



## **DBI Plastics Group A/S**

Stenmaglevej 20 D  
4295 Stenlille  
CVR No. 27171737

### **Annual report 2023**

The Annual General Meeting adopted the annual report on 23.04.2024

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**Per Valstorp**

Chairman of the General Meeting

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# Entity details

## Entity

DBI Plastics Group A/S

Stenmaglevej 20 D

4295 Stenlille

Business Registration No.: 27171737

Registered office: Sorø

Financial year: 01.01.2023 - 31.12.2023

## Board of Directors

Christian Egemose Agger

Per Toft Valstorp

Hans Hellstrøm Henningsen

## Executive Board

Hans Hellstrøm Henningsen

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of DBI Plastics Group A/S for the financial year 01.01.2023 - 31.12.2023.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023.

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.

Stenlille, 23.04.2024

## Executive Board

**Hans Hellstrøm Henningsen**

## Board of Directors

**Christian Egemose Agger**

**Per Toft Valstorp**

**Hans Hellstrøm Henningsen**

# Independent auditor's report

## To the shareholders of DBI Plastics Group A/S

### Opinion

We have audited the consolidated financial statements and the parent financial statements of DBI Plastics Group A/S for the financial year 01.01.2023 - 31.12.2023, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2023 and of the results of their operations and the consolidated cash flows for the financial year 01.01.2023 - 31.12.2023 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 consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and 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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group's and 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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 consolidated financial statements and the parent 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 consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent 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 by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 23.04.2024

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**René Carøe Andersen**

State Authorised Public Accountant  
Identification No (MNE) mne34499

**Christoffer Anholm Salmon**

State Authorised Public Accountant  
Identification No (MNE) mne47918

# Management commentary

## Financial highlights

	2023	2022	2021	2020	2019
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Key figures</b>					
Revenue	180,390	169,158	165,003	149,154	173,194
Gross profit/loss	94,861	91,928	93,670	88,818	95,642
Operating profit/loss	8,765	11,000	14,339	1,680	10,353
Net financials	(2,846)	(728)	897	(2,358)	197
Profit/loss for the year	4,802	7,766	12,654	(615)	8,778
Balance sheet total	153,777	152,835	122,662	126,925	126,300
Investments in property, plant and equipment	9,996	7,651	9,310	8,786	17,900
Equity	110,885	106,403	103,525	90,916	93,025
Average number of employees	213	211	197	207	205
<b>Ratios</b>					
Gross margin (%)	52.59	54.34	56.77	59.55	55.22
Net margin (%)	2.66	4.59	7.67	(0.41)	5.07
Return on equity (%)	4.42	7.40	13.02	(0.67)	8.76
Equity ratio (%)	72.11	69.62	84.40	71.63	73.65
Revenue per employee	847	802	833	717	841

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

### Gross margin (%):

$\frac{\text{Gross profit/loss}}{\text{Revenue}} * 100$

Revenue

### Net margin (%):

$\frac{\text{Profit/loss for the year}}{\text{Revenue}} * 100$

Revenue

### Return on equity (%):

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

Average equity

**Equity ratio (%):**

$\frac{\text{Equity} * 100}{\text{Balance sheet total}}$

**Revenue per employee:**

$\frac{\text{Revenue}}{\text{Average number of employees}}$

### **Primary activities**

The primary activities of the Group comprise the development, manufacturing, and sale of protective solutions, which are sold on the global market. The production is carried out in Denmark and Poland, and sales and logistics are carried out through enterprises in Europe, North America and Asia; see the group chart on page 10.

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

The business activity in general was impacted by strong inflation and uncertainty across business segments. The increased costs have only partially been recovered through increases in sales prices.

### **Profit/loss for the year in relation to expected developments**

The Group's revenue for the year increased less than plan and as a result the net result wasn't satisfactory. Also continued cost increases has weighted down the result.

