b>		<u>20,288,129</u>	<u>8,252,175</u>
<b>Total current assets</b>		<u>83,036,973</u>	<u>54,335,235</u>
<b>TOTAL ASSETS</b>		<u>590,040,173</u>	<u>563,453,205</u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK	Note	31/12 2022	31/12 2021
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Contributed capital	9	13,000,000	13,000,000
Retained earnings		<u>343,212,013</u>	<u>315,258,580</u>
<b>Total equity</b>		<u>356,212,013</u>	<u>328,258,580</u>
<b>Provisions</b>			
Provisions for deferred tax	10	<u>5,882,271</u>	<u>4,770,839</u>
<b>Total provisions</b>		<u>5,882,271</u>	<u>4,770,839</u>
<b>Liabilities other than provisions</b>			
<b>Non-current liabilities other than provisions</b>			
Payables to group entities	11	<u>147,524,488</u>	<u>152,007,631</u>
<b>Current liabilities other than provisions</b>			
Banks, current liabilities		10,339,040	40,855
Trade payables		26,252,342	23,383,710
Payables to group entities		22,634,995	30,034,272
Corporation tax		0	207,362
Other payables		<u>21,195,024</u>	<u>24,749,956</u>
		<u>80,421,401</u>	<u>78,416,155</u>
<b>Total liabilities other than provisions</b>		<u>227,945,889</u>	<u>230,423,786</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>590,040,173</u>	<u>563,453,205</u>

## Financial statements 1 January – 31 December

### Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2022	13,000,000	315,258,580	328,258,580
Transferred over the profit appropriation	0	27,953,433	27,953,433
<b>Equity at 31 December 2022</b>	<b>13,000,000</b>	<b>343,212,013</b>	<b>356,212,013</b>

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of CCL Label A/S for 2022 has been prepared in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Omission of consolidated financial statements

Pursuant to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of CCL Label A/S and group entities are included in the consolidated financial statements of CCL Industries Inc., Willowdale, Ontario, Canada.

#### Omission of cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The Company's cash flows are included in the cash flow statement in the consolidated financial statements of CCL Industries Inc., Willowdale, Ontario, Canada.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rates at the transaction dates.

#### Gross profit

In accordance with section 32 of the Danish Financial Statements Act, revenue and production costs are aggregated in the financial statement caption "Gross profit".

#### Revenue

Income from the sale of goods is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received. The date of transfer of the most significant benefits and risks is determined using standard Incoterms® 2020. Revenue is measured ex VAT, taxes and discounts in relation to the sale.

#### Production costs

Production costs comprise costs, including depreciation, amortisation, wages and salaries, incurred to generate revenue for the year. Such costs include direct and indirect costs for raw materials and consumables, wages and salaries, rent and leases and depreciation of production plant.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### **Distribution costs**

Costs incurred in distributing goods sold during the year and in conducting sales campaigns, etc. during the year are recognised as distribution costs. Also, costs relating to sales staff, advertising, exhibition and depreciation are recognised as distribution costs.

##### **Administrative expenses**

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, Management, office premises, office expenses, depreciation and amortisation.

##### **Other operating income**

Other operating income comprises items secondary to the activities of the entity, including gains on the disposal of intangible assets and property, plant and equipment.

##### **Other operating costs**

Other operating costs comprise items secondary to the activities of the entity, including losses on the disposal of intangible assets and property, plant and equipment.

##### **Financial income and expenses**

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Dividends from equity investments in group entities measured at cost are recognised as income in the Parent Company's income statement in the financial year when the dividends are declared.

In case of indication of impairment, an impairment test is conducted.

##### **Tax on profit/loss for the year**

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

##### **Intangible assets**

###### *Software*

Software is measured at cost less accumulated amortisation and is amortised on a straight-line basis over the useful life. Expected useful life of software is up to 10 years.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### *Goodwill*

On initial recognition, intangible assets are measured at cost. Goodwill is amortised on a straight-line basis over the estimated useful life determined on the basis of Management's experience within the individual business areas. Amortisation is provided on a straight-line basis over 10 years. Goodwill has arisen in connection with strategic acquisition, and therefore goodwill is amortised over 10 years on the basis of Management's experience in the relevant area of business.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

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

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Production buildings	25-40 years
Plant and machinery	3-10 years
Fixtures and fittings, tools and equipment	3-10 years
Leasehold improvements	2-5 years

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

Land is not depreciated.

