



**Rohm and Haas Denmark Holding  
Company ApS**

Tuborg Boulevard 12,3  
2900 Hellerup  
CVR No. 28128444

**Annual report 2020**

The Annual General Meeting adopted the  
annual report on 02.06.2021

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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

CVR No.: 28128444

Registered office: Gentofte

Financial year: 01.01.2020 - 31.12.2020

## Board of Directors

Gino Eduardus Angela Van Poorten

Thomas Wagner Just

Ilona Jensen

Nils Kjellegaard Jensen

## Executive Board

Thomas Wagner Just

## 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 01.01.2020 - 31.12.2020.

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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

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, 02.06.2021

**Executive Board**

**Thomas Wagner Just**

**Board of Directors**



**Gino Eduardus Angela Van Poorten**



**Thomas Wagner Just**



**Ilona Jensen**



**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 01.01.2020 - 31.12.2020, 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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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.

### 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, 02.06.2021

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556



**Flemming Larsen**

State Authorised Public Accountant  
Identification No (MNE) mne27790

# Management commentary

## Financial highlights

	2020 EUR'000	2019 EUR'000	2018 EUR'000	2017 EUR'000	2016 EUR'000
<b>Key figures</b>					
Gross profit/loss	(96)	(81)	(70)	(82)	2,789
Operating profit/loss	(96)	(81)	(70)	(82)	2,789
Net financials	(67,978)	17,554	39,949	87,568	46,462
Profit/loss for the year	(53,098)	2,856	31,065	(73,785)	40,342
Total assets	840,480	907,515	907,824	867,992	931,802
Equity	848,751	901,849	898,993	867,928	906,173
<b>Ratios</b>					
Return on equity (%)	(7,05)	0,32	3,52	(8,32)	(8,32)
Equity ratio (%)	100.98	99.38	99.03	99.99	97.25

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

### Return on equity (%):

Profit/loss for the year \* 100

Average equity

### Equity ratio (%):

Equity \* 100

Total assets



### **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 has escalated in the beginning of 2020, and on 11 March 2020 WHO has 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 has not significantly impacted the company's financial performance. Management does not anticipate that the outbreak will impact the financial performance of the company in 2021.

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

The company's result for the year was a loss of EUR (67.061), which is lower than 2019 mainly due to losses from foreign currency revaluations.

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

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

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

There are no unusual circumstances affecting recognition and measurement.

### **Outlook**

In line with global efforts on entity reduction, the Company will continue to look at ways of reducing its investment holdings.

### **Environmental performance**

Sustainability is an important part of Dow's culture. Description of the Company's sustainability policy is to be found in the Dow Inc. 2020 Annual report page 63. The Company also refers to the webpage for Dow Inc. for further information. <https://corporate.dow.com/en-us/science-and-sustainability>

## Income statement for 2020

	Notes	2020 EUR'000	2019 EUR '000
Other external expenses	1	(96)	(81)
<b>Gross profit/loss</b>		<b>(96)</b>	<b>(81)</b>
Income from investments in group enterprises		0	(9,215)
Other financial income	2	4,704	25,785
Impairment losses on financial assets		(1,013)	(8,231)
Other financial expenses	3	(71,669)	0
<b>Profit/loss before tax</b>		<b>(68,074)</b>	<b>8,258</b>
Tax on profit/loss for the year	4	14,976	(5,402)
<b>Profit/loss for the year</b>	5	<b>(53,098)</b>	<b>2,856</b>

# Balance sheet at 31.12.2020

## Assets

	Notes	2020 EUR'000	2019 EUR'000
Investments in group enterprises		103,762	104,775
<b>Financial assets</b>	6	<b>103,762</b>	<b>104,775</b>
<b>Fixed assets</b>		<b>103,762</b>	<b>104,775</b>
Receivables from group enterprises		735,705	802,740
Deferred tax	7	14,872	0
<b>Receivables</b>		<b>750,577</b>	<b>802,740</b>
<b>Current assets</b>		<b>750,577</b>	<b>802,740</b>
<b>Assets</b>		<b>854,339</b>	<b>907,515</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2020</b> <b>EUR'000</b>	<b>2019</b> <b>EUR'000</b>
Contributed capital		1,377	1,377
Retained earnings		847,374	900,472
<b>Equity</b>		<b>848,751</b>	<b>901,849</b>
Trade payables		10	7
Payables to group enterprises		27	4
Tax payable		5,551	5,655
<b>Current liabilities other than provisions</b>		<b>5,588</b>	<b>5,666</b>
<b>Liabilities other than provisions</b>		<b>5,588</b>	<b>5,666</b>
<b>Equity and liabilities</b>		<b>854,339</b>	<b>907,515</b>
Contingent liabilities	8		
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# Statement of changes in equity for 2020

