



Tel.: +45 76 42 94 00
vejle@bdo.dk
www.bdo.dk

BDO Statsautoriseret revisionsaktieselskab
Roms Hule 4, 1. sal
DK-7100 Vejle
CVR no. 20 22 26 70

ROLF SCHMIDT INDUSTRIPLAST A/S

JERNET 4H, 6000 KOLDING

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 19 March 2024**

Jakob Blicher Ravnsbo

CVR NO. 19 78 14 88

CONTENTS

| | Page |
|---|-------------|
| Company Details | |
| Company Details..... | 3 |
| Statement and Report | |
| Management's Statement..... | 4 |
| Independent Auditor's Report..... | 5-6 |
| Management Commentary | |
| Management Commentary..... | 7 |
| Financial Statements 1 January - 31 December | |
| Income Statement..... | 8 |
| Balance Sheet..... | 9-10 |
| Equity..... | 11 |
| Notes..... | 12-13 |
| Accounting Policies..... | 14-16 |

COMPANY DETAILS

| | |
|---------------------------|---|
| Company | Rolf Schmidt Industriplast A/S Jernet 4H 6000 Kolding |
| | CVR No.: 19 78 14 88 Established: 20 December 1996 Municipality: Kolding Financial Year: 1 January - 31 December |
| Board of Directors | Bernhard Pawlik, chairman Oliver Christian Glöckner Jakob Blicher Ravnsbo |
| Executive Board | Flemming Andreassen |
| Auditor | BDO Statsautoriseret revisionsaktieselskab Roms Hule 4, 1. sal 7100 Vejle |

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of Rolf Schmidt Industriplast A/S for the financial year 1 January - 31 December 2023.

The Annual Report is presented 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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Kolding, 19 March 2024

Executive Board

Flemming Andreassen

Board of Directors

Bernhard Pawlik
Chairman

Oliver Christian Glöckner

Jakob Blicher Ravnsbo

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Rolf Schmidt Industriplast A/S

AUDITORS OPINION ON THE FINANCIAL STATEMENTS

Opinion

We have audited the Financial Statements of Rolf Schmidt Industriplast A/S for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity, notes and a summary of significant 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 assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 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 (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Management's Responsibilities 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 as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern 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 ISAs 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 ISAs 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.

INDEPENDENT AUDITOR'S REPORT

- 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 Management Commentary

Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, 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 Commentary and, in doing so, consider whether Management Commentary 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 Commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management Commentary 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 Management Commentary.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Violation of the Withholding Tax Act

The company has reported dividends for the financial year 2022 past due date to the Danish Tax Agency. The Management may be held responsible for this.

Vejle, 19 March 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Kristian Frost Vingum
State Authorised Public Accountant
MNE no. mne36183

MANAGEMENT COMMENTARY

Principal activities

The company trades in plastic semi-finished products and the production of plastic turning and milling parts.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

| | Note | 2023 DKK | 2022 DKK |
|--|------|-------------------|-------------------|
| GROSS PROFIT | | 52,797,294 | 45,503,286 |
| Staff costs..... | 1 | -30,188,694 | -25,917,704 |
| Depreciation, amortisation and impairment..... | | -5,484,951 | -4,610,850 |
| OPERATING PROFIT | | 17,123,649 | 14,974,732 |
| Other financial income..... | | 120 | 0 |
| Other financial expenses..... | | -635,591 | -587,527 |
| PROFIT BEFORE TAX | | 16,488,178 | 14,387,205 |
| Tax on profit/loss for the year..... | 2 | -3,672,328 | -3,165,632 |
| PROFIT FOR THE YEAR | | 12,815,850 | 11,221,573 |
| PROPOSED DISTRIBUTION OF PROFIT | | | |
| Proposed dividend for the year..... | | 7,450,000 | 5,587,500 |
| Retained earnings..... | | 5,365,850 | 5,634,073 |
| TOTAL | | 12,815,850 | 11,221,573 |

BALANCE SHEET AT 31 DECEMBER

| ASSETS | Note | 2023 DKK | 2022 DKK |
|---|----------|-------------------|-------------------|
| Intangible fixed assets acquired..... | | 3,715,175 | 2,654,658 |
| Intangible assets..... | 3 | 3,715,175 | 2,654,658 |
| Land and buildings..... | | 25,538,909 | 26,231,539 |
| Production plants and machinery..... | | 29,441,723 | 19,115,593 |
| Other plants, machinery, tools and equipment..... | | 1,290,894 | 584,569 |
| Tangible fixed assets in progress and prepayment..... | | 1,503,929 | 3,290,448 |
| Property, plant and equipment..... | 4 | 57,775,455 | 49,222,149 |
| NON-CURRENT ASSETS..... | | 61,490,630 | 51,876,807 |
| Raw materials and consumables..... | | 13,123,797 | 13,733,168 |
| Finished goods and goods for resale..... | | 1,001,143 | 512,822 |
| Inventories..... | | 14,124,940 | 14,245,990 |
| Trade receivables..... | | 15,726,612 | 8,816,069 |
| Receivables from group enterprises..... | | 2,815 | 0 |
| Other receivables..... | | 319,715 | 417,302 |
| Prepayments and accrued income..... | | 84,003 | 93,627 |
| Receivables..... | | 16,133,145 | 9,326,998 |
| Cash and cash equivalents..... | | 666,152 | 2,079,744 |
| CURRENT ASSETS..... | | 30,924,237 | 25,652,732 |
| ASSETS..... | | 92,414,867 | 77,529,539 |