### **Uncertainty relating to recognition and measurement**

The valuation of assets and liabilities is made in accordance with current accounting policies and Management of DBI Plastics Group A/S is of the opinion that no uncertainty is related to recognition and measurement.

### **Unusual circumstances affecting recognition and measurement**

There have been no unusual circumstances affecting recognition and measurement in the financial year 2023.

### **Outlook**

We expect the growth across business segments to continue the positive development and the full year impact from 2023 price adjustments to outweigh the 2024 cost increases. As a result, net result is expected to gradually recover. The Group's activities do not involve any significant risks, neither operating nor financial risks. The company has some exposure to foreign currency, but the management monitors the risk on an ongoing basis.

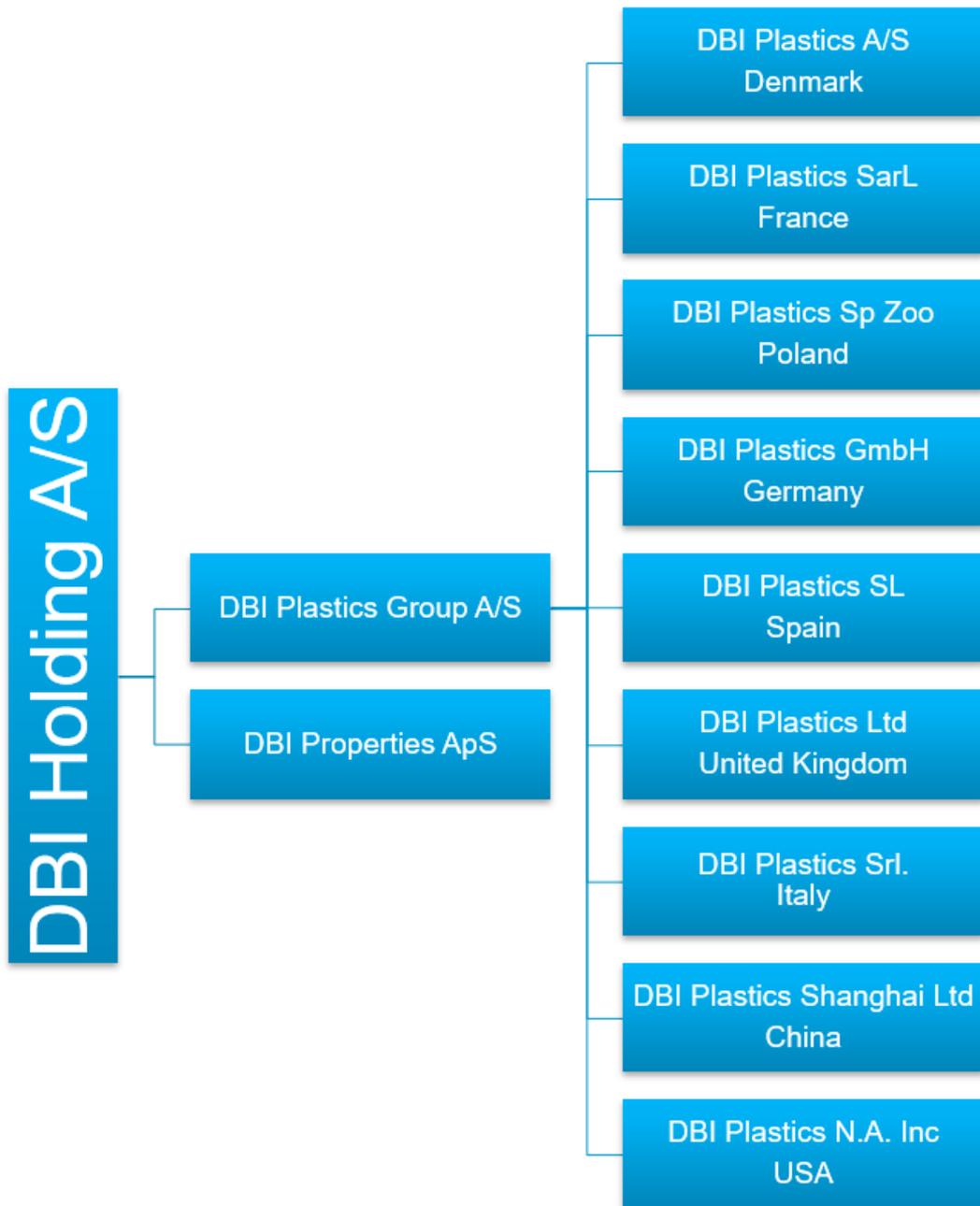
### **Knowledge resources**

The Group employs the needed number of employees with relevant qualifications who possess considerable know-how of the Group's products and production. Further and supplementary training is provided to the extent necessary.

### **Environmental performance**

The manufacturing company is environmentally certified under ISO 14001 and, moreover, also under ISO 9001 and IATF 16949. The Group's activities do not have any material environmental impact.

Group relations



# Consolidated income statement for 2023

	Notes	2023 DKK	2022 DKK
Revenue		180,390,174	169,157,864
Other operating income		149,013	0
Costs of raw materials and consumables		(39,471,453)	(31,929,119)
Other external expenses		(46,206,563)	(45,300,974)
<b>Gross profit/loss</b>		<b>94,861,171</b>	<b>91,927,771</b>
Staff costs	2	(77,521,136)	(71,728,056)
