

# **CONSTANTIA COPENHAGEN APS**

**Vejleåvej 46 DK-2635 Ishøj**

**CVR NR. 26 72 81 42**

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**Annual report 2021**

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**Approved by the company's general  
meeting on 10 of May 2022**



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**René Willy Nielsen**

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## ENTITY DETAILS

**Entity**

Constantia Copenhagen ApS

Vejleåvej 46 DK-2635 Ishøj

Central Business Registration No: 26 72 81 42

Registered in: Ishøj

Financial year: 01.01.2021-31.12.2021

Phone: +4543560100

Website: [www.cflex.com/locations/constantia-copenhagen-denmark](http://www.cflex.com/locations/constantia-copenhagen-denmark)

**Executive Board**

René Willy Nielsen, CEO

Matteo Rigon

**Auditors**

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 København S

## STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The Executive Board has today considered and approved the annual report of Constantia Copenhagen ApS for the financial year 2021.

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 Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 -31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Ishøj 10 of May 2022

**Executive Board**



René Willy Nielsen  
CEO



Matteo Rigon

## INDEPENDENT AUDITOR'S REPORT

To the shareholders of Constantia Copenhagen ApS

### Opinion

We have audited the financial statements of Constantia Copenhagen ApS for the financial year 01.01.2021 - 31.12.2021, which comprise the income statement, balance sheet, statement of changes in equity and notes, including 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 Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

## INDEPENDENT AUDITOR'S REPORT

### **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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

## INDEPENDENT AUDITOR'S REPORT

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 commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the management commentary.

Copenhagen, 10 of May 2022

### **Deloitte**

Statsautoriseret Revisionspartnerselskab

Business Registration No 33 96 35 56



Jar Larsen

State-Authorised Public Accountant

Identification number (MNE) mne16541

## MANAGEMENT COMMENTARY

### Financial Highlights

DKK'000

Key figures:	2021	2020	2019	2018	2017
Gross profit	28.537	33.369	32.923	42.240	44.454
Operating profit/loss	7.861	13.533	12.242	18.186	20.288
Net financials	15.309	27.998	21.960	16.752	16.341
Profit for the year	19.762	38.972	31.677	31.270	29.228
Total assets	203.150	193.482	201.236	185.814	188.543
Investments in property, plant, equipment and Leasehold improvements	15.472	3.739	2.141	3.029	4.749
Equity	122.919	140.344	127.508	114.149	118.179
<b>Ratios (%):</b>					
Return on equity	15,0	29,1	26,2	26,9	25,0
Equity ratio	60,5	72,5	63,4	61,4	62,7

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

#### Ratios (%)

#### Calculation formula

Return on equity (The entity's return on capital invested in yhe entity by the owners)

$$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$$

Equity ratio (The financial strength of the entity)

$$\frac{\text{Equity} \times 100}{\text{Total assets}}$$



## MANAGEMENT COMMENTARY

### **Primary activities**

The activities of the Entity are development, production and marketing of specialty lidding materials for the food processing industry as well as development and building of the machines and tools required in the production of die cut lidding materials.

### **Development in activities and finances**

The income statement of the Entity for 2021 shows a profit of TDKK 19.762 and at 31 December 2021 the balance sheet of the Entity shows equity of TDKK 122.919.

### **Particular risks**

#### *Foreign exchange risks*

The major currencies are DKK and EUR. Occasional major exposures in other currencies are covered by forward exchange contracts.

#### *Credit risks*

The credit risk related to all large customers is evaluated regularly. For many years, bad debts have been very limited.

### **COVID 19 Considerations**

In year 2021 the company managed the consequences of COVID 19 crisis.

In terms of financial results, the company had no significant impacts in 2021 from the pandemic, with full continuity in production and deliveries to customers. The management will continue to work in 2022 to ensure safety and health environment in the company site and will analyze with attention the evolution of COVID 19 on the market and with our customers.

### **Events after the balance sheet date**

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

## INCOME STATEMENT FOR 2021

<u>Note</u>	2021	2020
	<u>DKK'000</u>	<u>DKK'000</u>
Gross profit	28.537	33.369
1 Staff cocts	-16.873	-16.538
Depreciation, amortisation and impairment losses	<u>-3.803</u>	<u>-3.298</u>
Operating profit	7.861	13.533
Income from investments in group enterprises	16.362	29.870
2 Other financial income	453	125
3 Other financial expenses	<u>-1.506</u>	<u>-1.997</u>
Profit before tax	23.170	41.531
4 Tax on profit for the year	<u>-3.408</u>	<u>-2.559</u>
5 <b>Profit for the year</b>	<u><u>19.762</u></u>	<u><u>38.972</u></u>

