

**Sherwin-Williams Denmark A/S**  
Nystedvej 5, 7400 Herning

Company reg. no. 24 50 25 11

**Annual report**  
**2023**

The annual report was submitted and approved by the general meeting on the 24 June 2024.

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**Henrik Leut Holm**  
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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## **Management's statement**

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Today, the Board of Directors and the Executive Board have approved the annual report of Sherwin-Williams Denmark A/S for the financial year 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2023.

Further, in our opinion, the Management's review gives a true and fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the Annual General Meeting.

Herning, 24 June 2024

### **Executive board**

Henrik Leut Holm

Simon Walker

### **Board of directors**

Paul Lang  
chairman of the board

Henrik Leut Holm

Jeffrey James Miklich

## **Independent auditor's report**

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### **To the Shareholder of Sherwin-Williams Denmark A/S**

#### **Opinion**

We have audited the financial statements of Sherwin-Williams Denmark A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity, statement of cash flows and notes, for the Company. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

#### **Basis for conclusion**

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.

## **Independent auditor's report**

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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.
- 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'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.

## **Independent auditor's report**

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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 Statement Act. We did not identify any material misstatement of Management's Review.

Herning, 24 June 2024

### **Partner Revision**

State Authorised Public Accountants  
Company reg. no. 15 80 77 76

**Søren H. Andersen**

State Authorised Public Accountant  
mne23420

## Company information

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### The company

Sherwin-Williams Denmark A/S

Nystedvej 5  
7400 Herning

Phone +45 97 21 61 11

Web site [www.sherwin-williams.com](http://www.sherwin-williams.com)

Company reg. no. 24 50 25 11

Established: 1 August 1967

Domicile: Herning

Financial year: 1 January - 31 December  
57th financial year

### Board of directors

Paul Lang, chairman of the board

Henrik Leut Holm

Jeffrey James Miklich

### Executive board

Henrik Leut Holm

Simon Walker

### Auditors

Partner Revision statsautoriseret revisionsaktieselskab

Industrivej Nord 15

7400 Herning

### Bankers

Nordea Bank Danmark A/S

J.P. Morgan

## Financial highlights

DKK in thousands.	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Income statement:</b>					
Gross profit	17.049	27.523	27.496	26.922	16.460
Profit from operating activities	1.067	1.547	899	-4.606	3.526
Net financials	632	-407	-1.352	-1.527	-282
Net profit or loss for the year	1.318	863	-373	-4.813	2.498
<b>Statement of financial position:</b>					
Balance sheet total	66.479	73.922	85.227	76.815	65.008
Investments in property, plant and equipment	152	425	290	1.571	3.609
Equity	45.957	44.639	43.776	49.149	58.962
<b>Cash flows:</b>					
Operating activities	-9.145	-3.471	11.466	9.375	-2.318
Investing activities	-152	-425	2.405	-1.576	-29.051
Financing activities	1.182	0	-5.000	-5.000	31.116
Total cash flows	-8.115	-3.896	8.870	2.799	-254
<b>Employees:</b>					
Average number of full-time employees	20	24	29	29	20
<b>Key figures in %:</b>					
Solvency ratio	69,1	60,4	51,4	64,0	90,7
Return on equity	2,9	-26,8	-0,8	-8,9	5,9

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

$$\text{Solvency ratio} = \frac{\text{Equity, closing balance} \times 100}{\text{Total assets, closing balance}}$$

$$\text{Return on equity} = \frac{\text{Net profit or loss for the year} \times 100}{\text{Average equity}}$$



## Management's review

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### Description of key activities of the company

Like previous years, the Company's activity consist of purchase, production and sale of paint, varnish and stain to the wood and furniture industries and to window manufacturers. The purchases are primarily made as intragroup purchases from entities in the Sherwin-Williams Group.

### Development in activities and financial matters

The result for 2023 shows a profit of DKK 1.318 thousand compared to a profit of DKK 863 thousand ind 2022.

Management considers the Company's result of the year satisfactory.

Significant errors have been corrected for the intra-group purchase of goods in 2022. Reference is made to the text in the accounting policies.

The balance sheet shows equity of DKK 45.957 thousand.

### Financial risks and the use of financial instruments

#### *Foreign currency risks*

The foreign currency transactions of the Sherwin-Williams Group primarily relate to purchases and sales of goods in EUR, where foreign exchange risks are very limited, and secondarily to purchases of goods in US-dollars.

### Environmental issues

The Company receives regular inspections of environmental and working conditions from public authorities and other consultants in accordance with legal requirements and complies with it.