Depreciation is recognised in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

##### **Leases**

All leases are operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contractual obligations, etc.



## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Investments

Equity investments in group entities and participating interests (including associates) are measured at cost. In case of indication of impairment, an impairment test is conducted. When cost exceeds recoverable amount, write-down is made to this lower value. The cost is reduced by dividends received exceeding accumulated earnings after the acquisition date.

Deposits are recognised at amortised cost.

##### Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Finished goods and work in progress are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise indirect materials and wages and salaries as well as the maintenance of depreciation of production machinery, buildings and equipment as well as factory administration and management. Borrowing costs are not included in cost.

The net realisable value of inventories is calculated as the sales amount less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

##### Receivables

Receivables are measured at amortised cost. Write-down is made for bad debt losses based on an individual assessment of receivables.

##### Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years.

## Financial statements 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Corporation tax and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities based on the planned use of the asset or settlement of the liability. However, deferred tax is not recognised on temporary differences relating to goodwill non-deductible for tax purposes and on office premises and other items where the temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

##### Liabilities other than provisions

Financial liabilities are recognised at cost at the date of borrowing, corresponding to the proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost using the effective interest method. Accordingly, the difference between cost and the nominal value is recognised in the income statement over the term of the loan together with interest expenses.

Other liabilities are measured at net realisable value.

The liability in relation to frozen holiday funds is measured at net realisable value, including indexation. Indexation adjustments are recognised as interest expense in the income statement.

## Financial statements 1 January – 31 December

### Notes

#### 2 Staff costs

	<u>2022</u>	<u>2021</u>
<b>Staff costs</b>		
Wages and salaries	81,020,891	72,240,224
Pensions	3,577,890	2,936,223
Other social security costs	4,645,895	4,977,293
Other staff costs	<u>5,138,522</u>	<u>2,447,470</u>
	<u>94,383,198</u>	<u>82,601,210</u>
Average number of full-time employees	<u>155</u>	<u>142</u>
Staff costs are recognised in the financial statements as follows:		
Production	66,540,137	63,736,323
Distribution	11,961,006	5,730,835
Administration	<u>15,882,055</u>	<u>13,134,052</u>
	<u>94,383,198</u>	<u>82,601,210</u>

In accordance with section 98b(3) of the Danish Financial Statements Act, remuneration of the Executive Board and the Board of Directors has not been disclosed.

#### 3 Other financial expenses

	<u>2022</u>	<u>2021</u>
DKK		
Interest expense to group entities	1,822,526	1,953,550
Other financial expenses	1,414,717	1,684,948
Exchange losses	<u>439,166</u>	<u>164,497</u>
	<u>3,676,409</u>	<u>3,802,995</u>

## Financial statements 1 January – 31 December

### Notes

#### 4 Proposed profit appropriation

DKK	2022	2021
Retained earnings	27,953,433	263,528,579

#### 5 Intangible assets

DKK	Goodwill	Software	Total
Cost at 1 January 2022	1,943,534	7,198,526	9,142,060
Additions for the year	0	3,855,562	3,855,562
Disposals for the year	0	-178,224	-178,224
Cost at 31 December 2022	1,943,534	10,875,864	12,819,398
Amortisation and impairment losses at 1 January 2022	-1,554,827	-1,543,467	-3,098,294
Amortisation for the year	-194,353	-267,331	-461,684
Amortisation and impairment losses at 31 December 2022	-1,749,180	-1,810,798	-3,559,978
<b>Carrying amount at 31 December 2022</b>	<b>194,354</b>	<b>9,065,066</b>	<b>9,259,420</b>

