

Deloitte  
Statsautoriseret  
Revisionspartnerselskab  
CVR-nr. 33963556  
Weidekampsgade 6  
Postboks 1600  
0900 København C

Phone 36 10 20 30  
Fax 36 10 20 40  
www.deloitte.dk

## **ROHM AND HAAS EUROPE TRADING ApS**

Sorgenfrivej 15  
2800 Kgs.Lyngby  
Business Registration No  
29973881

### **Annual report 2017**

The Annual General Meeting adopted the annual report on 30.05.2018

#### **Chairman of the General Meeting**



---

Name: Nils Kjellegaard Jensen

## Contents

	<u>Page</u>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's report	3
Management commentary	6
Income statement for 2017	9
Balance sheet at 31.12.2017	10
Statement of changes in equity for 2017	12
Notes	13
Accounting policies	17

## Entity details

### Entity

ROHM AND HAAS EUROPE TRADING ApS  
Sorgenfrivej 15  
2800 Kgs.Lyngby

Central Business Registration No (CVR): 29973881  
Registered in: Lyngby-Taarbæk  
Financial year: 01.01.2017 - 31.12.2017

### Board of Directors

Gino Eduardus Angela van Poorten, Chairman  
Thomas Wagner Just

### Executive Board

Gino Eduardus Angela van Poorten, CEO

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
Postboks 1600  
0900 København C

## Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of ROHM AND HAAS EUROPE TRADING ApS for the financial year 01.01.2017 - 31.12.2017.

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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017.

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, 30.05.2018

### Executive Board

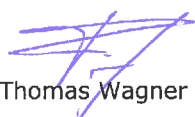


Gino Eduardus Angela van  
Poorten  
CEO

### Board of Directors



Gino Eduardus Angela van  
Poorten  
Chairman



Thomas Wagner Just

## Independent auditor's report

### To the shareholder of ROHM AND HAAS EUROPE TRADING ApS

#### Opinion

We have audited the financial statements of ROHM AND HAAS EUROPE TRADING ApS for the financial year 01.01.2017 - 31.12.2017, 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 31.12.2017 and of the results of its operations for the financial year 01.01.2017 - 31.12.2017 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:

## Independent auditor's report

- 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.

## Independent auditor's report

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.

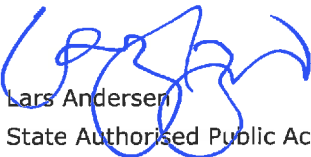
### **Violation of accounting legislation, including the Danish Bookkeeping Act**

Parts of the accounting records for the Company are kept outside the Danish borders. They are kept on file with affiliated companies and can be obtained at short notice. The procedures used are in contravention of Danish legislation on the filing of accounting material in general.

Copenhagen, 30.05.2018

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
Central Business Registration No (CVR) 33963556



Lars Andersen  
State Authorised Public Accountant  
Identification No (MNE) mne27762



Morten Jarlbo  
State Authorised Public Accountant  
Identification No (MNE) mne33247

## Management commentary

	2017	2016	2015	2014	2013
	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
<b>Financial highlights</b>					
<b>Key figures</b>					
Revenue	0	0	1.023.095	1.234.593	1.291.424
Gross profit/loss	0	0	30.882	34.031	46.246
Operating profit/loss	0	0	10.314	-12.092	13.742
Net financials	19.256	108	408	-3.762	5.634
Profit/loss for the year	16.726	45.383	266	-16.610	17.116
Total assets	166.544	157.103	353.562	455.109	471.192
Investments in property, plant and equipment	0	0	44	14	0
Equity	111.440	94.893	68.636	43.624	59.785
Average numbers of employees	0	75	126	157	148
<b>Ratios</b>					
Gross margin (%)	-	-	3,0	2,8	3,6
Return on equity (%)	16,2	55,5	0,5	(32,1)	32,3

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

Ratios	Calculation formula	Calculation formula reflects
Gross margin (%)	$\frac{\text{Gross profit/loss} \times 100}{\text{Revenue}}$	The entity's operating gearing.
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.



## Management commentary

### Primary activities

The objective of Rohm and Haas Europe Trading ApS is to conduct all lawful business, including but not limited to trading of products and services in Denmark and abroad directly, or through its subsidiaries and/or its branches.

### Development in activities and finances

#### Development in activities and finances

As of May 1st 2016 the Company has sold its customer lists and does no longer trade with customers. All activity is dissolved, why the entire income statement and certain related assets, in reference to paragraph 80 in the Danish Financial Statement Act is presented as discontinued operations.

