

HLC-Lautrup Scandinavian Chemicals ApS

Sankt Annæ Plads 13, st.
1250 Copenhagen K
CVR No. 27075843

Annual report 01.01.2021 - 30.09.2021

The Annual General Meeting adopted the
annual report on 22.03.2022

Paul John Tayler

Chairman of the General Meeting

Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2021	8
Balance sheet at 30.09.2021	9
Statement of changes in equity for 2021	11
Notes	12
Accounting policies	15

Entity details

Entity

HLC-Lautrup Scandinavian Chemicals ApS

Sankt Annæ Plads 13, st.

1250 Copenhagen K

Business Registration No.: 27075843

Registered office: Copenhagen

Financial year: 01.01.2021 - 30.09.2021

Board of Directors

Paul John Tayler, Chairman

Carrie Ann Rutherford

Michael Lynn Everett

Executive Board

Paul John Tayler

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of HLC-Lautrup Scandinavian Chemicals ApS for the financial year 01.01.2021 - 30.09.2021.

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 30.09.2021 and of the results of its operations for the financial year 01.01.2021 - 30.09.2021.

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.

Copenhagen, 22.03.2022

Executive Board

Paul John Tayler

Board of Directors

Paul John Tayler
Chairman

Carrie Ann Rutherford

Michael Lynn Everett

Independent auditor's report

To the shareholder of HLC-Lautrup Scandinavian Chemicals ApS

Opinion

We have audited the financial statements of HLC-Lautrup Scandinavian Chemicals ApS for the financial year 01.01.2021 - 30.09.2021, 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 30.09.2021 and of the results of its operations for the financial year 01.01.2021 - 30.09.2021 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 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 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.

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.

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, 22.03.2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Claus Jorch Andersen

State-Authorised Public Accountant
Identification No (MNE) mne33712

Management commentary

Primary activities

The Entity's activity is sale of raw materials within the plastics industry.

Management considers profit for the period 01.01.2021-30.09.2021 amounting to DKK 5,251 thousand satisfactory.

As of 15 June 2021, the Company entered into a new Group. Accordingly, the Company has changed its financial year. The financial year 2021 covers the period 01.01.2021-30.09.2021 (9 months). The financial year 2020 covered the calendar year (12 months).

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

	Notes	2021 DKK	2020 DKK
Gross profit/loss		7,054,837	1,407,903
Depreciation, amortisation and impairment losses	1	25,000	(262,500)
Operating profit/loss		7,079,837	1,145,403
Other financial income	2	75,446	10,639
Other financial expenses	3	(394,964)	(722,236)
Profit/loss before tax		6,760,319	433,806
Tax on profit/loss for the year	4	(1,509,360)	(95,390)
Profit/loss for the year		5,250,959	338,416
Proposed distribution of profit and loss			
Retained earnings		5,250,959	338,416
Proposed distribution of profit and loss		5,250,959	338,416

Balance sheet at 30.09.2021

Assets

	Notes	2021 DKK	2020 DKK
Acquired intangible assets		0	0
Intangible assets	5	0	0
Other fixtures and fittings, tools and equipment		0	0
Property, plant and equipment	6	0	0
Fixed assets		0	0
Manufactured goods and goods for resale		11,488,599	10,419,396
Prepayments for goods		0	1,783,063
Inventories		11,488,599	12,202,459
Trade receivables		7,938,626	3,971,984
Receivables from group enterprises		11,575,758	0
Deferred tax	7	2,000	58,000
Other receivables		290,548	0
Receivables		19,806,932	4,029,984
Cash		3,915,144	20,478,583
Current assets		35,210,675	36,711,026
Assets		35,210,675	36,711,026

Equity and liabilities

	Notes	2021 DKK	2020 DKK
Contributed capital		3,000,000	3,000,000
Retained earnings		17,825,255	12,574,296
Equity		20,825,255	15,574,296
Income tax payable		1,453,360	0
Non-current liabilities other than provisions	8	1,453,360	0
Bank loans		265	0
Trade payables		8,849,649	7,337,724
Payables to group enterprises		0	6,662,823
Income tax payable		150,390	150,390
Other payables		3,931,756	6,985,793
Current liabilities other than provisions		12,932,060	21,136,730
Liabilities other than provisions		14,385,420	21,136,730
Equity and liabilities		35,210,675	36,711,026
Contingent liabilities	9		
Group relations	10		

Statement of changes in equity for 2021

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	3,000,000	12,574,296	15,574,296
Profit/loss for the year	0	5,250,959	5,250,959
Equity end of year	3,000,000	17,825,255	20,825,255

Notes

1 Depreciation, amortisation and impairment losses

	2021	2020
	DKK	DKK
Amortisation of intangible assets	0	262,500
Profit/loss from sale of intangible assets and property, plant and equipment	(25,000)	0
	(25,000)	262,500

2 Other financial income

	2021	2020
	DKK	DKK
Financial income from group enterprises	69,812	10,542
Other interest income	0	97
Exchange rate adjustments	5,634	0
	75,446	10,639

3 Other financial expenses

	2021	2020
	DKK	DKK
Financial expenses from group enterprises	0	389,698
Other interest expenses	184,924	75,838
Other financial expenses	210,040	256,700
	394,964	722,236

4 Tax on profit/loss for the year

	2021	2020
	DKK	DKK
Current tax	1,453,360	150,390
Change in deferred tax	56,000	(55,000)
	1,509,360	95,390

5 Intangible assets

	Acquired intangible assets DKK
Cost beginning of year	2,625,000
Disposals	(2,625,000)
Cost end of year	0
Amortisation and impairment losses beginning of year	(2,625,000)
Reversal regarding disposals	2,625,000
Amortisation and impairment losses end of year	0
Carrying amount end of year	0

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	310,067
Disposals	(296,148)
Cost end of year	13,919
Depreciation and impairment losses beginning of year	(310,067)
Reversal regarding disposals	296,148
Depreciation and impairment losses end of year	(13,919)
Carrying amount end of year	0

7 Deferred tax

	2021 DKK	2020 DKK
Property, plant and equipment	2,000	8,000
Other deductible temporary differences	0	50,000
Deferred tax	2,000	58,000

8 Non-current liabilities other than provisions

	Due after more than 12 months 2021 DKK
Tax payable	1,453,360
	1,453,360

9 Contingent liabilities

The Entity participates in a Danish joint taxation with other Danish consolidated companies. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed companies and also for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies. The jointly taxed companies' total known net liability in the joint taxation arrangement is stated in the financial statements of the administration company.

10 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
GPD Companies Inc., c/o Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801, USA.

Accounting policies

Reporting class

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

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

Non-comparability

As a result of entering into a new Group, the Company has changed its financial year. The financial year 2021 covers the period 01.01.2021-30.09.2021. The financial year 2020 covers the period 01.01.2020 - 31.12.2020. Consequently, the comparative figures for 2020 are not directly comparable.

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.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, costs 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.

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.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses relating to intangible assets and 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 intangible assets as well as property, plant and equipment.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital gains on securities, payables and transactions in foreign currencies 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 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.

The Entity is jointly taxed with other Danish consolidated companies. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Intellectual property rights etc

Intellectual property rights etc comprise acquired intellectual property.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

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.

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

Other fixtures and fittings, tools and equipment	3-5 years
--	-----------

Estimated useful lives and residual values are reassessed annually.

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

Inventories

Inventories are measured at the lower of cost using the weighted average prices and net realisable value.

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.

Deferred tax

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

Cash

Cash comprises cash in hand and bank deposits.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Other financial liabilities

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

Tax payable or receivable

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