

# Schoeller-Plast-Enterprise A/S

Hovedgaden 21, 4420 Regstrup  
CVR no. 15 60 10 19

## Annual report for 2022

Årsrapporten er godkendt på den  
ordinære generalforsamling, d. 31.05.23

John Korsø Jensen  
Dirigent



---

Company information etc.	3 - 4
Statement by the Executive Board and Board of Directors on the annual report	5
Independent auditor's report	6 - 8
Management's review	9 - 17
Income statement	18
Balance sheet	19 - 20
Statement of changes in equity	21
Cash flow statement	22
Notes	23 - 39

---

---

### The company

---

Schoeller-Plast-Enterprise A/S  
Hovedgaden 21  
4420 Regstrup  
Tel.: 59 16 01 60  
Registered office: Holbæk  
CVR no.: 15 60 10 19  
Financial year: 01.01 - 31.12

---

### Executive Board

---

Michael Schoeller  
Nicholas Schoeller  
Jan Bybjerg Pedersen

---

### Board of Directors

---

John Korsø Jensen  
Philipp Kahlenberg  
Michael Schoeller  
Siegfried von Saucken  
Flemming Lindeløv

---

### Auditors

---

Beierholm  
Statsautoriseret Revisionspartnerselskab

---

### Banks

---

Nykredit Bank A/S  
Nykredit Leasing

---

**Lawyer**

---

Advokat John Korsø Jensen

---

**Subsidiarie**

---

Schoeller-Plast UK Ltd., London, GB

## Statement by the Executive Board and Board of Directors on the annual report

---

We have on this day presented the annual report for the financial year 01.01.22 - 31.12.22 for Schoeller-Plast-Enterprise A/S.

The annual report is presented in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.22 and of the results of the company's activities and cash flows for the financial year 01.01.22 - 31.12.22.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Regstrup, May 31, 2023

### Executive Board

Michael Schoeller

Nicholas Schoeller

Jan Bybjerg Pedersen

### Board of Directors

John Korsø Jensen

Philipp Kahlenberg

Michael Schoeller

Siegfried von Saucken

Flemming Lindeløv

**To the Shareholder of Schoeller-Plast-Enterprise A/S****Opinion**

We have audited the financial statements of Schoeller-Plast-Enterprise A/S for the financial year 01.01.22 - 31.12.22, which comprise the income statement, balance sheet, statement of changes in equity, cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act (Årsregnskabsloven).

In our opinion the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31.12.22 and of the results of the company's operations and cash flows for the financial year 01.01.22 - 31.12.22 in accordance with the the Danish Financial Statements Act (Årsregnskabsloven).

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "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.

**Statement regarding the management's review**

Management is responsible for management's review.

Our opinion on the financial statements does not cover 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 management's review and, in doing so, consider whether 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 management's review provides the information required under the Danish Financial Statements Act.

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

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

The Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore the Management is responsible for the internal control as the 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 about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can 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 taken on the basis of these financial statements.

As part of an audit conducted in accordance with International Standards on Auditing and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.

Holbæk, May 31, 2023

**Beierholm**

Statsautoriseret Revisionspartnerselskab  
CVR no. 32 89 54 68

Thomas Skinbjerg

State Authorized Public Accountant  
MNE-no. mne23296



**FINANCIAL HIGHLIGHTS****Key figures**

Figures in DKK '000	2022	2021	2020	2019	2018
<i>Profit/loss</i>					
Gross profit	44,431	54,368	44,987	36,340	30,892
Index	144	176	146	118	100
Operating profit	3,679	13,054	9,888	3,533	707
Index	520	1,846	1,399	500	100
Total net financials	-1,316	-525	-871	-478	-364
Profit for the year	1,846	9,915	7,033	2,383	265
<i>Balance</i>					
Total assets	133,117	126,228	105,874	90,505	85,781
Investments in property, plant and equipment	18,136	31,565	15,626	6,859	10,089
Equity	61,797	61,861	54,805	49,663	47,201
<i>Cashflow</i>					
Net cash flow:					
Operating activities	1,518	8,039	19,737	4,700	-8,116
Investing activities	-15,594	-22,390	-15,702	-6,827	-9,977
Financing activities	8,273	5,316	-1,127	-93	3,055
Cash flows for the year	-5,803	-9,035	2,908	-2,220	-15,038

**Ratios**

	2022	2021	2020	2019	2018
<i>Profitability</i>					
Return on equity	3%	17%	13%	5%	1%
<i>Equity ratio</i>					
Solvency ratio	46%	49%	52%	55%	55%
<i>ESG-ratios</i>					
<i>Others</i>					
Number of employees (average)	57	63	58	55	49
<i>Financial ratios definitions</i>					
Return on equity:	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$				
Solvency ratio:	$\frac{\text{Equity, end of year} \times 100}{\text{Total assets}}$				

### Primary activities

Schoeller-Plast-Enterprise A/S develops, manufactures and delivers quality products of plastic material to Scandinavia and other European countries. The company also has related activities in the form of development of material handling and other plastic products in cooperation with the customers.