In April 2017 the company has received the final assessment for the transfer price audit for the years 2010-2014 for RHET which concludes to a significant increase of the taxable income in Denmark.

We do not agree with this assessment, as we believe it is based on a wrong understanding of the circumstances. We believe that there is no case for a transfer price adjustment and are now evaluating legal steps with our advisors.

The subsidiary in RH Switzerland Prod. Holding GmbH has been liquidated during 2017 resulting in liquidation proceeds of EUR 63.573 thousands.

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

The Company has declared a profit of EUR 16.726 thousand in 2017 compared to a profit of EUR 45.383 thousand in 2016. The decrease in profit is as expected, as there are no trading business left in the company neither in the trading branches which were closed during 2016.

#### 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

It is expected that all business transactions in the Entity will transfer during 2019 to Dow Danmark, another Danish entity within the Dow Group.

#### Particular risks

The Company has limited operating risk mainly involving financing. There is no foreign exchange risk in this entity.

#### Foreign branches

The company and its branches closed down distribution of products in Maj 2016.

## Management commentary

### **Statutory report on corporate social responsibility**

It is the Company's focus to create a positive and healthy work and performance environment, and to be a workplace where employees have the freedom to achieve common goals and optimise opportunities irrespectively of their gender, age, race, religion, disability or sexual orientation.

Sustainability is an important part of DowDuponts culture. Description of the Company's sustainability policy is to be found in the DowDupont 2017 Annual report page 70. The Company also refers to the webpage for The Dow Chemical Company for further information. <http://www.dow.com/en-us/science-and-sustainability>.

The Company has no guidelines of its own regarding social responsibility, human rights, anti-corruption and bribery but follow and refer to the guidelines outlined by The Dow Chemical Company in their Code of Conduct. For further information please visit: <http://www.dow.com/en-us/investor-relations/corporate-governance>.

### **Statutory report on the underrepresented gender**

In accordance with the paragraph 139a, part 1, No. 1, in the Danish Companies Act, the Company is obliged to set the targets for the share of underrepresented gender in the board of directors. As the board is comprised of 2 members, the target is that at no time the board should be comprised of one gender only. The company doesn't currently fulfil this target.

Additionally, the Company is also required to prepare and adopt a policy on gender equality on the management levels unless the Company throughout the year in question has not had more than 50 employees, according to the § 12 in the regulation no. 344 of March 30, 2012. As the Company has had no employees for whom the full time ATP contributions were paid in 2017, the Company is exempt from this requirement.

### **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 2017

	<u>Notes</u>	<u>2017 EUR'000</u>	<u>2016 EUR'000</u>
Income from investments in group enterprises		19.171	0
Other financial income	3	352	631
Other financial expenses	4	-267	-523
<b>Profit/loss before tax</b>		<b>19.256</b>	<b>108</b>
Tax on profit/loss for the year	5	-19	-24
<b>Profit/loss from continuing operations</b>		<b>19.237</b>	<b>84</b>
<b>Profit/loss from discontinued operations</b>	6	<b>-2.511</b>	<b>45.299</b>
<b>Profit/loss for the year</b>	7	<b>16.726</b>	<b>45.383</b>

## Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017 EUR'000</u>	<u>2016 EUR'000</u>
Investments in group enterprises		0	44.401
<b>Fixed asset investments</b>	8	<u>0</u>	<u>44.401</u>
<b>Fixed assets</b>		<u>0</u>	<u>44.401</u>
Receivables from group enterprises		135.688	98.949
Deferred tax		4.364	3.724
Other receivables		3.414	6.710
Income tax receivable	9	21.730	1.237
<b>Receivables</b>		<u>165.196</u>	<u>110.620</u>
<b>Cash</b>		<u>0</u>	<u>10</u>
<b>Current assets</b>		<u>165.196</u>	<u>110.630</u>
<b>Assets regarding discontinued operations</b>	6	<u>1.348</u>	<u>2.072</u>
<b>Assets</b>		<u>166.544</u>	<u>157.103</u>