## BALANCE SHEET AT 31. DECEMBER 2021

## ASSETS

<u>Note</u>	2021	2020
	<u>DKK'000</u>	<u>DKK'000</u>
Land and buildings	3.305	3.375
Plant and machinery	13.837	10.645
Other fixtures and fittings, tools and equipment	189	287
Leasehold improvements	8.645	0
6 PROPERTY, PLANT AND EQUIPMENT	<u>25.976</u>	<u>14.307</u>
Investments in group enterprises	137.365	137.365
7 FIXED ASSET INVESTMENT	<u>137.365</u>	<u>137.365</u>
 TOTAL FIXED ASSETS	 <u>163.341</u>	 <u>151.672</u>
 Raw materials and consumables	 11.283	 9.196
INVENTORIES	<u>11.283</u>	<u>9.196</u>
Trade receivables	20.967	22.282
Receivables from group enterprises	137	535
Other receivables	2.291	2.349
RECEIVABLES	<u>23.395</u>	<u>25.166</u>
CASH	<u>5.131</u>	<u>7.448</u>
TOTAL CURRENT ASSETS	<u>39.809</u>	<u>41.810</u>
 <b>TOTAL ASSETS</b>	 <b><u>203.150</u></b>	 <b><u>193.482</u></b>

## BALANCE SHEET AT 31. DECEMBER 2021

## EQUITY AND LAIBILITIES

<u>Note</u>	2021	2020
	<u>DKK'000</u>	<u>DKK'000</u>
8 Contributed capital	3.280	3.280
Proposed dividend	14.900	0
Retained earnings	104.739	137.064
<b>EQUITY</b>	<b><u>122.919</u></b>	<b><u>140.344</u></b>
Deferred tax	1.146	640
<b>PROVISIONS</b>	<b><u>1.146</u></b>	<b><u>640</u></b>
Payables to group enterprises	0	29.049
<b>NON-CURRENT LIABILITIES OTHER THAN PROVISIONS</b>	<b><u>0</u></b>	<b><u>29.049</u></b>
9 Current portion of long-term liabilities other than provisions	0	0
Trade payables	2.634	4.335
Payables to group enterprises	72.323	14.905
Income tax payable	1.923	327
10 Other payables	2.205	3.882
<b>CURRENT LIABILITIES OTHER THAN PROVISIONS</b>	<b><u>79.085</u></b>	<b><u>23.449</u></b>
<b>LIABILITIES OTHER THAN PROVISIONS</b>	<b><u>79.085</u></b>	<b><u>52.498</u></b>
<b>LIABILITIES AND EQUITY</b>	<b><u><u>203.150</u></u></b>	<b><u><u>193.482</u></u></b>
11 Unrecognised rental and lease commitments		
12 Group Relations		

## STATEMENT OF CHANGES IN EQUITY FOR 2021

	<b>Contributed capital <u>DKK'000</u></b>	<b>Retained earnings <u>DKK'000</u></b>	<b>Proposed dividend <u>DKK'000</u></b>	<b>Total <u>DKK'000</u></b>
Equity beginning of year	3.280	137.064	0	140.344
Extraordinary dividend paid	0	-37.187	0	-37.187
Profit/loss for the year	0	4.862	14.900	19.762
<b>Equity end of year</b>	<b><u>3.280</u></b>	<b><u>104.739</u></b>	<b><u>14.900</u></b>	<b><u>122.919</u></b>

## NOTES

	2021 <u>DKK'000</u>	2020 <u>DKK'000</u>
<b>1 Staff costs</b>		
Wages and salaries	14.555	14.873
Pension costs	1.116	1.056
Other social security costs	492	89
Other staff costs	710	520
	<u>16.873</u>	<u>16.538</u>
Average number of employees: 26 (2020:25) .		
Total amount for management categories	<u>1.731</u>	<u>1.609</u>
<b>2 Other financial income</b>		
Other financial income	<u>453</u>	<u>125</u>
	<u>453</u>	<u>125</u>
<b>3 Other financial expenses</b>		
Financial expenses from group enterprises	817	747
Other financial expenses	<u>689</u>	<u>1.250</u>
	<u>1.506</u>	<u>1.997</u>
<b>4 Tax on profit for the year</b>		
Tax on current year taxable income	2.395	2.734
Change in deferred tax for the year	506	-175
Adjustment concerning previous years	<u>507</u>	<u>0</u>
	<u>3.408</u>	<u>2.559</u>
<b>5 Proposed distribution of profit/loss</b>		
Exstrordinary dividend for the financial year	37.187	0
Proposed dividend	14.900	0
Retained earnings	<u>-32.325</u>	<u>38.972</u>
	<u>19.762</u>	<u>38.972</u>