### Development in activities and financial affairs

The income statement for the period 01.01.22 - 31.12.22 shows a profit/loss of DKK 1,846,077 against DKK 9,915k for the period 01.01.21 - 31.12.21. The balance sheet shows equity of DKK 61,796,826.

The result from primary operations is lower than the expectations presented in the management's review for 2021. The ongoing energy crisis in Europe resulting in extremely high energy prices during 2022 has had a negative impact on the results for 2022.

Furthermore, the company has during 2022 invested in further building improvements, such as finalization of the new production area for three new large injection moulding machines.

The company was successfully re-certified according to both ISO 9001:2015 and ISO 14001:2015 in March 2023.

### Outlook

There will be continued focus in 2023 on Schoeller Plast's strategic path to strengthen the company's leadership, improve overall productivity/efficiency of current operations as well as finding new growth paths and business development opportunities. The company will hereby focus on developing and offering sustainable material handling solutions to meet our customers growing demands of the green agenda and drive towards circular economy.

It is expected that a moderately decreased level of activity will provide a profit that is higher compared to 2022 with an estimated profit before tax in 2023 between DKK 6 and 10m.

### Knowledge resources

Intellectual capital resources play an important part in the company's future earnings and development possibilities. The reason is the company's employees, who have considerable experience, extensive product knowledge and important cooperation relations with longtime customers. Due to the company's ownership relations with the Schoeller Plast Group, the company has access to the newest production technology and knowledge within plastic production. The affiliation with the Schoeller Plast Group also provides the Group with effective access to an international sales network. The Group has several important patents

which are part of the basis of the high development standard of the products. The Schoeller Group is both nationally and internationally well known for manufacture of sophisticated high-quality products of plastics, and therefore the company's name is an important part of the company's brand.

### **Financial risks**

#### *Operating risks*

Due to the company's own storage capacity and entering into/securing long-term contracts at receipt of major orders, we have in general no operating risks due to the lack of raw materials. Breakdowns in case of fire are minimized by local separation of production machinery from the moulds. Our fire prevention strategy is reviewed on a continuous basis, and improvements are carried out when necessary.

#### *Foreign currency risks*

As regards foreign exchange risks relating to investments in subsidiaries and associates abroad, these are not hedged, as it is the company's opinion that current hedging of such long-term investments will not be optimal from an overall risk and cost point of view.

#### *Credit risks*

The company has no material risks concerning one individual customer or cooperation partner. The company's policy of assuming credit risks means that all major customers and cooperation partners are assessed individually as regards the need for external credit rating, and usually credit rating is obtained for new customers.

### **Environmental issues**

Schoeller-Plast-Enterprise A/S complies with all legal requirements relating to environmental approvals. Schoeller Plast is far below the maximum levels set for discharges into the environment. In 2023 Schoeller Plast will continue to successfully implement measures to reduce the company's total energy consumption.

The company produces in plastic raw materials that can be recycled. We have agreements with several customers on the collection of used plastic boxes, after which we grind boxes and recycle the material for non-food products. We can offer our customers to grind on location with our large mobile grinder, thus avoiding transportation of empty boxes. We reuse the heat which is generated during the production to warm up the premises.

### Capital resources

The company continues to have a sound cash position and existing credit lines are sufficient for the activities that are expected in 2023.

### Subsequent events

The first quarter of 2023 were characterized by a high level of activity and results. No events have occurred after year-end that could significantly affect the company's financial position.

### Voluntary ESG reporting

#### ESG key figure commentary

This year's annual report is our first one including ESG key figures. We have taken the approach of getting started with ESG as quickly as possible, to continuously expand the accounts with more key figures as we collect and structure more data.

We have chosen to start with twelve key figures, selected based on materiality and accessibility. The figures are in accordance with CFA Society Denmark, FSR – Danish Auditors and Nasdaq's latest guidelines for ESG reporting. The selection of figures in this section is also made, concerning the maturity and quality of the data.

Schoeller Plast's office and production are located in Regstrup, Denmark which is reflected in the ESG figures. The following section aims to explain and clarify the figures chosen and stated in the ESG key figures.

