
QUAKER DENMARK ApS

c/o Harbour House, Sundkrogsgade 21, DK-2100 Copenhagen
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Annual Report for 2021

CVR No. 21 60 75 84

The Annual Report was
presented and adopted
at the Annual General
Meeting of the
company
on 19/7 2022

Harm Blok
Chairman of the
general meeting



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Management's statement

The Executive Board has today considered and adopted the Financial Statements of QUAKER DENMARK ApS for the financial year 1 January - 31 December 2021.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2021 of the Company and of the results of the Company operations for 2021.

We recommend that the Financial Statements be adopted at the Annual General Meeting.

Copenhagen, 19 July 2022

Executive Board

Adrian Steeples
CEO

Harm Blok
Executive officer

Independent Auditor's report

To the shareholder of QUAKER DENMARK ApS

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of QUAKER DENMARK ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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 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 judgement and maintain professional scepticism 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.

Independent Auditor's report

- 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.

Hellerup, 19 July 2022

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Bo Schou-Jacobsen

State Authorised Public Accountant

mne28703

Anders Røjleskov

State Authorised Public Accountant

mne28699

Company information

The Company	QUAKER DENMARK ApS c/o Harbour House Sundkrogsgade 21 DK-2100 Copenhagen Ø CVR No: 21 60 75 84 Financial period: 1 January - 31 December Incorporated: 1 April 1999 Financial year: 23th financial year Municipality of reg. office: Copenhagen
Executive board	Adrian Steeples Harm Blok
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup

Income statement 1 January - 31 December

	Note	2021	2020
		DKK	DKK
Other external expenses		-366,842	-380,567
Gross loss		-366,842	-380,567
Income from investments in subsidiaries	2	107,535,823	134,947,934
Financial expenses		-68,675	-941,528
Profit/loss before tax		107,100,306	133,625,839
Tax on profit/loss for the year	3	-10,356,466	-13,535,202
Net profit/loss for the year		96,743,840	120,090,637

Distribution of profit

	2021	2020
	DKK	DKK
Proposed distribution of profit		
Extraordinary dividend paid	0	120,519,583
Proposed dividend for the year	96,781,922	0
Retained earnings	-38,082	-428,946
	96,743,840	120,090,637

Balance sheet 31 December

Assets

	Note	2021	2020
		DKK	DKK
Investments in subsidiaries		66,600,536	66,600,536
Fixed asset investments		66,600,536	66,600,536
Fixed assets		66,600,536	66,600,536
Receivables from group enterprises		97,556,702	239,517
Corporation tax		0	86,000
Receivables		97,556,702	325,517
Cash at bank and in hand		785,449	36,851
Current assets		98,342,151	362,368
Assets		164,942,687	66,962,904

Balance sheet 31 December

Liabilities and equity

	Note	2021	2020
		DKK	DKK
Share capital		125,100	125,100
Retained earnings		66,653,463	66,691,545
Proposed dividend for the year		96,781,922	0
Equity		163,560,485	66,816,645
Trade payables		124,000	146,259
Corporation tax		1,258,202	0
Short-term debt		1,382,202	146,259
Debt		1,382,202	146,259
Liabilities and equity		164,942,687	66,962,904

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Statement of changes in equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 January	125,100	66,691,545	0	66,816,645
Net profit/loss for the year	0	-38,082	96,781,922	96,743,840
Equity at 31 December	125,100	66,653,463	96,781,922	163,560,485

Notes to the Financial Statements

1. Key activities

The Company's core activity is to hold shares in other companies, which are capital investments and moreover administering the Company's capital. The underlying operating companies produce and sell chemical products.

2021	2020
DKK	DKK

2. Income from investments in subsidiaries

Dividend	107,535,823	134,947,934
	<u>107,535,823</u>	<u>134,947,934</u>

2021	2020
DKK	DKK

3. Income tax expense

Current tax for the year	10,657,768	13,494,793
Adjustment of tax concerning previous years	-301,302	40,409
	<u>10,356,466</u>	<u>13,535,202</u>

4. Contingent assets, liabilities and other financial obligations

Contingent liabilities

The group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

There are no other contingent assets, liabilities or financial obligations at 31 December 2021.

Notes to the Financial Statements

5. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of:

<u>Name</u>	<u>Place of registered office</u>
Quaker Chemical Corporation	Wilmington, Delaware, USA

The Group Annual Report of Quaker Chemical Corporation may be obtained at the following address:

Quaker Chemical Corporation
One Quaker Park
901 Hector Street
Conshohocken
PA 19428
USA

6. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

7. Accounting policies

The Annual Report of QUAKER DENMARK ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2021 are presented in DKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2021 of , the Company has not prepared consolidated financial statements.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Income statement

Other external expenses

Other external expenses comprise expenses for premises, sales and as well as office expenses, etc.

Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary.

Notes to the Financial Statements

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with group companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance sheet

Investments in subsidiaries

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, writedown is made to this lower value.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate Dividend item.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.