#### 6 Property, plant and equipment

DKK	Land and buildings	Plant and machinery	Fixtures and fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2022	41,401,320	143,881,401	14,954,218	1,098,611	201,335,550
Additions for the year	0	2,345,286	515,223	41,545	2,902,054
Cost at 31 December 2022	41,401,320	146,226,687	15,469,441	1,140,156	204,237,604
Depreciation and impairment losses at 1 January 2022	-30,253,610	-105,341,045	-11,962,256	-1,098,611	-148,655,522
Depreciation for the year	-729,973	-6,744,932	-776,592	-2,770	-8,254,267
Depreciation and impairment losses at 31 December 2022	-30,983,583	-112,085,977	-12,738,848	-1,101,381	-156,909,789
<b>Carrying amount at 31 December 2022</b>	<b>10,417,737</b>	<b>34,140,710</b>	<b>2,730,593</b>	<b>38,775</b>	<b>47,327,815</b>

## Financial statements 1 January – 31 December

### Notes

#### 7 Investments

DKK	Equity investments in group entities
Cost at 1 January 2022	<u>448,944,594</u>
Cost at 31 December 2022	<u>448,944,594</u>
<b>Carrying amount at 31 December 2022</b>	<b><u><u>448,944,594</u></u></b>

Name/legal form	Registered office	Voting rights and ownership interest	Equity	Profit/loss for the year
Group entities:			DKK	DKK
Syrinx Holding Germany GmbH (consolidated)	Holzkirchen, Germany	100%	1,159,459,110	117,312,496
CCL Specialty Cartons ApS	Hørsholm, Denmark	100%	50,521,341	12,286,186
CCL Label Völkermarkt GmbH	Völkermarkt, Austria	1%	<u>289,778,408</u>	<u>28,668,386</u>
			<u>1,499,758,859</u>	<u>158,267,068</u>

#### 8 Prepayments

Prepayments comprise prepayment of costs incurred relating to subsequent financial years, including insurance, prepaid rent and other costs.

#### 9 Equity

Contributed capital consists of:

One share of nom. DKK 3,000,000

One share of nom. DKK 2,700,000

One share of nom. DKK 300,000

One share of nom. DKK 6,000,000

One share of nom. DKK 500,000

One share of nom. DKK 500,000

## Financial statements 1 January – 31 December

### Notes

#### 10 Deferred tax

DKK	31/12 2022	31/12 2021
Deferred tax at 1 January	4,770,839	4,094,292
Deferred tax for the year	1,111,432	676,547
	<u>5,882,271</u>	<u>4,770,839</u>

The provision for deferred tax relates to deferred tax on goodwill, property, plant and equipment and inventories.

#### 11 Non-current liabilities other than provisions

Intercompany loan falls due in 2024 and is therefore presented as non-current liabilities.

#### 12 Contractual obligations, contingencies, etc.

##### Contingent liabilities

At the balance sheet date, operating lease liabilities amounted to DKK 1,138 thousand, of which DKK 513 thousand falls due within the initial year. The leases come with periods of interminability of up to 36 months.

At the balance sheet date, rental obligations amounted to DKK 3,588 thousand for the period of interminability. The tenancy agreement comes with a period of interminability of up to 12 months.

#### 13 Mortgages and collateral

No assets have been provided as collateral to the Company's bankers.

## Financial statements 1 January – 31 December

### Notes

#### 14 Related party disclosures

CCL Label A/S' related parties comprise the following:

##### Control

CCL Industries Inc. 111 Gordon Baker Road, Suite 801, Onratio Canada.

CCL Industries Inc. holds the majority of the contributed capital in the Company.

CCL Label A/S is part of the consolidated financial statements of CCL Industries Inc., which is the smallest and largest group, in which the Company is included as a subsidiary.

The consolidated financial statements of CCL Industries Inc. can be obtained by contacting the Company or at the following website: [www.cclind.com/investors/investor-home](http://www.cclind.com/investors/investor-home).

##### Related party transactions

DKK	<u>2022</u>	<u>2021</u>
Management fee	879,257	710,460
	<u>879,257</u>	<u>710,460</u>

Receivables from and payables to group entities are disclosed in the balance sheet, and interest expense in note 3.