#### Environmental data

Our environmental data for 2021 and 2022 are published in absolute figures. We have chosen the environmental data which we currently find most important and relevant, including our CO<sub>2</sub>e emissions in scopes 1 and 2 and our energy consumption.

From 2021 to 2022, we have reduced our CO<sub>2</sub>e emissions significantly. The reduction is partly due to the phase-out of gas due to the installation of a heat pump in 2021, reduced consumption of diesel, various efficiency improvements in production, and partly to the fact that 100% of our on-premises electricity in 2022 was purchased with green origin certificates (only external charging of our electric car was purchased without certificates in 2022), compared to only 60% in 2021.

Our indirect emissions (scope 2) are shown according to both the location-based method and the market-based method to document our imprint with and without green origin certificates (RECS).

In the coming years, we wish to continue our determined work on reducing climate and

environmental impacts across scopes 1, 2 and 3. We wish to do so through a range of initiatives identified by our external climate advisor.

**A note on scope 3: other indirect emissions**

Concerning the mapping of greenhouse gas emissions, Schoeller Plast is at an early stage and has not been able to collect sufficient data to show scope 3 emissions. We are aware that scope 3 emissions constitute a large part of our total emissions, which is why we also plan to monitor this going forward. Initially, our strategy is to select the most relevant and significant scope 3 categories and collect data for these. For example, these will be emissions from the purchase of raw materials, transport, and waste. We aim to have a fully transparent supply chain where we can publish data on all scope 3 categories.

**Social data**

The social category includes employment, retention, gender diversity, health, and safety. In 2022, we adopted a range of social goals and measurement criteria, which we will follow closely in the future. We continuously work to improve the well-being of our employees to promote a positive working environment.

**Governance data**

Governance includes the measurement criteria: gender diversity in the management board and presence at board meetings. Presence at board meetings covers both physical and online presence, as some members of the board reside outside Denmark. In 2022 the presence at board meetings was affected by the Covid-19 pandemic which i.e. entailed travel restrictions and increased sickness absences.

Concrete targets for Schoeller Plast's work with environmental and social responsibility can be found, in our Responsibility & Communication on Progress report for 2021/2022.

## Voluntary ESG key figures

### Our ESG matrix

	Unit	2022	2021
<b>Environmental</b>			
CO <sub>2</sub> e, scope 1	Metric tonnes	115,1	189,6
CO <sub>2</sub> e, scope 2, location-based	Metric tonnes	964,2	1.027,4
CO <sub>2</sub> e, scope 2, market-based	Metric tonnes	1,3	1.264,6
Electricity Consumption	Mwh	7.250	7.725
Natural gas Consumption	nm <sup>3</sup>	7.392	24.359
<b>Social</b>			
Full-Time Workforce	FTE	57	63
Gender Diversity	% females	37%	35%
Employee Turnover Ratio	%	11%	7%
Sickness absence	%	6,2%	5,7%
Accidents workplace	incidents	7	8
<b>Governance</b>			
Gender Diversity, Board	% female	0%	0%
Board Meeting Attendance Rate	%	87%	100%

### ESG key figures accounting policies

#### Reporting period

The ESG key figures for 2022 cover the period from 1. January to 31. December, and the comparative ESG key figures from 2021 cover the same period.

### Environmental key figures

#### Scope 1

Scope 1 contains environmental data from both gas consumption (natural gas and LPG gas), and fuel oil, diesel and gasoline used for the company's machines, fork-lift trucks and company owned cars that are used in everyday business.

The calculation for heating (natural gas, fuel oil) and process usage (natural gas, LPG gas,

diesel) is based on the total consumption (in nm<sup>3</sup>, liters, kg) multiplied by the respective factors from Klimakompasset 2021. Internal data used for this calculation is based on financial invoices that are related to purchases during the reporting period.

The calculation for company-owned and leased cars is based on estimated average gasoline and diesel consumption in liters/km, multiplied by total driven kilometers during the reporting period, multiplied by the respective factors from Klimakompasset 2021.

## Scope 2

Is divided into two categories, a marked-based and a location-based approach.

### Marked-based scope 2

The marked-based approach is based on the company's total electricity purchase during the reporting period. The calculation is total purchased electricity without green certificates multiplied by 0,00041. The total purchased electricity with green certificates is multiplied by 0. Internal data used for this calculation come from the financial invoices that are related to purchase of electricity. The factor is from Klimakompasset 2021.

### Location-based scope 2

The location-based approach is based on the company's total electricity purchase during the reporting period. The calculation is total purchased electricity (with and without green certificates) multiplied by 0,000133. Internal data used for this calculation come from the financial invoices that are related to purchase of electricity. The factor is from Energinet's Miljødeklaration 2021.