### Know how resources

The Company's knowledge resources are based on the Sherwin-Williams group's own development organization divided into the individual product areas.

### Research and development activities

The Sherwin-Williams Group carries out new development and product upgrades in accordance with ongoing requirements from customers and markets, as well as to comply with laws and standards.

### Expected developments

The first months of 2024 have been with the same level of activity despite the continued difficult and uncertain market situation.

A positive result is expected for 2024.

## **Management's review**

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### **Events occurring after the end of the financial year**

After the end of the financial year, in addition to the above during the expected developments, no events have occurred which could significantly affect the Company's financial position.

## Accounting policies

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The annual report for Sherwin-Williams Denmark A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

After the presentation of the annual report for 2022, the company became aware that there were significant errors in the intra-group purchase of goods in 2022, and the significant errors have been corrected.

The effect of the correction has improved both the result and the equity for 2022 by DKK 11.197 thousand. Comparative figures have been adjusted.

### Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

### Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

## Accounting policies

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Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

### Income statement

#### **Gross profit**

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

## **Accounting policies**

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Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

### **Staff costs**

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

### **Depreciation, amortisation, and writedown for impairment**

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

### **Tax on net profit or loss for the year**

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

## **Statement of financial position**

### **Intangible assets**

#### **Goodwill**

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 3 - 7 years.

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

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment. Land is not subject to depreciation.

## Accounting policies

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The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Buildings	30 years
Other fixtures and fittings, tools and equipment	3-10 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

### Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value of the asset being leased or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

## Accounting policies

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All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

### **Impairment loss relating to non-current assets**

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

### **Inventories**

Inventories are measured at cost on the basis of weighted measured average prices. In cases when the net realisable value is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

### **Receivables**

Receivables are measured at amortised cost, which usually corresponds to nominal value.

## Accounting policies

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In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

### Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

### Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

### Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.



## Accounting policies

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### **Liabilities other than provisions**

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

### **Statement of cash flows**

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

### **Cash flows from operating activities**

Cash flows from operating activities are calculated as the company's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid. Dividend income from equity investments are recognised under "Interest income and dividend received".

### **Cash flows from investment activities**

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

### **Cash flows from financing activities**

Cash flows from financing activities include changes in the size or the composition of the company's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

## Income statement 1 January - 31 December

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All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Gross profit</b>	<b>17.048.897</b>	<b>27.523.209</b>
1 Staff costs	-12.777.940	-20.987.979
2 Depreciation, amortisation, and impairment	-3.203.742	-4.988.573
<b>Operating profit</b>	<b>1.067.215</b>	<b>1.546.657</b>
Other financial income	899.300	0
3 Other financial costs	-266.922	-406.813
<b>Pre-tax net profit or loss</b>	<b>1.699.593</b>	<b>1.139.844</b>
4 Tax on net profit or loss for the year	-381.113	-277.229
<b>Profit or loss from ordinary activities after tax</b>	<b>1.318.480</b>	<b>862.615</b>
<b>5 Net profit or loss for the year</b>	<b>1.318.480</b>	<b>862.615</b>

## Balance sheet at 31 December

All amounts in DKK.

<b>Assets</b>		
<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Non-current assets</b>		
6 Acquired intangible assets	6.743.656	9.055.785
Total intangible assets	<u>6.743.656</u>	<u>9.055.785</u>
7 Land and buildings	1.455.332	1.544.907
8 Other fixtures and fittings, tools and equipment	<u>1.885.347</u>	<u>2.260.179</u>
Total property, plant, and equipment	<u>3.340.679</u>	<u>3.805.086</u>
<b>Total non-current assets</b>	<b><u>10.084.335</u></b>	<b><u>12.860.871</u></b>
<b>Current assets</b>		
Raw materials and consumables	0	730.394
Manufactured goods and goods for resale	<u>7.625.536</u>	<u>15.796.023</u>
Total inventories	<u>7.625.536</u>	<u>16.526.417</u>
Trade receivables	9.583.320	12.370.317
Receivables from group enterprises	35.006.847	20.060.985
9 Deferred tax assets	64.242	246.035
Other receivables	3.369.427	3.513.651
10 Prepayments and accrued income	<u>0</u>	<u>382.392</u>
Total receivables	<u>48.023.836</u>	<u>36.573.380</u>
Cash on hand and demand deposits	<u>745.584</u>	<u>7.961.714</u>
<b>Total current assets</b>	<b><u>56.394.956</u></b>	<b><u>61.061.511</u></b>
<b>Total assets</b>	<b><u>66.479.291</u></b>	<b><u>73.922.382</u></b>

## Balance sheet at 31 December

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All amounts in DKK.