Depreciation, amortisation and impairment losses	3	(8,575,425)	(9,199,790)
<b>Operating profit/loss</b>		<b>8,764,610</b>	<b>10,999,925</b>
Other financial income	4	3,142,018	2,238,594
Other financial expenses	5	(5,988,482)	(2,966,516)
<b>Profit/loss before tax</b>		<b>5,918,146</b>	<b>10,272,003</b>
Tax on profit/loss for the year	6	(1,116,232)	(2,505,763)
<b>Profit/loss for the year</b>	7	<b>4,801,914</b>	<b>7,766,240</b>

# Consolidated balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Acquired intangible assets		2,076,932	103,892
<b>Intangible assets</b>	8	<b>2,076,932</b>	<b>103,892</b>
Plant and machinery		15,836,871	14,265,385
Other fixtures and fittings, tools and equipment		5,304,112	6,610,289
Leasehold improvements		2,694,471	1,157,987
Property, plant and equipment in progress		6,511,817	6,436,054
<b>Property, plant and equipment</b>	9	<b>30,347,271</b>	<b>28,469,715</b>
Deposits		1,810,809	1,789,244
Deferred tax	11	3,567,843	3,959,738
<b>Financial assets</b>	10	<b>5,378,652</b>	<b>5,748,982</b>
<b>Fixed assets</b>		<b>37,802,855</b>	<b>34,322,589</b>

Raw materials and consumables		13,314,913	14,479,042
Work in progress		7,761,178	5,941,388
Manufactured goods and goods for resale		32,623,511	34,828,869
<b>Inventories</b>		<b>53,699,602</b>	<b>55,249,299</b>
<hr/>			
Trade receivables		40,908,322	43,550,882
Receivables from group enterprises		5,148,507	4,363,234
Other receivables		1,870,752	1,685,459
Tax receivable		968,584	258,558
Joint taxation contribution receivable		344,775	0
Prepayments	12	818,152	915,223
<b>Receivables</b>		<b>50,059,092</b>	<b>50,773,356</b>
<hr/>			
<b>Cash</b>		<b>12,215,799</b>	<b>12,489,851</b>
<hr/>			
<b>Current assets</b>		<b>115,974,493</b>	<b>118,512,506</b>
<hr/>			
<b>Assets</b>		<b>153,777,348</b>	<b>152,835,095</b>
<hr/>			