## Electricity Consumption

The calculation is based on the total consumption of purchased electricity, both with and without green certificates in kWh, based on the financial invoices for the given period.

## Natural gas Consumption

The calculation is based on the total purchase of natural gas (in nm<sup>3</sup>), based on the financial invoices for the given period.

## Social Key figures

### Full-Time Workforce

Full-Time Workforce (FTE) is a term used to define the number of full-time employees in a company based on actual working hours. One full-time employee corresponds to one FTE. A person working 50% of a full-time position corresponds to 0.5 FTE. The calculation is based on the actual work hours for the total employees working at Schoeller Plast.



### **Gender Diversity**

The total number of female employees divided by the total number of employees during the reporting period.

### **Employee Turnover Ratio**

The calculation is made by dividing the sum of total number of employees that leave the company by the average number of employees that have worked during the reporting period.

### **Sickness absense**

Is calculated by total days of the employee's sickness absence in days divided by the total workdays during the reporting period.

### **Accidents workplace**

The total incidents that were reported to the Danish Working Environment Authority during the reporting period.

### **Governance**

#### **Gender Diversity, Board**

The total number of females on the board divided by the total number of Board members.

#### **Board Meeting Attendance Rate**

The sum of board members who participated at each board meeting during the reporting period divided by the total number of Board members multiplied by the number of Board meetings during the reporting period.

## Income statement

Note		2022 DKK	2021 DKK '000
	<b>Gross profit</b>	<b>44,430,548</b>	<b>54,368</b>
2	Staff costs	-33,007,675	-35,851
	<b>Profit before depreciation, amortisation, write-downs and impairment losses</b>	<b>11,422,873</b>	<b>18,517</b>
3	Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	-7,743,806	-5,463
	<b>Operating profit</b>	<b>3,679,067</b>	<b>13,054</b>
	Financial income	11,655	111
4	Financial expenses	-1,327,434	-636
	<b>Profit before tax</b>	<b>2,363,288</b>	<b>12,529</b>
5	Tax on profit for the year	-517,211	-2,614
	<b>Profit for the year</b>	<b>1,846,077</b>	<b>9,915</b>
6	Proposed appropriation account		

<b>ASSETS</b>		31.12.22	31.12.21
		DKK	DKK '000
Note			
	Acquired rights	39,285	61
	Goodwill	130,952	202
<b>7</b>	<b>Total intangible assets</b>	<b>170,237</b>	<b>263</b>
	Land and buildings	38,412,606	35,969
	Plant and machinery	38,486,144	30,240
	Other fixtures and fittings, tools and equipment	479,458	684
<b>8</b>	<b>Total property, plant and equipment</b>	<b>77,378,208</b>	<b>66,893</b>
<b>9</b>	Equity investments in group enterprises	292,648	309
	<b>Total investments</b>	<b>292,648</b>	<b>309</b>
	<b>Total non-current assets</b>	<b>77,841,093</b>	<b>67,465</b>
	Raw materials and consumables	8,824,180	8,468
	Manufactured goods and goods for resale	8,582,156	7,033
	<b>Total inventories</b>	<b>17,406,336</b>	<b>15,501</b>
	Trade receivables	33,039,086	35,647
	Other receivables	4,387,064	1,233
<b>10</b>	Prepayments	277,293	413
	<b>Total receivables</b>	<b>37,703,443</b>	<b>37,293</b>
	<b>Cash</b>	<b>165,734</b>	<b>5,969</b>
	<b>Total current assets</b>	<b>55,275,513</b>	<b>58,763</b>
	<b>Total assets</b>	<b>133,116,606</b>	<b>126,228</b>

<b>EQUITY AND LIABILITIES</b>		31.12.22	31.12.21
		DKK	DKK '000
Note			
11	Share capital	10,000,000	10,000
	Retained earnings	51,796,826	49,861
	Proposed dividend for the financial year	0	2,000
	<b>Total equity</b>	<b>61,796,826</b>	<b>61,861</b>
12	Provisions for deferred tax	3,528,402	2,981
	<b>Total provisions</b>	<b>3,528,402</b>	<b>2,981</b>
13	Mortgage debt	11,273,532	12,256
13	Lease commitments	16,077,150	12,432
13	Other payables	2,191,194	2,292
	<b>Total long-term payables</b>	<b>29,541,876</b>	<b>26,980</b>
13	Short-term part of long-term payables	7,512,143	4,732
	Payables to other credit institutions	6,928,049	1,997
	Prepayments received from customers	94,406	771
	Trade payables	21,114,602	22,751
	Payables to group enterprises	438,970	462
	Income taxes	0	871
	Other payables	2,161,332	2,822
	<b>Total short-term payables</b>	<b>38,249,502</b>	<b>34,406</b>
	<b>Total payables</b>	<b>67,791,378</b>	<b>61,386</b>
	<b>Total equity and liabilities</b>	<b>133,116,606</b>	<b>126,228</b>
14	Fair value information		
15	Contingent liabilities		
16	Charges and security		
17	Related parties		

## Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Proposed dividend for the financial year	Total equity
Statement of changes in equity for 01.01.21 - 31.12.21				
Balance as at 01.01.21	10,000,000	41,804,586	3,000,000	54,804,586
Foreign currency translation adjustment of foreign enterprises	0	21,731	0	21,731
Fair value adjustment of hedging instruments	0	119,503	0	119,503
Dividend paid	0	0	-3,000,000	-3,000,000
Net profit/loss for the year	0	7,914,953	2,000,000	9,914,953
Balance as at 31.12.21	10,000,000	49,860,773	2,000,000	61,860,773
Statement of changes in equity for 01.01.22 - 31.12.22				
Balance as at 01.01.22	10,000,000	49,860,773	2,000,000	61,860,773
Foreign currency translation adjustment of foreign enterprises	0	-16,610	0	-16,610
Fair value adjustment of hedging instruments	0	106,586	0	106,586
Dividend paid	0	0	-2,000,000	-2,000,000
Net profit/loss for the year	0	1,846,077	0	1,846,077
Balance as at 31.12.22	10,000,000	51,796,826	0	61,796,826

## Cash flow statement

Note	2022 DKK	2021 DKK '000
<b>Profit for the year</b>	<b>1,846,077</b>	<b>9,915</b>
18 Adjustments	7,034,720	8,152
Change in working capital:		
Inventories	-1,905,066	-3,035
Receivables	-409,198	-9,237
Trade payables	-1,636,567	4,769
Other payables relating to operating activities	-1,225,829	257
<b>Cash flows from operating activities before net financials</b>	<b>3,704,137</b>	<b>10,821</b>
Interest income and similar income received	11,655	112
Interest expenses and similar expenses paid	-1,327,434	-636
Income tax paid	-870,638	-2,258
<b>Cash flows from operating activities</b>	<b>1,517,720</b>	<b>8,039</b>
Purchase of property, plant and equipment	-18,136,308	-23,149
Sale of property, plant and equipment	2,542,078	759
<b>Cash flows from investing activities</b>	<b>-15,594,230</b>	<b>-22,390</b>
Dividend paid	-2,000,000	-3,000
Repayment of mortgage debt	-1,115,668	-1,144
Arrangement of payables to credit institutions	4,931,291	1,503
Arrangement of lease commitments	13,669,729	12,358
Repayment of lease commitments	-7,258,441	-4,339
Arrangement/Repayment of other long-term payables	46,275	-62
<b>Cash flows from financing activities</b>	<b>8,273,186</b>	<b>5,316</b>
<b>Total cash flows for the year</b>	<b>-5,803,324</b>	<b>-9,035</b>
Cash, beginning of year	5,969,058	15,004
<b>Cash, end of year</b>	<b>165,734</b>	<b>5,969</b>
Cash, end of year, comprises:		
Cash	165,734	5,969
<b>Total</b>	<b>165,734</b>	<b>5,969</b>

### 1. Special items

Special items are income and expenses that are special due to their size and nature. The following special items were recorded in the financial year:

Special items:	Recognised in the income statement in:	2022 DKK	2021 DKK '000
Gain on the disposal of property, plant and equipment	Other operating income	2,542,076	449

### 2. Staff costs

Wages and salaries	28,300,385	30,862
Pensions	3,412,749	3,653
Other social security costs	608,951	537
Other staff costs	685,590	799
<b>Total</b>	<b>33,007,675</b>	<b>35,851</b>

Average number of employees during the year	57	63
---	----	----

Remuneration for the management:

Salaries for the Executive Board	4,791,071	5,274
Remuneration for the Board of Directors	297,459	298

### 3. Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment

Amortisation of intangible assets	92,858	93
Depreciation of property, plant and equipment	7,650,948	5,370
<b>Total</b>	<b>7,743,806</b>	<b>5,463</b>

	2022	2021
	DKK	DKK '000

#### 4. Financial expenses

Other interest expenses	1,016,851	610
Foreign currency translation adjustments	262,469	0
Other financial expenses	48,114	26
<b>Total</b>	<b>1,327,434</b>	<b>636</b>