	<b>Contributed capital EUR'000</b>	<b>Retained earnings EUR'000</b>	<b>Total EUR'000</b>
Equity beginning of year	1,377	900,472	901,849
Profit/loss for the year	0	(53,098)	(53,098)
<b>Equity end of year</b>	<b>1,377</b>	<b>847,374</b>	<b>848,751</b>

# Notes

## 1 Other external expenses

Average number of employees is 0.

## 2 Other financial income

	2020 EUR'000	2019 EUR'000
Financial income from group enterprises	4,704	15,293
Exchange rate adjustments	0	10,492
	<b>4,704</b>	<b>25,785</b>

## 3 Other financial expenses

	2020 EUR'000	2019 EUR'000
Financial expenses from group enterprises	4	0
Exchange rate adjustments	71,665	0
	<b>71,669</b>	<b>0</b>

## 4 Tax on profit/loss for the year

	2020 EUR'000	2019 EUR'000
Change in deferred tax	(14,872)	5,655
Adjustment concerning previous years	(104)	(253)
	<b>(14,976)</b>	<b>5,402</b>

## 5 Proposed distribution of profit and loss

	2020 EUR'000	2019 EUR'000
Retained earnings	(53,098)	2,856
	<b>(53,098)</b>	<b>2,856</b>

## 6 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 for the 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>

<b>Investments in subsidiaries</b>	<b>Registered in</b>	<b>Corporate form</b>	<b>Equity interest %</b>	<b>Equity EUR'000</b>	<b>Profit/loss EUR'000</b>
RH Kimya	Turkey	A.S	60,0	N/A	N/A
RH Europe Trading ApS	Denmark	ApS	100,0	97,634	1,153
Rohm and Haas Europe Services ApS	Denmark	ApS	100,0	607	(211)
RH Espana Production Holding S.L.	Spain	S.L.	100,0	N/A	N/A

N/A means that the companies do not publish officially available financial statements.

## 7 Deferred tax

	<b>2020</b>
<b>Changes during the year</b>	<b>EUR'000</b>
Recognised in the income statement	(14,872)
<b>End of year</b>	<b>(14,872)</b>

## 8 Contingent liabilities

The Company has for 2020 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.

## 9 Related parties with controlling interest

The Company is a wholly owned subsidiary of Dow Europe Holding B.V, the ultimate owner parent is Dow Inc.

Ultimate Parent:

Dow Inc.  
2211 H.H. Dow Way  
Midland MI 48674  
United States

Intermediate Parent:

The Dow Chemical Company  
2211 H.H. Dow Way  
Midland MI 48674  
United States

Intermediate Parent:

Intermediate Parent:

Dow Switzerland Holding GmbH  
Dammstrasse 19  
6300 Zug

## Switzerland

Intermediate Parent:  
 Dow International Holdings S.A.  
 Bachtobelstrasse 3  
 CH-8810 Horgen  
 Switzerland

Immediate Parent:  
 Dow Europe Holding BV  
 Herbert H. Dowweg 5  
 4542NM Hoek  
 Netherlands

**10 Transactions with related parties**

	<b>Other related parties EUR'000</b>
Receivables from group enterprises	735,705
Interest income	4,704
Interest expense	4
Liabilities other than provisions	26

**11 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 prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

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.

## 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. Investment in group enterprises and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Income statement

### Other external expenses

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

### 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, 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.

**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 values 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.

**Cash flow statement**

Pursuant to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The cash flow statement of Rohm and Haas Denmark Holding Company ApS and group enterprises is included in the annual report of Dow Inc., Delaware, USA (Ultimate Parent Company).