**Equity and liabilities**

	<b>Notes</b>	<b>2023 DKK</b>	<b>2022 DKK</b>
Contributed capital		500,000	500,000
Retained earnings		110,384,675	105,903,049
<b>Equity</b>		<b>110,884,675</b>	<b>106,403,049</b>
Other payables	13	4,627,023	4,508,404
<b>Non-current liabilities other than provisions</b>	<b>14</b>	<b>4,627,023</b>	<b>4,508,404</b>
Bank loans		5,746,508	10,035,948
Prepayments received from customers		4,296,063	4,260,043
Trade payables		7,254,515	10,343,414
Payables to group enterprises		11,011,815	7,114,580
Tax payable		602,199	1,155,758
Joint taxation contribution payable		0	260,324
Other payables		9,354,550	8,753,575
<b>Current liabilities other than provisions</b>		<b>38,265,650</b>	<b>41,923,642</b>
<b>Liabilities other than provisions</b>		<b>42,892,673</b>	<b>46,432,046</b>
<b>Equity and liabilities</b>		<b>153,777,348</b>	<b>152,835,095</b>
Events after the balance sheet date	1		
Unrecognised rental and lease commitments	16		
Transactions with related parties	17		
Subsidiaries	18		

# Consolidated statement of changes in equity for 2023

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	500,000	105,903,049	106,403,049
Ordinary dividend paid	0	(2,500,000)	(2,500,000)
Exchange rate adjustments	0	2,179,712	2,179,712
Profit/loss for the year	0	4,801,914	4,801,914
<b>Equity end of year</b>	<b>500,000</b>	<b>110,384,675</b>	<b>110,884,675</b>

# Consolidated cash flow statement for 2023

	Notes	2023 DKK	2022 DKK
Operating profit/loss		8,764,610	10,999,925
Amortisation, depreciation and impairment losses		8,575,425	9,199,790
Working capital changes	15	3,473,688	(20,092,968)
<b>Cash flow from ordinary operating activities</b>		<b>20,813,723</b>	<b>106,747</b>
Financial income received		3,142,018	2,238,594
Financial expenses paid		(5,988,482)	(2,966,516)
Taxes refunded/(paid)		(2,593,021)	(1,438,293)
<b>Cash flows from operating activities</b>		<b>15,374,238</b>	<b>(2,059,468)</b>
Acquisition etc. of intangible assets		(1,973,040)	(103,892)
Acquisition etc. of property, plant and equipment		(9,996,363)	(7,651,011)
Sale of property, plant and equipment		0	126,155
Acquisition of fixed asset investments		(1,409)	(661)
Sale of fixed asset investments		0	6,929
<b>Cash flows from investing activities</b>		<b>(11,970,812)</b>	<b>(7,622,480)</b>
<b>Free cash flows generated from operations and investments before financing</b>		<b>3,403,426</b>	<b>(9,681,948)</b>
Loans raised		0	9,654,219
Repayments of loans etc.		(4,289,440)	0
Incurrence of debt to group enterprises		3,111,962	3,034,880
Dividend paid		(2,500,000)	(5,000,000)
<b>Cash flows from financing activities</b>		<b>(3,677,478)</b>	<b>7,689,099</b>

<b>Increase/decrease in cash and cash equivalents</b>	<b>(274,052)</b>	<b>(1,992,849)</b>
Cash and cash equivalents beginning of year	12,489,851	14,482,700
<b>Cash and cash equivalents end of year</b>	<b>12,215,799</b>	<b>12,489,851</b>
<hr/>		
Cash and cash equivalents at year-end are composed of:		
Cash	12,215,799	12,489,851
<b>Cash and cash equivalents end of year</b>	<b>12,215,799</b>	<b>12,489,851</b>
<hr/>		

# Notes to consolidated financial statements

## 1 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.

## 2 Staff costs

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	69,380,025	64,453,523
Pension costs	3,435,311	2,979,667
Other social security costs	4,157,979	3,880,976
Other staff costs	547,821	413,890
	<b>77,521,136</b>	<b>71,728,056</b>
Average number of full-time employees	213	211

	<b>Remuneration of management 2023 DKK</b>	<b>Remuneration of management 2022 DKK</b>
Total amount for management categories	3,458,701	3,223,204
	<b>3,458,701</b>	<b>3,223,204</b>

The company have with reference to the Danish Financial Statements Act §98B para 3, compiled the disclosure of remuneration for the management categories.