#### 5. Tax on profit for the year

Tax on profit or loss for the year	0	1,987
Adjustment of deferred tax for the year	517,211	627
<b>Total</b>	<b>517,211</b>	<b>2,614</b>

#### 6. Proposed appropriation account

Proposed dividend for the financial year	0	2,000
Retained earnings	1,846,077	7,915
<b>Total</b>	<b>1,846,077</b>	<b>9,915</b>



**7. Intangible assets**

Figures in DKK	Acquired rights	Goodwill
Cost as at 01.01.22	2,388,150	2,500,000
Cost as at 31.12.22	2,388,150	2,500,000
Amortisation and impairment losses as at 01.01.22	-2,327,436	-2,297,619
Amortisation during the year	-21,429	-71,429
Amortisation and impairment losses as at 31.12.22	-2,348,865	-2,369,048
Carrying amount as at 31.12.22	39,285	130,952

**8. Property, plant and equipment**

Figures in DKK	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment
Cost as at 01.01.22	62,774,955	131,925,370	3,867,440
Additions during the year	4,323,929	13,738,604	73,774
Disposals during the year	0	-948,500	0
Cost as at 31.12.22	67,098,884	144,715,474	3,941,214
Depreciation and impairment losses as at 01.01.22	-26,806,321	-101,684,977	-3,183,529
Depreciation during the year	-1,879,957	-5,492,853	-278,227
Reversal of depreciation and impairment losses on disposed assets	0	948,500	0
Depreciation and impairment losses as at 31.12.22	-28,686,278	-106,229,330	-3,461,756
Carrying amount as at 31.12.22	38,412,606	38,486,144	479,458
Carrying amount of assets held under finance leases as at 31.12.22	0	26,750,215	0

**9. Equity investments in group enterprises**

Figures in DKK	Equity invest- ments in group enterprises
Cost as at 01.01.22	823,097
Cost as at 31.12.22	823,097
Revaluations as at 01.01.22	-513,839
Foreign currency translation adjustment of foreign enterprises	-16,610
Revaluations as at 31.12.22	-530,449
Carrying amount as at 31.12.22	292,648

Name and registered office:	Ownership interest	Equity DKK	Recognised value DKK
Subsidiaries:			
Schoeller-Plast UK Ltd., London, GB	67%	438,970	292,647

	31.12.22 DKK	31.12.21 DKK '000
--	-----------------	----------------------

**10. Prepayments**

Other prepayments	277,293	413
-------------------	---------	-----

**11. Share capital**

The share capital consists of:

	Quantity	Total nominal value DKK
Share capital	10,000,000	10,000,000

The share capital has been fully paid in at the balance sheet date.

The share capital consists of;

5 shares, each with a nominal value of DKK 500.

5 shares, each with a nominal value of DKK 900.

9.993 shares, each with a nominal value of DKK 1.000.

No shares hold particular.

	31.12.22 DKK	31.12.21 DKK '000
--	-----------------	----------------------

**12. Deferred tax**

Deferred tax as at 01.01.22	2,981,128	2,354
Deferred tax recognised in the income statement	577,337	627
Deferred tax recognised in equity	-30,063	0
Deferred tax as at 31.12.22	3,528,402	2,981

**13. Long-term payables**

	Repayment first year DKK	Outstanding debt after 5 years DKK	Total payables at 31.12.22 DKK	Total payables at 31.12.21 DKK '000
Mortgage debt	1,039,096	7,184,053	12,312,628	13,428
Lease commitments	6,325,990	0	22,403,140	15,992
Other payables	147,057	1,931,162	2,338,251	2,292
<b>Total</b>	<b>7,512,143</b>	<b>9,115,215</b>	<b>37,054,019</b>	<b>31,712</b>

**14. Fair value information**

Figures in DKK	Derivative financial instruments	Total
Fair value as at 31.12.22	0	0
Unrealised changes of fair value recognised in equity for the year	106,586	106,586

**15. Contingent liabilities***Lease commitments*

The company has concluded lease agreements with terms to maturity of 24 months and total average lease payments of DKK 99k per year, a total of DKK 366k.

## 16. Charges and security

Land and buildings with a carrying amount of DKK 36,570k have been provided as security for mortgage debt of DKK 12,313k.

For bank debts DKK 6,928k and credit lines of DKK 8,125k and EUR 250k, the company has provided security in company assets representing a nominal value of DKK 15,500k. This security comprises the below assets, stating the carrying amounts:

- Goodwill and intellectual property rights, DKK 170k
- Machinery and equipment, DKK 11,736k
- Inventories, DKK 17,406k
- Trade receivables, DKK 33,039k

Machinery and equipment, all representing a carrying amount of DKK 26,750k at 31 December 2022, have been financed by means of financial leasing. At 31 December 2022, the liabilities of this financial leasing amount to DKK 22,403k.