## NOTES

	Land and building <u>DKK'000</u>	Plant and machinery <u>DKK'000</u>	Other fixtures and fittings, tools and equipment <u>DKK'000</u>	Lease- hold impro- vements <u>DKK'000</u>
<b>6 Property, plant and equipment</b>				
Cost beginning of year	9.307	29.640	4.281	0
Additions	<u>0</u>	<u>6.617</u>	<u>0</u>	<u>8.855</u>
Cost end of year	<u>9.307</u>	<u>36.257</u>	<u>4.281</u>	<u>8.855</u>
Depreciation and impairment losses beginning of the year	-5.932	-18.995	-3.994	0
Depreciation for the year	<u>-70</u>	<u>-3.425</u>	<u>-98</u>	<u>-210</u>
Depreciation and impairment losses end of the year	<u>-6.002</u>	<u>-22.420</u>	<u>-4.092</u>	<u>-210</u>
Carrying amount end of year	<u>3.305</u>	<u>13.837</u>	<u>189</u>	<u>8.645</u>
Carrying amount beginning of year	<u>3.375</u>	<u>10.645</u>	<u>287</u>	<u>0</u>
			Investments in group enterprises	
<b>7 Fixed asset investments</b>			<u>DKK'000</u>	
Cost beginning of year			<u>151.057</u>	
Cost end of year			<u>151.057</u>	
Impairment losses beginning of year			<u>-13.692</u>	
Impairment losses end of year			<u>-13.692</u>	
Carrying amount end of year			<u>137.365</u>	
	Result	Equity	Equity <u>interest</u>	
Investments in group enterprises comprise:				
Constantia Sittingbourne Ltd.(UK)	18.551	133.522	100 %	

## NOTES

<b>8 Contributed capital</b>	<u>Number</u>	<u>Par value DKK'000</u>	<u>Nominal value DKK'000</u>
Shares	3.280	1.000	3.280
	<u>Instalments within 12 months 2021</u>	<u>Instalments within 12 months 2020</u>	<u>Instalments beyond 12 months 2019</u>
<b>9 Liabilities other than provisions</b>	<u>DKK'000</u>	<u>DKK'000</u>	<u>DKK'000</u>
Payables to group enterprises	0	0	21.215
<b>10 Other payables</b>		<u>2021 DKK'000</u>	<u>2020 DKK'000</u>
Wages and salaries, personal income taxes, social security costs,		428	1.228
Holiday pay obligation		598	1.415
Other costs payable		1.179	1.239
		<u>2.205</u>	<u>3.882</u>
<b>11 Unrecognised rental and lease commitments</b>		<u>DKK'000</u>	
Within 1 year		3.847	
Between 1 and 5 years		15.387	
More than 5 years		<u>29.146</u>	
Total		<u>48.380</u>	

**12 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the largest group: Constantia Flexibles Holding GmbH.

Name and registered office of the Parent preparing consolidated financial statements for the smallest group: Constantia International GmbH.

The consolidated financial statements are available at Constantia Copenhagen ApS, Vejleåvej 46, 2635 Ishøj, Denmark.



## ACCOUNTING POLICIES APPLIED

### **Reporting class**

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises.

The accounting policies applied to these financial statements are consistent with those applied last year.

### **Consolidated financial statements**

Referring to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

### **Recognition and measurement**

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### **Income statement**

#### **Gross profit or loss**

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, other operating income, cost of raw materials and consumables and external expenses.

#### **Revenue**

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

## ACCOUNTING POLICIES APPLIED

### **Costs of raw materials and consumables**

Costs of raw materials and consumables comprise the consumption of raw materials and consumables for the financial year after adjustment for changes in inventories of these goods from the beginning to the end of the year. This item includes shrinkage, if any, and ordinary writedowns of the relevant inventories.

### **Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

### **Staff costs**

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc. for entity staff.

### **Depreciation, amortisation and impairment losses**

Amortisation, depreciation and impairment losses relating to property, plant and equipment comprise amortisation, depreciation and impairment losses for the financial year, calculated on the basis of the residual values and useful lives of the individual assets and impairment testing as well as gains and losses from the sale of property, plant and equipment.

### **Income from investments in group enterprises**

Income from investments in group enterprises comprises dividends etc received from the individual group enterprises in the financial year.

### **Other financial income**

Other financial income comprises dividends etc. received on other investments, interest income, net capital gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

### **Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

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

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

## ACCOUNTING POLICIES APPLIED

### Balance sheet

#### Property, plant, equipment and leasehold improvements

Land and buildings, plant and machinery, leasehold improvements as well as other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Production buildings	5-25 years
Plant and machinery	3-9 years
Other fixtures and fittings, tools and equipment	5-12 years
leasehold improvements	15 years

For leasehold improvements and assets subject to finance leases, the depreciation period cannot exceed the contract period.

Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

#### Investments in group enterprises

Investments in group enterprises are measured at cost. Investments are written down to the lower of recoverable amount and carrying amount.

#### Inventories

Inventories are measured at the lower of cost using the FIFO method, and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

## ACCOUNTING POLICIES APPLIED

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation of and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management. Finance costs are not included in cost.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

### **Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Dividend**

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity. Extraordinary dividend adopted in the financial year is recognised directly in equity when distributed and disclosed as a separate item in Management's proposal for distribution of profit/loss.

### **Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities, or as net tax assets.

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

## ACCOUNTING POLICIES APPLIED

### **Income tax receivable or payable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

### **Cash flow statement**

Referring to section 86 of the Danish Financial Statements Act, Constantia Copenhagen ApS has not prepared any cash flow statement.