BALANCE SHEET AT 31 DECEMBER

| EQUITY AND LIABILITIES | Note | 2023 DKK | 2022 DKK |
|--|-------------|---------------------|---------------------|
| Share Capital..... | | 3,000,000 | 3,000,000 |
| Fair value reserve for accounting hedging..... | | 301,173 | 377,485 |
| Retained profit..... | | 37,310,857 | 31,945,007 |
| Proposed dividend..... | | 7,450,000 | 5,587,500 |
| EQUITY..... | | 48,062,030 | 40,909,992 |
| Provision for deferred tax..... | | 3,618,000 | 2,752,000 |
| PROVISIONS..... | | 3,618,000 | 2,752,000 |
| Debt to mortgage..... | | 8,232,263 | 8,706,046 |
| Bank loan..... | | 2,766,379 | 3,268,156 |
| Lease liabilities..... | | 16,159,351 | 11,261,905 |
| Non-current liabilities..... | 5 | 27,157,993 | 23,236,107 |
| Bank loans..... | | 586,000 | 555,000 |
| Mortgage debt..... | | 471,000 | 550,000 |
| Lease liabilities..... | | 4,030,910 | 4,143,656 |
| Prepayments..... | | 1,054,992 | 743,600 |
| Trade payables..... | | 1,071,075 | 938,819 |
| Payables to group enterprises..... | | 20,260 | 181,563 |
| Corporation tax..... | | 2,079,521 | 436,250 |
| Other liabilities..... | | 4,263,086 | 3,082,552 |
| Current liabilities..... | | 13,576,844 | 10,631,440 |
| LIABILITIES..... | | 40,734,837 | 33,867,547 |
| EQUITY AND LIABILITIES..... | | 92,414,867 | 77,529,539 |
| | | | |
| Charges and securities | 6 | | |
| Consolidated Financial Statements | 7 | | |

EQUITY

| | Share capital | Fair value reserve for accounting hedging | Retained profit | Proposed dividend | Total |
|--|------------------|--|--------------------|----------------------|-------------------|
| Equity at 1 January 2023..... | 3,000,000 | 377,485 | 31,945,007 | 5,587,500 | 40,909,992 |
| Proposed profit allocation..... | | | 5,365,850 | 7,450,000 | 12,815,850 |
| Transactions with owners | | | | | |
| Dividend paid..... | | | | -5,587,500 | -5,587,500 |
| Change fair value reserves | | | | | |
| Value adjustments in the year..... | | -76,312 | | | -76,312 |
| Equity at 31 December 2023..... | 3,000,000 | 301,173 | 37,310,857 | 7,450,000 | 48,062,030 |

NOTES

| | 2023 DKK | 2022 DKK | Note |
|--|-------------------|-------------------------------------|------------------------------------|
| Staff costs | | | 1 |
| Average number of full time employees | 54 | 48 | |
| Wages and salaries..... | 27,020,654 | 23,192,685 | |
| Pensions..... | 1,859,788 | 1,467,810 | |
| Social security costs..... | 468,278 | 445,217 | |
| Other staff costs..... | 839,974 | 811,992 | |
| | 30,188,694 | 25,917,704 | |
| Tax on profit/loss for the year | | | 2 |
| Calculated tax on taxable income of the year..... | 2,806,328 | 2,788,632 | |
| Adjustment of deferred tax..... | 866,000 | 377,000 | |
| | 3,672,328 | 3,165,632 | |
| Intangible assets | | | 3 |
| | | Intangible fixed assets acquired | |
| Cost at 1 January 2023..... | | 4,586,749 | |
| Additions..... | | 1,491,579 | |
| Cost at 31 December 2023..... | | 6,078,328 | |
| Amortisation at 1 January 2023..... | | 1,932,091 | |
| Amortisation for the year..... | | 431,062 | |
| Amortisation at 31 December 2023..... | | 2,363,153 | |
| Carrying amount at 31 December 2023..... | | 3,715,175 | |
| Property, plant and equipment | | | 4 |
| | | Land and buildings | Production plants and machinery |
| Cost at 1 January 2023..... | 32,524,360 | | 49,132,692 |
| Additions..... | | 0 | 14,404,161 |
| Cost at 31 December 2023..... | 32,524,360 | | 63,536,853 |
| Depreciation and impairment losses at 1 January 2023..... | 6,292,821 | | 30,017,099 |
| Depreciation for the year..... | 692,630 | | 4,078,031 |
| Depreciation and impairment losses at 31 December 2023... | 6,985,451 | | 34,095,130 |
| Carrying amount at 31 December 2023..... | 25,538,909 | | 29,441,723 |
| Finance lease assets..... | 1,600,011 | | 20,660,295 |