## 17. Related parties

Related party transactions are not disclosed, as all transactions are entered into in the ordinary course of business at arms' length.

Remuneration for the management is specified in note 2. Staff costs.

## 18. Adjustments for the cash flow statement

Other operating income	-2,542,076	-449
Depreciation, amortisation and impairments losses of intangible assets and property, plant and equipment	7,743,806	5,463
Financial income	-11,655	-112
Financial expenses	1,327,434	636
Tax on profit or loss for the year	517,211	2,614
Total	7,034,720	8,152

## 19. Accounting policies

### GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for medium-sized enterprises in reporting class C.

The accounting policies have been applied consistently with previous years.

In accordance with section 111(1) of the Danish Financial Statements Act, the company has not prepared consolidated financial statements.

### Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

### CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

**19. Accounting policies** - continued -

On recognition of independent foreign entities, the income statements are translated at the exchange rates applicable at the transaction date or approximate average exchange rates. The balance sheet items are translated using the exchange rates applicable at the balance sheet date. Foreign currency translation adjustments arising from the translation of equity at the beginning of the year using the exchange rates applicable at the balance sheet date and from the translation of income statements from average exchange rates to the exchange rates applicable at the balance sheet date are recognised directly in equity.

**DERIVATIVE FINANCIAL INSTRUMENTS**

On initial recognition, derivative financial instruments are measured at cost. Subsequently, they are measured at fair value and recognised under other receivables and other payables, respectively.

Fair value adjustment of derivative financial instruments classified as and meeting the criteria for hedging future cash flows (cash flow hedging) are recognised in equity under the cash flow hedging reserve. In the event that the hedged transaction results in the recognition of an asset or a liability, the accumulated fair value adjustment of the hedging instrument, which was previously recognised in equity, will be included in the cost of the asset or the liability. In the event that the hedged transaction results in the recognition of an income or an expense, the accumulated fair value adjustment of the hedging instrument, which was previously recognised in equity, will be recognised together with the hedged income or expense.

If the hedged transaction is no longer expected to occur, the cash flow hedging treatment is discontinued, and the accumulated fair value adjustment of the hedging instrument is transferred to other net financials in the income statement. If the hedged transaction is still expected to occur, but the criteria for cash flow hedging are no longer met, the hedging treatment is discontinued, and the accumulated fair value adjustment of the hedging instrument remains in equity until the transaction occurs.

Fair value adjustments of derivative financial instruments that do not meet the criteria for hedge accounting treatment are recognised under other net financials in the income statement on an ongoing basis.

**LEASES**

Leases relating to assets where the company has substantially all the risks and benefits incidental to the ownership of the asset (finance leases) are recognised in the balance sheet. On initial recognition, assets held under finance leases and related lease commitments are

**19. Accounting policies** - continued -

measured at the lower of the fair value of the leased asset and the present value of future lease payments. Subsequently, assets held under finance leases are treated like other similar assets.

Lease commitments relating to assets held under finance leases are recognised in the balance sheet as payables. Subsequent to initial recognition, lease commitments are measured at amortised cost according to which the interest element of the lease payment is recognised in the income statement over the lease term.

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

**GRANTS**

Grants are recognised when there is reasonable certainty that the grant conditions have been met and that the grant will be received.

Grants to cover expenses incurred are recognised on a proportionate basis in the income statement over the period in which the expenses eligible for grants are expensed. Grants are recognised under other operating income.

**INCOME STATEMENT****Gross profit**

Gross profit comprises revenue, other operating income and raw materials and consumables and other external expenses.

**Revenue**

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

**Other operating income**

Other operating income comprises income of a secondary nature in relation to the enterprise's activities, including rental income, negative goodwill and gains on the sale of



**19. Accounting policies** - continued -

intangible assets and property, plant and equipment.

**Costs of raw materials and consumables**

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

**Other external expenses**

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

**Staff costs**

Staff costs comprise wages and salaries as well as other staff-related costs.

**Depreciation, amortisation and impairment losses**

The depreciation and amortisation of intangible assets and property, plant and equipment aim at systematic depreciation and amortisation over the expected useful lives of the assets. Assets are depreciated and amortised according to the straight-line method based on the following expected useful lives and residual values:

	Useful lives, years	Residual value DKK '000
Acquired rights	7	0
Goodwill	7	0
Buildings	25-50	0
Plant and machinery	7-10	0
Other plant, fixtures and fittings, tools and equipment	2-10	0

Goodwill is amortised over 7 years. The useful life has been determined in consideration of the expected future net earnings of the enterprise or activity to which the goodwill relates.