<b>Equity and liabilities</b>			
<u>Note</u>		<u>2023</u>	<u>2022</u>
<b>Equity</b>			
11	Contributed capital	3.500.000	3.500.000
	Retained earnings	42.457.030	41.138.550
	<b>Total equity</b>	<b>45.957.030</b>	<b>44.638.550</b>
<b>Liabilities other than provisions</b>			
	Bank loans	1.182.112	0
	Trade payables	11.694.840	14.980.039
	Payables to group enterprises	5.172.749	10.818.627
	Income tax payable	215.027	14.454
	Other payables	2.257.533	3.470.712
	Total short term liabilities other than provisions	20.522.261	29.283.832
	<b>Total liabilities other than provisions</b>	<b>20.522.261</b>	<b>29.283.832</b>
	<b>Total equity and liabilities</b>	<b>66.479.291</b>	<b>73.922.382</b>
<b>12</b>	<b>Charges and security</b>		
<b>13</b>	<b>Contingencies</b>		
<b>14</b>	<b>Related parties</b>		

## Statement of changes in equity

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All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	3.500.000	40.275.935	43.775.935
Profit or loss for the year brought forward	<u>0</u>	<u>862.615</u>	<u>862.615</u>
Equity 1 January 2022	3.500.000	41.138.550	44.638.550
Profit or loss for the year brought forward	<u>0</u>	<u>1.318.480</u>	<u>1.318.480</u>
	<b><u>3.500.000</u></b>	<b><u>42.457.030</u></b>	<b><u>45.957.030</u></b>

## Statement of cash flows 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Net profit or loss for the year	1.318.480	862.615
15 Adjustments	2.677.576	5.162.337
16 Change in working capital	<u>-12.875.624</u>	<u>-9.185.365</u>
Cash flows from operating activities before net financials	-8.879.568	-3.160.413
Interest paid, etc.	<u>-266.922</u>	<u>-310.860</u>
Cash flows from ordinary activities	-9.146.490	-3.471.273
Income tax paid	<u>1.253</u>	<u>0</u>
<b>Cash flows from operating activities</b>	<b><u>-9.145.237</u></b>	<b><u>-3.471.273</u></b>
Purchase of property, plant, and equipment	<u>-152.305</u>	<u>-424.859</u>
<b>Cash flows from investment activities</b>	<b><u>-152.305</u></b>	<b><u>-424.859</u></b>
<b>Cash flows from investment activities</b>	<b><u>1.182.112</u></b>	<b><u>0</u></b>
<b>Change in cash and cash equivalents</b>	<b><u>-8.115.430</u></b>	<b><u>-3.896.132</u></b>
Cash and cash equivalents at 1 January	7.961.714	11.953.799
Foreign currency translation adjustments (cash and cash equivalents)	<u>899.300</u>	<u>-95.953</u>
<b>Cash and cash equivalents at 31 December</b>	<b><u>745.584</u></b>	<b><u>7.961.714</u></b>
<b>Cash and cash equivalents</b>		
Cash on hand and demand deposits	<u>745.584</u>	<u>7.961.714</u>
<b>Cash and cash equivalents at 31 December</b>	<b><u>745.584</u></b>	<b><u>7.961.714</u></b>

## Notes

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All amounts in DKK.

	<u>2023</u>	<u>2022</u>
<b>1. Staff costs</b>		
Salaries and wages	11.408.620	18.343.251
Pension costs	1.037.956	2.437.395
Other costs for social security	<u>331.364</u>	<u>207.333</u>
	<b><u>12.777.940</u></b>	<b><u>20.987.979</u></b>
Average number of employees	<u>20</u>	<u>24</u>
<b>2. Depreciation, amortisation, and impairment</b>		
Amortisation of concessions, patents and licences	2.312.129	3.861.082
Depreciation on buildings	89.575	89.575
Depreciation on property, plant and equipment	527.137	527.638
Minor acquisitions	<u>274.901</u>	<u>510.278</u>
	<b><u>3.203.742</u></b>	<b><u>4.988.573</u></b>
<b>3. Other financial costs</b>		
Financial costs, group enterprises	104.356	0
Other financial costs	<u>162.566</u>	<u>406.813</u>
	<b><u>266.922</u></b>	<b><u>406.813</u></b>
<b>4. Tax on net profit or loss for the year</b>		
Tax of the results for the year, parent company	199.320	14.454
Adjustment for the year of deferred tax	<u>181.793</u>	<u>262.775</u>
	<b><u>381.113</u></b>	<b><u>277.229</u></b>
<b>5. Proposed distribution of net profit</b>		
Transferred to retained earnings	<u>1.318.480</u>	<u>862.615</u>
<b>Total allocations and transfers</b>	<b><u>1.318.480</u></b>	<b><u>862.615</u></b>

## Notes

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All amounts in DKK.

