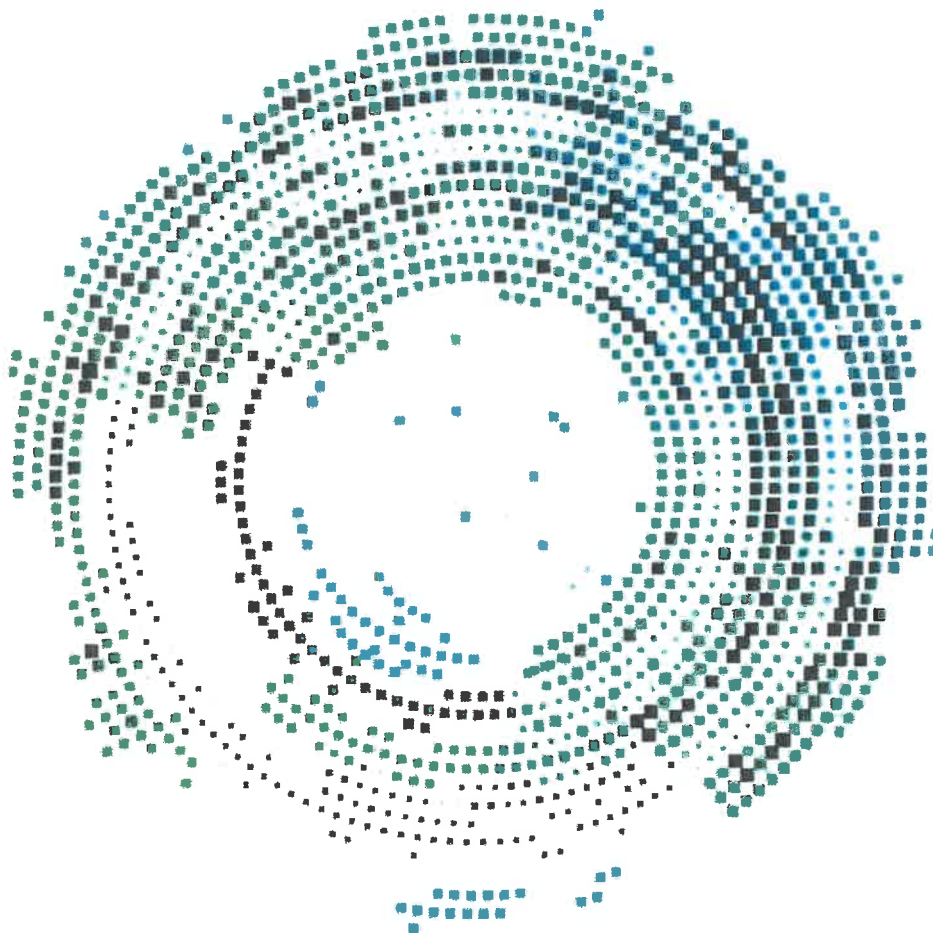


# Deloitte.



**Rohm and Haas Denmark Holding  
Company ApS**

Tuborg Boulevard 12,3  
2900 Hellerup  
CVR No. 28128444

**Annual report 2021**

The Annual General Meeting adopted the  
annual report on 27.06.2022

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**Nils Kjellegaard Jensen**  
Chairman of the General Meeting

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# Entity details

## Entity

Rohm and Haas Denmark Holding Company ApS

Tuborg Boulevard 12,3

2900 Hellerup

Business Registration No.: 28128444

Registered office: Gentofte

Financial year: 01.01.2021 - 31.12.2021

## Board of Directors

Gino Eduardus Angela Van Poorten

Thomas Wagner Just

Ilona Jensen

Nils Kjellegaard Jensen

## Executive Board

Thomas Wagner Just, Chief Executive Officer

## 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 Rohm and Haas Denmark Holding Company ApS for the financial year 01.01.2021 - 31.12.2021.

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.