## 3 Depreciation, amortisation and impairment losses

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Depreciation on property, plant and equipment	8,575,425	9,325,944
Profit/loss from sale of intangible assets and property, plant and equipment	0	(126,154)
	<b>8,575,425</b>	<b>9,199,790</b>

**4 Other financial income**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Other interest income	33,987	61,227
Exchange rate adjustments	3,108,031	2,169,930
Other financial income	0	7,437
	<b>3,142,018</b>	<b>2,238,594</b>

**5 Other financial expenses**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	160,752	74,010
Other interest expenses	330,391	65,019
Exchange rate adjustments	5,496,339	2,827,487
Other financial expenses	1,000	0
	<b>5,988,482</b>	<b>2,966,516</b>

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

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	1,184,439	1,912,841
Change in deferred tax	391,895	645,427
Adjustment concerning previous years	39,621	254,362
Refund in joint taxation arrangement	(499,723)	(306,867)
	<b>1,116,232</b>	<b>2,505,763</b>

**7 Proposed distribution of profit/loss**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Retained earnings	4,801,914	7,766,240
	<b>4,801,914</b>	<b>7,766,240</b>

## 8 Intangible assets

	<b>Acquired intangible assets DKK</b>
Cost beginning of year	103,892
Additions	1,973,040
<b>Cost end of year</b>	<b>2,076,932</b>
<b>Carrying amount end of year</b>	<b>2,076,932</b>

## 9 Property, plant and equipment

	<b>Plant and machinery DKK</b>	<b>Other fixtures and fittings, tools and equipment DKK</b>	<b>Leasehold improvements DKK</b>	<b>Property, plant and equipment in progress DKK</b>
Cost beginning of year	165,924,664	17,298,717	13,472,626	6,436,054
Exchange rate adjustments	0	965,326	0	0
Transfers	4,443,753	0	0	(4,443,753)
Additions	3,189,226	66,987	2,220,634	4,519,516
Disposals	(1,451,730)	(597,409)	0	0
<b>Cost end of year</b>	<b>172,105,913</b>	<b>17,733,621</b>	<b>15,693,260</b>	<b>6,511,817</b>
Depreciation and impairment losses beginning of year	(151,659,279)	(10,688,428)	(12,314,639)	0
Exchange rate adjustments	0	(413,443)	0	0
Depreciation for the year	(6,061,493)	(1,925,047)	(684,150)	0
Reversal regarding disposals	1,451,730	597,409	0	0
<b>Depreciation and impairment losses end of year</b>	<b>(156,269,042)</b>	<b>(12,429,509)</b>	<b>(12,998,789)</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>15,836,871</b>	<b>5,304,112</b>	<b>2,694,471</b>	<b>6,511,817</b>

## 10 Financial assets

	<b>Deposits DKK</b>	<b>Deferred tax DKK</b>
Cost beginning of year	1,789,244	3,959,738
Exchange rate adjustments	20,156	0
Additions	1,409	0
Disposals	0	(391,895)
<b>Cost end of year</b>	<b>1,810,809</b>	<b>3,567,843</b>
<b>Carrying amount end of year</b>	<b>1,810,809</b>	<b>3,567,843</b>

**11 Deferred tax**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Intangible assets	(440,600)	(3,000)
Property, plant and equipment	2,000,994	2,077,127
Inventories	273,680	145,200
Receivables	4,400	4,400
Tax losses carried forward	1,729,369	1,736,011
<b>Deferred tax</b>	<b>3,567,843</b>	<b>3,959,738</b>

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
<b>Changes during the year</b>		
Beginning of year	3,959,738	4,605,165
Recognised in the income statement	(391,895)	(645,427)
<b>End of year</b>	<b>3,567,843</b>	<b>3,959,738</b>

**Deferred tax assets**

Deferred tax assets are recognized on the basis of expected realized income from sales. The revenue base justify recognition of the tax assets.