## Balance sheet at 31.12.2017

	<u>Notes</u>	<u>2017</u> <u>EUR'000</u>	<u>2016</u> <u>EUR'000</u>
Contributed capital		83	83
Retained earnings		111.357	94.810
<b>Equity</b>		<b>111.440</b>	<b>94.893</b>
Provisions for pension liabilities etc	10	22.027	24.843
<b>Provisions</b>		<b>22.027</b>	<b>24.843</b>
Trade payables		111	305
Payables to group enterprises		21.663	21.517
Income tax payable		11.141	14.772
Other payables		162	773
<b>Current liabilities other than provisions</b>		<b>33.077</b>	<b>37.367</b>
<b>Liabilities other than provisions</b>		<b>33.077</b>	<b>37.367</b>
<b>Equity and liabilities</b>		<b>166.544</b>	<b>157.103</b>
Contingent liabilities	11		
Related parties with controlling interest	12		
Transactions with related parties	13		
Group relations	14		

## Statement of changes in equity for 2017

	<b>Contributed capital EUR'000</b>	<b>Retained earnings EUR'000</b>	<b>Total EUR'000</b>
Equity beginning of year	83	94.810	94.893
Exchange rate adjustments	0	-179	-179
Profit/loss for the year	0	16.726	16.726
<b>Equity end of year</b>	<b>83</b>	<b>111.357</b>	<b>111.440</b>

## Notes

	<u>2017</u>	<u>2016</u>
<b>1. Staff costs</b>		
Average number of employees	<u>0</u>	<u>75</u>

Staff costs comprise Wages EUR 1.108 thousand (2016: EUR 4.662 thousand) and Pension EUR -796 thousand (2016: EUR 955 thousand).

Staff costs for 2017 is in reference to paragraph 80 in the Danish Financial Statements Act presented as discontinued operations.

Remuneration has been paid neither to Management nor the Board of Directors.

	<u>2017</u> <u>EUR'000</u>	<u>2016</u> <u>EUR'000</u>
<b>2. Fees to the auditor appointed by the Annual General Meeting</b>		
Statutory audit services	30	60
Tax services	3	1
Other services	<u>1</u>	<u>3</u>
	<u><b>34</b></u>	<u><b>64</b></u>

	<u>2017</u> <u>EUR'000</u>	<u>2016</u> <u>EUR'000</u>
<b>3. Other financial income</b>		
Financial income arising from group enterprises	352	273
Exchange rate adjustments	0	350
Other financial income	<u>0</u>	<u>8</u>
	<u><b>352</b></u>	<u><b>631</b></u>

	<u>2017</u> <u>EUR'000</u>	<u>2016</u> <u>EUR'000</u>
<b>4. Other financial expenses</b>		
Financial expenses from group enterprises	118	481
Other interest expenses	<u>149</u>	<u>42</u>
	<u><b>267</b></u>	<u><b>523</b></u>

## Notes

	<b>2017</b>	<b>2016</b>
	<b>EUR'000</b>	<b>EUR'000</b>
<b>5. Tax on profit/loss for the year</b>		
Current tax	19	24
	<b>19</b>	<b>24</b>
	<b>2017</b>	<b>2016</b>
	<b>EUR'000</b>	<b>EUR'000</b>
<b>6. Discontinued operations</b>		
<b>Income statement</b>		
Revenue	0	320.722
Costs of sales	0	-311.086
Distribution costs	-47	-19.659
Administrative costs	-1.013	-7.351
Other operating income	2.234	329.647
Other operating expenses	-3.106	-235.836
<b>Profit/loss for the period</b>	<b>-1.932</b>	<b>76.437</b>
Tax on profit/loss from discontinued operations	-579	-31.138
<b>Post-tax profit/loss from discontinued operations</b>	<b>-2.511</b>	<b>45.299</b>
<b>Assets</b>		
Other fixtures and fittings, tools and equipment	31	479
Trade receivables	1.317	1.593
<b>Assets related to discontinued operations</b>	<b>1.348</b>	<b>2.072</b>
	<b>2017</b>	<b>2016</b>
	<b>EUR'000</b>	<b>EUR'000</b>
<b>7. Proposed distribution of profit/loss</b>		
Retained earnings	16.726	45.383
	<b>16.726</b>	<b>45.383</b>



## Notes

	<b>Invest- ments in group enterprises EUR'000</b>
<b>8. Fixed asset investments</b>	
Cost beginning of year	79.779
Disposals	-79.779
<b>Cost end of year</b>	<b>0</b>
Impairment losses beginning of year	-35.377
Reversal regarding disposals	35.377
<b>Impairment losses end of year</b>	<b>0</b>
<b>Carrying amount end of year</b>	<b>0</b>

The subsidiary RH Switzerland Prod. Holding GmbH has been liquidated during 2017.