Copenhagen, 27.06.2022

Executive Board



**Thomas Wagner Just**  
Chief Executive Officer

Board of Directors



**Gino Eduardus Angela Van Poorten**



**Thomas Wagner Just**



**Nils Kjellegaard Jensen**



**Ilona Jensen**

# Statement by Management

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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, 27.06.2022

## Executive Board

**Thomas Wagner Just**  
Chief Executive Officer

## Board of Directors

**Gino Eduardus Angela Van Poorten**

**Ilona Jensen**

**Thomas Wagner Just**

**Nils Kjellegaard Jensen**

# Independent auditor's report

## To the shareholder of Rohm and Haas Denmark Holding Company ApS

### Opinion

We have audited the financial statements of Rohm and Haas Denmark Holding Company 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 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, 27.06.2022

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556



**Flemming Larsen**

State Authorised Public Accountant  
Identification No (MNE) mne27790



# Management commentary

## Primary activities

The activity of the Company is to sell and acquire, own, and hold share and other ownership interests in other associated or affiliated entities etc. in Denmark and abroad, and to engage in financing activities.

## Development in activities and finances

The company is part of an internal global project to reduce the number of legal entities in the Dow group. Consequently, the goal is to eventually close the entity by means of a merger into another Dow legal entity.

The COVID-19 outbreak escalated in the beginning of 2020, and on 11 March 2020 WHO declared the outbreak to be a worldwide one. The outbreak has resulted in a number of precautions that affect the organization and day-to-day operations, and the Group's suppliers and customers may be affected.

Until today the COVID-19 outbreak and the crisis between Russia and Ukraine has not significantly impacted the company's financial performance. Management does not anticipate that either event will impact the financial performance of the company in 2022.

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

The company's result for the year was a profit of EUR 35.506 thousand, which is higher than 2020 mainly due to gains from foreign exchange revaluations.

## Uncertainty relating to recognition and measurement

In April 2021 the company has received a suggestion to a tax re-assessment for the transfer price audit for the years 2015-2018 which concludes to a significant increase of the taxable income in Denmark. We do not agree with this assessment and we are currently involved in discussions with the tax authorities in order to bring this matter to a conclusion.

Reference is made to note 1.

# Income statement for 2021

	Notes	2021 EUR'000	2020 EUR '000
Other external expenses		(54)	(96)
<b>Gross profit/loss</b>		<b>(54)</b>	<b>(96)</b>
Other financial income	2	45,790	4,704
Impairment losses on financial assets		0	(1,013)
Other financial expenses	3	0	(71,669)
<b>Profit/loss before tax</b>		<b>45,736</b>	<b>(68,074)</b>
Tax on profit/loss for the year	4	(20,176)	14,976
<b>Profit/loss for the year</b>		<b>25,560</b>	<b>(53,098)</b>
<b>Proposed distribution of profit and loss:</b>			
Retained earnings		25,560	(53,098)
<b>Proposed distribution of profit and loss</b>		<b>25,560</b>	<b>(53,098)</b>

# Balance sheet at 31.12.2021

## Assets

	Notes	2021 EUR'000	2020 EUR'000
Investments in group enterprises		103,762	103,762
<b>Financial assets</b>	5	<b>103,762</b>	<b>103,762</b>
<b>Fixed assets</b>		<b>103,762</b>	<b>103,762</b>
Receivables from group enterprises		475	735,705
Deferred tax	6	8,552	14,872
<b>Receivables</b>		<b>9,027</b>	<b>750,577</b>
<b>Current assets</b>		<b>9,027</b>	<b>750,577</b>
<b>Assets</b>		<b>112,789</b>	<b>854,339</b>

**Equity and liabilities**

	Notes	2021 EUR'000	2020 EUR'000
Contributed capital		1,377	1,377
Retained earnings		91,968	847,374
<b>Equity</b>		<b>93,345</b>	<b>848,751</b>
Trade payables		0	10
Payables to group enterprises		37	27
Income tax payable		19,407	5,551
<b>Current liabilities other than provisions</b>		<b>19,444</b>	<b>5,588</b>
<b>Liabilities other than provisions</b>		<b>19,444</b>	<b>5,588</b>
<b>Equity and liabilities</b>		<b>112,789</b>	<b>854,339</b>
Uncertainty relating to recognition and measurement	1		
Contingent liabilities	7		
Group relations	8		