NOTES

| | | | Note |
|---|--|--|--------------------------------------|
| Tangible fixed assets (continued) | | | 4 |
| | Other plants, machinery, tools and equipment | Tangible fixed assets in progress and prepayment | |
| Cost at 1 January 2023..... | 1,914,642 | 3,290,448 | |
| Additions..... | 1,015,299 | 1,503,929 | |
| Disposals..... | -644,925 | -3,290,448 | |
| Cost at 31 December 2023..... | 2,285,016 | 1,503,929 | |
| Depreciation and impairment losses at 1 January 2023..... | 1,330,073 | | |
| Reversal of depreciation of assets disposed of..... | -619,175 | | |
| Depreciation for the year..... | 283,224 | | |
| Depreciation and impairment losses at 31 December 2023... | 994,122 | | |
| Carrying amount at 31 December 2023..... | 1,290,894 | 1,503,929 | |
| Finance lease assets..... | 740,863 | 1,150,000 | |
| Long-term liabilities | | | 5 |
| | 31/12 2023 total liabilities | Repayment next year | Debt outstanding after 5 years |
| | | | 31/12 2022 total liabilities |
| Debt to mortgage..... | 8,703,263 | 471,000 | 6,219,707 |
| Bank loan..... | 3,352,379 | 586,000 | 997,379 |
| Lease liabilities..... | 20,190,261 | 4,030,910 | 3,689,942 |
| | 32,245,903 | 5,087,910 | 10,907,028 |
| | | | 28,484,763 |
| Charges and securities | | | 6 |
| As security for commitment with banks DKK ('000) 8,703 mortgage has been given on land and buildings with an accounting value of which per 31 December 2023 amounts to DKK ('000) 25,539. | | | |
| The company has issued owner's mortgage of DKK ('000) 4,894 which leads to a mortgage on the same land and buildings as mentioned above. The owner's mortgage of DKK ('000) 4,894 is deposited for bank debt that per 31 December 2023 amounts to DKK ('000) 3,352. | | | |
| Consolidated Financial Statements | | | 7 |
| The company is part of the consolidated financial statement for Centrotec SE, Germany. | | | |

ACCOUNTING POLICIES

The Annual Report of Rolf Schmidt Industriplast A/S for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Net revenue

Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

Net revenue is recognised exclusive of VAT and less duties and discounts related to the sale.

Cost of sales

Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other operating income

Other operating income includes items of a secondary nature in relation to the Group's and the Company's activities, including profit from sale of intangible and tangible fixed assets. In addition, profit from sale of intangible and tangible fixed assets as well as business interruption and conflict compensations are included. Compensations are recognised when the income is deemed to be realisable.

Other external expenses

Other external expenses include cost of sales, advertising, administration, buildings, bad debts, operating lease expenses, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company's employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

ACCOUNTING POLICIES

BALANCE SHEET

Intangible fixed assets

Intangible fixed assets include acquired intangible rights. Acquired intangible rights are depreciated on a straight-line basis over the expected useful life, which amounts to 3 years. Software that is installed in technical installations and machines is depreciated over the same period as the technical installation and can amount to 3-10 years.

Intangible fixed assets are measured at cost less accumulated depreciation and write-downs.

Tangible fixed assets

Land and buildings, production plant and machinery, other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

| | Useful life |
|--|-------------|
| Buildings..... | 10-50 years |
| Production plant and machinery..... | 3-10 years |
| Other plant, fixtures and equipment..... | 3-10 years |
| Leasehold improvements..... | 3-10 years |

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Lease contracts

Lease contracts relating to tangible fixed assets for which the Company bears all material risks and benefits attached to the ownership are recognised as assets in the Balance Sheet. The assets are at the initial recognition measured at the lower of cost stated at fair value and the and present value of the future lease payments. The internal interest rate of the lease contract, or alternatively the Company's loan interest, is used as discounting factor when calculating the present value. Finance lease assets are hereafter treated as the Group's and the Company's other similar tangible fixed assets.

The capitalised residual lease liability is recognised in the balance sheet as a liability and the interest portion of the lease payment is recognised in the income statement over the term of the contract.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the carrying amount.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

ACCOUNTING POLICIES

Inventories

Inventories are measured at cost based on weighted average prices. In cases where the net realizable value is lower than the cost price, a write-down is written down to this lower value.

The cost of merchandise as well as raw materials and consumables is calculated at acquisition price with addition of transportation and similar costs.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Accruals, assets

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the term of loan.

Amortised cost for short-term liabilities usually corresponds to the nominal value.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.