### 9. Income tax receivable

SKAT has adjusted the taxable income for the years 2010-2014. The reassessments have been appealed to the National Tax Tribunal. The additional taxes and interest has been paid to SKAT. We are of the opinion that it is more likely than not that the company will prevail and that the income adjustment for these years will be reversed implying a refund of paid taxes and interest. Based on this the paid amounts have been capitalized as receivables at 31 December 2017.

### 10. Provisions for pensions and similar liabilities

Provision are for pensions and similar liabilities comprise underfunded defined benefitplans in mainly Germany. The most material assumptions when estimating the provision is:

Weighted average assumptions used to determine benefit obligation at 31 December 2017.

Discount rate 1,68% (2016: 1,68%)

Rate of compensation increase 3% (2016: 3%)

Social security increase 2% (2016: 2%)

Expected long-term return on asset plan 3,25% (2016: 3,25%)

Actuarial specialists has been involved in the estimation of the underfunded defined benefitplan.

### 11. Contingent liabilities

The Company participates in a Danish joint taxation arrangement after 1<sup>st</sup> September 2017 where DuPont Denmark Holding ApS serves as the administration company.

## Notes

The Company participated in a Danish joint taxation arrangement before 1<sup>st</sup> September 2017 where Dow AgroSciences Danmark A/S served as the administration company.

According to the joint taxation provisions of the Danish Corporation Tax Act, the Company is therefore liable from the financial year 2013 for income taxes, etc. for the jointly taxed companies and from 1<sup>st</sup> July 2012 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 under the joint taxation arrangement is disclosed in the administration company's financial statements.

### 12. Related parties with controlling interest

The Company is a wholly owned subsidiary of Rohm and Haas Denmark Holding Company ApS, Kgs. Lyngby, Denmark, the ultimate parent is the DowDuPont Inc.

	<b>Subsidiaries</b>	<b>Other related parties.</b>
	<b>EUR'000</b>	<b>EUR'000</b>
<b>13. Transactions with related parties</b>		
Intercompany recharges	0	47
Proceeds from liquidation of subsidiary	63.573	0
Financial income	0	352
Financial expenses	0	118
Receivables from group enterprises	0	135.688
Payables to group enterprises	0	21.663

### 14. Group relations

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

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

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

DowDuPont Inc.  
Corporate Trust Center  
1209 Orange Street  
Wilmington  
New Castle 19801  
Delaware  
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 C enterprises (large).

The accounting policies applied to these 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.

### Discontinued operations

Discontinued operations are material business areas or geographical areas planned, or decided, to be disposed of, discontinued or abandoned and which may be separated from the entity's other operations.

Results from discontinued operations are presented in the income statement as a separate item consisting of operating profit/loss after tax of the relevant operation and any gains or losses from fair value adjustments or sale of the assets and liabilities related to the operation.

Assets relating to the discontinued operations are presented separately in the balance sheet as assets related to discontinued operations. Liabilities directly related to the discontinued operations are presented separately in the balance sheet as liabilities related to discontinued operations.

The comparative figures in the income statement and the balance sheet are not restated.

### Revenue

Revenue from the sale of services is recognised in the income statement provided that general criteria are met, i.e. that delivery and transfer of risks have passed to the buyer by year-end, the amount can be determined accurately and is expected to be paid

## Accounting policies

### Cost of sales

Cost of sales comprises cost of sales for the financial year measured at cost.

### Distribution costs

Distribution costs comprise costs incurred for sale and distribution of the Entity's products, including wages and salaries for sales staff, advertising costs, travelling and entertainment expenses, etc as well as amortisation, depreciation and impairment losses relating to intangible assets.

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

### Income statement

#### Income from investments in group enterprises

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

#### Other financial income

Other financial income from group enterprises comprises interest income etc on receivables from group enterprises, and gain/losses from sale of group enterprises.

#### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital losses on payables and transactions in foreign currencies.

#### 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. Income tax concerning the jointly taxed companies is distributed proportionally between profit and loss making companies according 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.

## Accounting policies

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 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.

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.

### Income 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.

### Cash

Cash comprises cash in hand and bank deposits.

### Provisions for pension liabilities etc

To the extent that pension commitments are not covered by the insurance, they are included in the balance sheet as provisions. The calculation of the liability is based on actuarial computations.

### Other financial liabilities

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

### Cash flow statement

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