

Reichhold Danmark A/S (Under frivillig likvidation)

c/o DLA Piper Danmark Advokatpartnerselskab
Oslo Plads 2
2100 København Ø
Denmark

CVR no. 20 01 59 93

Annual report 2022

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

30 June 2023

Martin Lavesen

Chairman of the annual general meeting

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Statement by the Executive Board

The Executive Board has today discussed and approved the annual report of Reichhold Danmark A/S (Under frivillig likvidation) for the financial year 1 January – 31 December 2022.

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

In my 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 my opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

København, 30 June 2023
Executive Board:

Martin Lavesen
Liquidator



Independent auditor's report

To the shareholders of Reichhold Danmark A/S (Under frivillig likvidation)

Opinion

We have audited the financial statements of Reichhold Danmark A/S (Under frivillig likvidation) 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

- 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.



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 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.

Copenhagen, 30 June 2023

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Morten Høgh-Petersen
State Authorised
Public Accountant
mne34283

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Management's review

Company details

Reichhold Danmark A/S (Under frivillig likvidation)
c/o DLA Piper Danmark Advokatpartnerselskab
Oslo Plads 2
2100 København Ø
Denmark

CVR no.:	20 01 59 93
Established:	1 January 1997
Registered office:	København
Financial year:	1 January – 31 December

Executive Board

Martin Lavesen, Liquidator

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Dampfærgevej 28
DK-2100 København Ø
CVR no. 25 57 81 98

Management's review

Operating review

Principal activities

The Company sells unsaturated polymer resins and complementary goods to the Danish market.

Development in activities and financial position

The Company's income statement for 2022 shows a profit of DKK 2.459 thousand as against DKK 2.745 thousand in 2021. Equity in the Company's balance sheet at 31 December 2022 stood at DKK 38.224 thousand as against DKK 35.765 thousand at 31 December 2021.

The company is expected to be liquidated in 2023.

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'000	Note	2022	2021
Gross loss		<u>-81</u>	<u>-81</u>
Loss before financial income and expenses		<u>-81</u>	<u>-81</u>
Other financial income	3	2.966	2.839
Other financial expenses	4	<u>-15</u>	<u>-13</u>
Profit before tax		2.870	2.745
Tax on profit for the year		<u>-411</u>	<u>0</u>
Profit for the year		<u>2.459</u>	<u>2.745</u>
Proposed profit appropriation			
Retained earnings		<u>2.459</u>	<u>2.745</u>
		<u>2.459</u>	<u>2.745</u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	<u>31/12 2022</u>	<u>31/12 2021</u>
ASSETS			
Current assets			
Receivables			
Receivables from group entities		38.734	35.780
Other receivables		15	12
Corporation tax		<u>0</u>	<u>248</u>
		<u>38.749</u>	<u>36.040</u>
Cash at bank and in hand		<u>491</u>	<u>258</u>
Total current assets		<u>39.240</u>	<u>36.298</u>
TOTAL ASSETS		<u><u>39.240</u></u>	<u><u>36.298</u></u>

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	31/12 2022	31/12 2021
EQUITY AND LIABILITIES			
Equity			
Contributed capital	5	3.125	3.125
Retained earnings		35.099	32.640
Total equity		<u>38.224</u>	<u>35.765</u>
Liabilities			
Current liabilities			
Trade payables		3	1
Payables to group entities		589	398
Corporation tax		285	0
Other payables		139	134
		<u>1.016</u>	<u>533</u>
Total liabilities		<u>1.016</u>	<u>533</u>
TOTAL EQUITY AND LIABILITIES		<u>39.240</u>	<u>36.298</u>
Related party disclosures	6		

Financial statements 1 January – 31 December

Statement of changes in equity

DKK'000	Contributed capital	Retained earnings	Total
Equity at 1 January 2022	3.125	32.640	35.765
Transferred over the profit appropriation	<u>0</u>	<u>2.459</u>	<u>2.459</u>
Equity at 31 December 2022	<u><u>3.125</u></u>	<u><u>35.099</u></u>	<u><u>38.224</u></u>

Financial statements 1 January – 31 December

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1 Accounting policies

The annual report of Reichhold Danmark A/S (Under frivillig likvidation) for 2022 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

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.

Income statement

Gross loss

Pursuant to section 32 of the Danish Financial Statements Act, the Company has decided only to disclose gross profit.

Revenue

Income from sale of manufactured goods and goods for resale is recognised in revenue when delivery and transfer of risk to the buyer have taken place.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts granted are recognised in revenue.

Other external costs

Other external costs comprise costs of sales and advertising and administrative expenses.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on payables and transactions denominated in foreign currencies, etc.

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1 Accounting policies (continued)

Tax on profit 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 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.

Balance sheet

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

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.

Liabilities

Other liabilities are measured at amortised cost.

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DKK'000	<u>2022</u>	<u>2021</u>
2 Staff costs and incentive schemes		
Average number of full-time employees	<u>0</u>	<u>0</u>
3 Other financial income		
Interest income from group entities	1.859	107
Exchange gains	<u>1.107</u>	<u>2.732</u>
	<u>2.966</u>	<u>2.839</u>
4 Other financial expenses		
Other financial costs	<u>15</u>	<u>13</u>
	<u>15</u>	<u>13</u>

5 Contributed capital

The contributed capital consists of 6 shares of a nominal value of DKK 500 thousand each and 5 shares of DKK 25 thousand each.

There has been no movement in the share capital for the last 5 years.

6 Related party disclosures

Reichhold Danmark A/S (Under frivillig likvidation)' related parties comprise the following:

Control

Reichhold AS, Lilleborggata 4, NO-1630 Gamle Frederikstad, Norway.

Reichhold AS holds the majority of the share capital in the Company.

The sole shareholder is Reichhold AS, Lilleborggata 4, NO-1630 Gamle Frederikstad, Norway, which is a wholly owned subsidiary of Reichhold Holdings International B.V. ("RHIBV"), located in the Netherlands. RHIBV was owned indirectly by Reichhold Industries Inc. up till April 1, 2015. On that date, RHIBV became a wholly owned subsidiary of Coöperatie Reichhold Holdings Netherlands U.A. ("Dutch Coop"), also located in the Netherlands. From April 1, 2015 until May 17, 2017, the Dutch Coop was at the top-level of the company group and the group's consolidated financial statements were published on the level of the Dutch Coop in the Netherlands.

The Polynt group and Reichhold group announced a definitive agreement to combine their activities. The closure of the merger took place on May 17, 2017. Dutch Coop is as of May 17, 2017 indirectly owned by Speciality Chemical International Limited, located in the United Kingdom.

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Reichhold Danmark A/S is part of the consolidated financial statements of Speciality Chemical International Limited, 54 Willow Lane Mitcham, Surrey CR4 4NA, United Kingdom, which are the smallest and largest groups, respectively, in which the Company is included as a subsidiary.

The consolidated financial statements of Speciality Chemical International Ltd. can be obtained by contacting the companies at the above addresses.