Land is not depreciated.

**19. Accounting policies** - continued -

The basis of depreciation and amortisation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation and amortisation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Intangible assets and property, plant and equipment are impaired in accordance with the accounting policies referred to in the 'Impairment losses on fixed assets' section.

**Other net financials**

Interest income and interest expenses, the interest element of finance lease payments, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Amortisation of capital losses and borrowing costs relating to financial liabilities is recognised on an ongoing basis as financial expenses.

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

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

**BALANCE SHEET****Intangible assets***Acquired rights*

Acquired rights are measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Acquired rights are amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

*Goodwill*

Goodwill is measured in the balance sheet at cost less accumulated amortisation and impairment losses.

Goodwill is amortised using the straight-line method based on useful lives, which are stated in the 'Depreciation, amortisation and impairment losses' section.

**19. Accounting policies** - continued -*Gains and losses on the disposal of intangible assets*

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal.

**Property, plant and equipment**

Property, plant and equipment comprise land and buildings, plant and machinery as well as other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

The total cost of an asset is decomposed into separate components that are depreciated separately if the useful lives of the individual components vary.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation, amortisation and impairment losses' section.

*Property, plant and equipment under construction*

Property, plant and equipment under construction are measured at cost. Costs incurred on property, plant and equipment under construction are transferred to the relevant asset category when the asset is ready for use.

*Gains and losses on the disposal of property, plant and equipment*

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

**Equity investments in group enterprises**

Equity investments in subsidiaries are recognised and measured according to the equity method. For equity investments in subsidiaries, the equity method is considered a measurement method.

**19. Accounting policies** - continued -

On initial recognition, equity investments measured according to the equity method are measured at cost. Transaction costs directly attributable to the acquisition are recognised in the cost of equity investments.

Under subsequent recognition and measurement of equity investments according to the equity method, equity investments are measured at the proportionate share of the enterprises' equity value, determined according to the accounting policies of the parent, adjusted for the remaining value of goodwill and gains and losses on transactions with the enterprises in question. Equity investments, where information for recognition according to the equity method is not known, are measured at cost.

Gains or losses on disposal of equity investments are determined as the difference between the disposal consideration and the carrying amount of net assets at the time of sale, including non-amortised goodwill, as well as the expected costs of divestment or discontinuation. Gains and losses are recognised in the income statement under income from equity investments.

**Impairment losses on fixed assets**

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation and amortisation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist. Impairment losses on goodwill are not reversed, unless goodwill is included in the carrying amount of equity investments.

**19. Accounting policies** - continued -**Inventories**

Inventories are measured at cost calculated according to weighted average prices. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The cost of manufactured finished goods and work in progress is determined as the value of direct and indirect material and labour costs. Production overheads include indirect material and labour costs as well as maintenance and depreciation of machinery, buildings and equipment used in the production process as well as the costs of factory administration and management. Interest on loans arranged to finance production is not included in the cost.

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

**Receivables**

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

**Prepayments**

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

**Cash**

Cash includes deposits in bank accounts as well as operating cash.

**Equity**

The proposed dividend for the financial year is recognised as a separate item in equity.

**19. Accounting policies** - continued -

The net revaluation of equity investments measured according to the equity method is recognized in the net revaluation reserve in equity according to the equity method to the extent that the carrying amount exceeds the cost.

**Current and deferred tax**

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

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

**Payables**

Long-term payables are measured at cost at the time of contracting such liabilities (raising of the loan). The payables are subsequently measured at amortised cost where capital losses and loan expenses are recognised in the income statement as a financial expense over the term of the payable on the basis of the calculated effective interest rate in force at the time of contracting the liability.

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to the time and date of delivery of the agreed product or completion of the agreed service.

**19. Accounting policies** - continued -**CASH FLOW STATEMENT**

The cash flow statement is prepared using the indirect method, showing cash flows from operating, investing and financing activities as well as cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities comprise the net profit or loss for the year, adjusted for non-cash operating items, income tax paid and changes in working capital.

Cash flows from investing activities comprise payments in connection with the acquisition and divestment of companies and financial assets as well as the purchase, development, improvement and sale of intangible assets and property, plant and equipment.

Cash flows from financing activities comprise changes in the company's share capital and associated costs and financing from and dividends paid to shareholders as well as the arrangement and repayment of long-term and short-term payables to credit institutions. Cash flows from financing activities also comprise finance lease payments.

Cash and cash equivalents at the beginning and end of the year comprise cash.