**12 Prepayments**

Prepayments relate to prepaid expenses.

**13 Other payables**

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Holiday pay obligation	4,627,023	4,508,404
	<b>4,627,023</b>	<b>4,508,404</b>

**14 Non-current liabilities other than provisions**

	<b>Due after more than 12 months 2023 DKK</b>
Other payables	4,627,023
	<b>4,627,023</b>

### 15 Changes in working capital

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Increase/decrease in inventories	1,549,697	(16,148,304)
Increase/decrease in receivables	2,554,338	(9,337,728)
Increase/decrease in trade payables etc.	(2,333,285)	5,169,814
Other changes	1,702,938	223,250
	<b>3,473,688</b>	<b>(20,092,968)</b>

### 16 Unrecognised rental and lease commitments

	<b>2023</b>	<b>2022</b>
	<b>DKK</b>	<b>DKK</b>
Total liabilities under rental or lease agreements until maturity	<b>5,861,633</b>	<b>6,589,899</b>
Of this, liabilities under rental or lease agreements with group enterprises	<b>2,225,000</b>	<b>2,475,000</b>

### 17 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

### 18 Subsidiaries

	<b>Registered in</b>	<b>Corporate form</b>	<b>Ownership %</b>
DBI Plastics A/S	Stenlille	A/S	100
DBI Plastics GmbH	Germany	GmbH	100
DBI Plastics SARL	France	SARL	100
DBI Plastics Ltd.	United Kingdom	Ltd.	100
DBI Plastics Sp. Z.o.o.	Poland	Sp. Zo.o.	100
DBI Plastics SL	Spain	SL	100
DBI Plastics N.A. Inc.	United States of America	INC.	100
DBI Plastics (Shanghai) Co. Ltd.	China	Co. Ltd.	100
DBI Plastics Srl.	Italy	Srl.	100

# Parent income statement for 2023

	Notes	2023 DKK	2022 DKK
Other external expenses		(28,500)	(125,500)
<b>Gross profit/loss</b>		<b>(28,500)</b>	<b>(125,500)</b>
Income from investments in group enterprises		4,252,551	6,843,271
Other financial income	2	831,943	1,308,793
Other financial expenses	3	(99,132)	0
<b>Profit/loss before tax</b>		<b>4,956,862</b>	<b>8,026,564</b>
Tax on profit/loss for the year	4	(154,948)	(260,324)
<b>Profit/loss for the year</b>	5	<b>4,801,914</b>	<b>7,766,240</b>

# Parent balance sheet at 31.12.2023

## Assets

	Notes	2023 DKK	2022 DKK
Investments in group enterprises		90,492,399	84,469,820
<b>Financial assets</b>	6	<b>90,492,399</b>	<b>84,469,820</b>
<b>Fixed assets</b>		<b>90,492,399</b>	<b>84,469,820</b>
Receivables from group enterprises		24,349,608	25,062,628
<b>Receivables</b>		<b>24,349,608</b>	<b>25,062,628</b>
<b>Cash</b>		<b>2,503</b>	<b>488</b>
<b>Current assets</b>		<b>24,352,111</b>	<b>25,063,116</b>
<b>Assets</b>		<b>114,844,510</b>	<b>109,532,936</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2023</b> <b>DKK</b>	<b>2022</b> <b>DKK</b>
Contributed capital		500,000	500,000
Reserve for net revaluation according to equity method		50,261,375	44,239,021
Retained earnings		57,623,300	59,164,028
Proposed dividend for the financial year		2,500,000	2,500,000
<b>Equity</b>		<b>110,884,675</b>	<b>106,403,049</b>
Payables to group enterprises		3,777,898	2,842,574
Joint taxation contribution payable		154,948	260,324
Other payables		26,989	26,989
<b>Current liabilities other than provisions</b>		<b>3,959,835</b>	<b>3,129,887</b>
<b>Liabilities other than provisions</b>		<b>3,959,835</b>	<b>3,129,887</b>
<b>Equity and liabilities</b>		<b>114,844,510</b>	<b>109,532,936</b>
Events after the balance sheet date	1		
Employees	7		
Contingent liabilities	8		
Related parties with controlling interest	9		
Transactions with related parties	10		