# Statement of changes in equity for 2021

	<b>Contributed capital EUR'000</b>	<b>Retained earnings EUR'000</b>	<b>Total EUR'000</b>
Equity beginning of year	1,377	847,374	848,751
Extraordinary dividend paid	0	(780,966)	(780,966)
Profit/loss for the year	0	25,560	25,560
<b>Equity end of year</b>	<b>1,377</b>	<b>91,968</b>	<b>93,345</b>

# Notes

## 1 Uncertainty relating to recognition and measurement

In April 2021 the company has received a suggestion to a tax re-assessment for the transfer price audit for the years 2015-2018 which concludes to a significant increase of the taxable income in Denmark. We do not agree with this assessment and we are currently involved in discussions with the tax authorities in order to bring this matter to a conclusion. Based on the discussions management has set an accrual as at 31.12.2021 to cover the estimated costs for settling this matter. Meanwhile, there is uncertainty as to the outcome of these discussions.

## 2 Other financial income

	2021 EUR'000	2020 EUR'000
Financial income from group enterprises	356	4,704
Exchange rate adjustments	45,434	0
	<b>45,790</b>	<b>4,704</b>

## 3 Other financial expenses

	2021 EUR'000	2020 EUR'000
Financial expenses from group enterprises	0	4
Exchange rate adjustments	0	71,665
	<b>0</b>	<b>71,669</b>

## 4 Tax on profit/loss for the year

	2021 EUR'000	2020 EUR'000
Current tax	13,856	0
Change in deferred tax	6,320	(14,872)
Adjustment concerning previous years	0	(104)
	<b>20,176</b>	<b>(14,976)</b>

## 5 Financial assets

	Investments in group enterprises EUR'000
Cost beginning of year	104,775
<b>Cost end of year</b>	<b>104,775</b>
Impairment losses beginning of year	(1,013)
<b>Impairment losses end of year</b>	<b>(1,013)</b>
<b>Carrying amount end of year</b>	<b>103,762</b>

Investments in subsidiaries	Registered in	Corporate form	Equity interest %	Equity EUR'000	Profit/loss EUR'000
RH Kimya	Turkey	A.S	60.00	3,940	3,846
RH Europe Trading ApS	Denmark	ApS	100.00	100,545	2,912
Rohm and Haas Europe Services ApS	Denmark	ApS	100.00	804	197
RH Espana Production Holding S.L.	Spain	S.L.	100.00	37,176	(222)

## 6 Deferred tax

	2021 EUR'000	2020 EUR'000
<b>Changes during the year</b>		
Beginning of year	14,872	0
Recognised in the income statement	(6,320)	14,872
<b>End of year</b>	<b>8,552</b>	<b>14,872</b>

## 7 Contingent liabilities

The Company has for 2021 and prior years been jointly taxed with a number of Danish Dow and Dupont entities. According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is under certain conditions liable for income taxes, etc. for the jointly taxed companies and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for the jointly taxed companies.

## 8 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Dow Inc., Delaware, USA

The annual report for Dow Inc. may be obtained at the following address:

Dow Inc.  
2211 H.H. Dow Way  
Midland, Michigan 48674  
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.

## Consolidated financial statements

Referring to 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The Company's annual report for 2021 is included in the consolidated financial statements of Dow Inc., Delaware, USA.

## 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

### Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, such as administrative expenses.

### Other financial income

Other financial income comprises dividends etc received on other investments, 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.

### Impairment losses on financial assets

Impairment losses on financial assets comprise impairment losses on financial assets which are not measured at fair value on a current basis.

**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 company is jointly taxed with the Danish affiliated 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****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.

Dividends are recognised in the income statement under "Income from investment in group enterprises" when declared.

If group enterprises make extraordinary large payments of dividends that resemble repayments of the invested capital, the recognised value is written down by an amount of corresponding to this extraordinary payment of dividends.

**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. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

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.

**Tax receivable or payable**

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