	<u>31/12 2023</u>	<u>31/12 2022</u>
<b>6. Acquired intangible assets</b>		
Cost 1 January	25.442.705	25.442.705
<b>Cost 31 December</b>	<b><u>25.442.705</u></b>	<b><u>25.442.705</u></b>
Amortisation and writedown 1 January	-16.386.920	-12.525.838
Amortisation for the year	<u>-2.312.129</u>	<u>-3.861.082</u>
<b>Amortisation and writedown 31 December</b>	<b><u>-18.699.049</u></b>	<b><u>-16.386.920</u></b>
<b>Carrying amount, 31 December</b>	<b><u>6.743.656</u></b>	<b><u>9.055.785</u></b>
<b>7. Land and buildings</b>		
Cost 1 January	10.226.917	10.226.917
<b>Cost 31 December</b>	<b><u>10.226.917</u></b>	<b><u>10.226.917</u></b>
Depreciation and writedown 1 January	-8.682.010	-8.592.435
Depreciation for the year	<u>-89.575</u>	<u>-89.575</u>
<b>Depreciation and writedown 31 December</b>	<b><u>-8.771.585</u></b>	<b><u>-8.682.010</u></b>
<b>Carrying amount, 31 December</b>	<b><u>1.455.332</u></b>	<b><u>1.544.907</u></b>
<b>8. Other fixtures and fittings, tools and equipment</b>		
Cost 1 January	10.047.527	9.622.668
Additions during the year	<u>152.305</u>	<u>424.859</u>
<b>Cost 31 December</b>	<b><u>10.199.832</u></b>	<b><u>10.047.527</u></b>
Amortisation and writedown 1 January	-7.787.348	-7.259.710
Depreciation for the year	<u>-527.137</u>	<u>-527.638</u>
<b>Amortisation and writedown 31 December</b>	<b><u>-8.314.485</u></b>	<b><u>-7.787.348</u></b>
<b>Carrying amount, 31 December</b>	<b><u>1.885.347</u></b>	<b><u>2.260.179</u></b>



## Notes

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All amounts in DKK.

	<u>31/12 2023</u>	<u>31/12 2022</u>
<b>9. Deferred tax assets</b>		
Deferred tax assets 1 January	246.035	508.810
Deferred tax of the net profit or loss for the year	<u>-181.793</u>	<u>-262.775</u>
	<b><u>64.242</u></b>	<b><u>246.035</u></b>
The following items are subject to deferred tax:		
Intangible assets	214.375	538.240
Property, plant, and equipment	-150.133	-208.079
Current assets	<u>0</u>	<u>-84.126</u>
	<b><u>64.242</u></b>	<b><u>246.035</u></b>
<b>10. Prepayments and accrued income</b>		
Prepaid expenses	<u>0</u>	<u>382.392</u>
	<b><u>0</u></b>	<b><u>382.392</u></b>

### 11. Contributed capital

The share capital consists of 100 shares of DKK 35 thousand nominal value each.

The Company's share capital has remained DKK 3,500 thousand over the past 5 years.

### 12. Charges and security

No security for loans had been placed at 31 December 2023.

### 13. Contingencies

#### Contingent liabilities

Lease liabilities

In addition to finance leases, the company has entered into operational leases with an average annual lease payment of DKK 933 thousand. The leases have 6 - 22 months to maturity and total outstanding lease payments amounts DKK 1.452 thousand.

## Notes

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All amounts in DKK.

### 14. Related parties

#### Information about consolidated financial statements

Parent: The Sherwin-Williams Company

Domicile: USA

Requisitioning of the parent company's consolidated financial statements:

<http://investors.sherwin-williams.com/annual-reports/>

	<u>2023</u>	<u>2022</u>
<b>15. Adjustments</b>		
Depreciation, amortisation, and impairment	2.928.841	4.478.295
Other financial income	-899.300	0
Other financial costs	266.922	406.813
Tax on net profit or loss for the year	<u>381.113</u>	<u>277.229</u>
	<b><u>2.677.576</u></b>	<b><u>5.162.337</u></b>
<b>16. Change in working capital</b>		
Change in inventories	8.900.881	9.041.947
Change in receivables	-11.632.249	-6.045.889
Change in trade payables and other payables	<u>-10.144.256</u>	<u>-12.181.423</u>
	<b><u>-12.875.624</u></b>	<b><u>-9.185.365</u></b>