# Parent statement of changes in equity for 2023

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Proposed dividend for the year DKK	Total DKK
Equity beginning of year	500,000	44,239,021	59,164,028	2,500,000	106,403,049
Ordinary dividend paid	0	0	0	(2,500,000)	(2,500,000)
Exchange rate adjustments	0	2,179,712	0	0	2,179,712
Dividends from group enterprises	0	(409,910)	409,910	0	0
Profit/loss for the year	0	4,252,552	(1,950,638)	2,500,000	4,801,914
<b>Equity end of year</b>	<b>500,000</b>	<b>50,261,375</b>	<b>57,623,300</b>	<b>2,500,000</b>	<b>110,884,675</b>

# Notes to parent financial statements

## 1 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.

## 2 Other financial income

	2023 DKK	2022 DKK
Financial income from group enterprises	753,610	1,308,793
Other interest income	15	0
Exchange rate adjustments	78,318	0
	<b>831,943</b>	<b>1,308,793</b>

## 3 Other financial expenses

	2023 DKK	2022 DKK
Exchange rate adjustments	98,132	0
Other financial expenses	1,000	0
	<b>99,132</b>	<b>0</b>

## 4 Tax on profit/loss for the year

	2023 DKK	2022 DKK
Current tax	154,948	260,324
	<b>154,948</b>	<b>260,324</b>

## 5 Proposed distribution of profit and loss

	2023 DKK	2022 DKK
Ordinary dividend for the financial year	2,500,000	2,500,000
Retained earnings	2,301,914	5,266,240
	<b>4,801,914</b>	<b>7,766,240</b>

## 6 Financial assets

	<b>Investments in group enterprises DKK</b>
Cost beginning of year	40,230,958
<b>Cost end of year</b>	<b>40,230,958</b>
Revaluations beginning of year	44,238,861
Exchange rate adjustments	2,179,712
Share of profit/loss for the year	4,273,601
Adjustment of intra-group profits	(20,823)
Dividend	(409,910)
<b>Revaluations end of year</b>	<b>50,261,441</b>
<b>Carrying amount end of year</b>	<b>90,492,399</b>

A specification of investments in subsidiaries is evident from the notes to the consolidated financial statements.

## 7 Employees

The Entity has no employees other than the Executive Board.

## 8 Contingent liabilities

The Parent has issued a cross guarantee for the bank debt of the Danish group enterprises. The total bank debt of the Danish group enterprises that has been guaranteed amounts to DKK 9,657 thousand (DKK 14,342 thousand at 31.12.2022).

The Entity participates in a Danish joint taxation arrangement where Hans Hellstrøm Henningsen Holding A/S serves as the administration company. 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 entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed entities.

## 9 Related parties with controlling interest

The following shareholders hold a significant influence on the Company:  
Hans Hellstrøm Henningsen Holding ApS, Stationsvej 5, 4295 Stenlille.

All transactions with related parties which have not been according with market conditions will be disclosed. There have been no such transactions in the financial year.

## 10 Non-arm's length related party transactions

Only non-arm's length related party transactions are disclosed in the annual report. No such transactions were conducted during the financial year.

# Accounting policies

## Reporting class

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

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

## 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.

## Consolidated financial statements

The consolidated financial statements comprise the Parent and the group enterprises (subsidiaries) that are controlled by the Parent. Control is achieved by the Parent, either directly or indirectly, holding more than 50% of the voting rights or in any other way possibly or actually exercising controlling influence.

## Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of the Parent and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements.

### 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.

When recognising foreign subsidiaries and associates that are independent entities, the income statements are translated at average exchange rates for the months that do not significantly deviate from the rates at the transaction date. Balance sheet items are translated using the exchange rates at the balance sheet date. Goodwill is considered belonging to the independent foreign entity and is translated using the exchange rate at the balance sheet date. Exchange differences arising out of the translation of foreign subsidiaries' equity at the beginning of the year at the balance sheet date exchange rates and out of the translation of income statements from average rates to the exchange rates at the balance sheet date are recognised directly in translation reserve in equity.

Exchange adjustments of outstanding accounts with independent foreign subsidiaries, which are considered part of the total investment in the subsidiary in question, are recognised directly in translation reserve in equity.

When recognising foreign subsidiaries that are integral entities, monetary assets and liabilities are translated using the exchange rates at the balance sheet date. Non-monetary assets and liabilities are translated at the exchange rate at the time of acquisition or the time of any subsequent revaluation or writedown. The items of the income statement are translated at the average rates of the months; however, items deriving from non-monetary assets and liabilities are translated using the historical rates applicable to the relevant non-monetary items.

### 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.

### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including profit from the sale of intangible assets and property, plant and equipment, and salary refunds.

**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 normal 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 wages and salaries, and social security contributions, pension contributions, etc. for entity staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to property, plant and equipment amortisation and impairment losses for the financial year, and gains and losses from the sale of property, plant and equipment.

**Income from investments in group enterprises**

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

**Other financial income**

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets, and 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 or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and 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.

The Parent is jointly taxed with all of its Danish group enterprises and other Danish consolidated companies. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Balance sheet****Intellectual property rights etc.**

Intellectual property rights etc. comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised on a straight-line basis 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**

Land and buildings, plant and machinery, and 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 self-constructed assets, cost comprises direct and indirect costs of materials, components, sub-suppliers and labour costs.

Indirect production costs in the form of indirectly attributable staff costs and amortisation of intangible assets and depreciation on property, plant and equipment used in the manufacturing process are recognised in cost based on time spent on each asset.

Interest expenses on loans for the financing of the manufacture of property, plant and equipment are included in cost if they relate to the manufacturing period. All other finance costs are recognised in the income statement.

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:

	<b>Useful life</b>
Plant and machinery	3-7 years
Other fixtures and fittings, tools and equipment	3-5 years
Leasehold improvements	3-5 years

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 recognised and measured in the parent financial statements according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation will involve a loss, a provision is recognised that is measured at present value of the costs necessary to settle the obligations at the balance sheet date.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to reserve for net revaluation according to the equity method in equity.

Goodwill is the difference between cost of investments and fair value of the pro rata share of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. whether the amount of goodwill

includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 5 years.

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

### **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.

### **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.

Indirect production costs comprise indirect materials and labour costs, costs of maintenance of, depreciation on and impairment losses relating to machinery, factory buildings and equipment used in the manufacturing process, and 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.

### **Tax payable or receivable**

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.

### **Joint taxation contributions payable or receivable**

Current joint taxation contributions payable or receivable are recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

### **Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

### **Cash**

Cash comprises cash in hand and bank deposits.

### **Dividend**

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.

**Other financial liabilities**

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

**Prepayments received from customers**

Prepayments received from customers comprise amounts received from customers prior to delivery of the goods agreed or completion of the service agreed.

**Cash flow statement**

The cash flow statement shows cash flows from operating, investing and financing activities, and cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are presented using the indirect method and calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments, and purchase, development, improvement and sale, etc. of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the contributed capital and related costs, and the raising of loans, inception of finance leases, repayments of interest-bearing debt, purchase of treasury shares and payment of dividend.

Cash and cash equivalents comprise cash and short-term securities with an insignificant price risk less short-term bank loans.