CHEMVIRON CARBON ApS

Nordre Kobbelvej 21, C,
7000 Fredericia

CVR No. 32568327

Annual Report 2023

14. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 30 May 2024

Reinier Pieter Keijzer
Chairman

Contents

Management's Statement

Today, Management has considered and adopted the Annual Report of CHEMVIRON CARBON ApS for the financial year 1 January 2023 - 31 December 2023.

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 assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Fredericia, 30 May 2024

Executive Board

Reinier Pieter Keijzer	Chad Whalen
Manager	Manager

Independent Auditors' Report

To the shareholders of CHEMVIRON CARBON ApS

Opinion
In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of its operations for the financial year 1 January 2023 - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the financial statements of CHEMVIRON CARBON ApS for the financial year 1 January 2023 - 31 December 2023, which comprise an income statement, balance sheet, statement of changes in equity and notes. The financial statements are prepared 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 responsibility under those standards and requirements are further described in the “Auditors' responsibility for the Audit of the Financial Statements” section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (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.

Statement on Management's Review
Management is responsible for Management's review.

Our opinion on the financial statements does not cover Management's review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review 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 in Management's Review.

Management's responsibility 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 considers 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 Company's ability to continue as a going concern; disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting in preparing the financial statements unless Management either intends to either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial statements
Our responsibility is to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material

Independent Auditors' Report

misstatements. Misstatements can arise from fraud or error and can be considered material if, individually or 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 skepticism throughout the audit. We also:

* Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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 Company'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, conclude on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

* Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, 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 which we identify during our audit.

Hellerup, 30 May 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-no. 33771231

Maj-Britt Nørskov Nannestad
State Authorised Public Accountant
mne32198

Company details

Company	CHEMVIRON CARBON ApS Nordre Kobbelvej 21, C, 7000 Fredericia
Telephone	33143040
CVR No.	32568327
Date of formation	17 November 2009
Financial year	1 January 2023 - 31 December 2023
Executive Board	Reinier Pieter Keijzer Chad Whalen
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup
Telephone	39453945
Website	www.pwc.dk CVR-no.: 33771231
Bank	Danske Bank Holmens Kanal 2-12 1093 København K

Management's Review

Key activities
The company's purpose is to run a trading and engineering business as well as other related business.

Development in activities and financial matters
The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK -8,021 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 15,631,535 and an equity of DKK 12,880,632.

Subsequent events
No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement

	Note	2023 kr.	2022 kr.
Gross profit		**1.982.715**	**3.776.257**
Employee benefits expense	1	-1.465.172	-1.403.935
Depreciation, amortisation expense and impairment losses of property, plant and equipment and intangible assets recognised in profit or loss		-123.319	-145.035
Profit from ordinary operating activities		**394.224**	**2.227.287**
Other finance income		182.282	53.653
Finance expences		-585.638	-196.982
Profit from ordinary activities before tax		**-9.132**	**2.083.958**
Tax expense on ordinary activities	2	1.111	-406.587
Profit		**-8.021**	**1.677.371**

Proposed distribution of results			
Retained earnings		-8.021	1.677.371
Distribution of profit		**-8.021**	**1.677.371**

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Assets			
Fixtures, fittings, tools and equipment		624.000	0
Leasehold improvements		101.893	209.212
Property, plant and equipment		**725.893**	**209.212**
Fixed assets		**725.893**	**209.212**
Manufactured goods and goods for resale		4.252.621	4.745.560
Inventories		**4.252.621**	**4.745.560**
Short-term trade receivables		1.541.965	2.944.208
Short-term receivables from group enterprises		795.542	5.414.125
Current deferred tax	3	37.003	35.892
Other short-term receivables		165.666	68.960
Prepaid expenses		17.155	13.157
Receivables		**2.557.331**	**8.476.342**
Cash and cash equivalents		**8.095.690**	**8.212.123**
Current assets		**14.905.642**	**21.434.025**
Assets		**15.631.535**	**21.643.237**

Balance Sheet as of 31 December

	Note	2023 kr.	2022 kr.
Liabilities and equity			
Contributed capital		3.100.000	3.100.000
Retained earnings		9.780.632	9.788.655
Equity		**12.880.632**	**12.888.655**
Trade payables		690.771	1.450.230
Payables to group enterprises		1.117.823	5.855.393
Tax payables		0	337.040
Other payables		942.309	1.111.919
Short-term liabilities other than provisions		**2.750.903**	**8.754.582**
Liabilities other than provisions within the business		**2.750.903**	**8.754.582**
Liabilities and equity		**15.631.535**	**21.643.237**
Significant events occurring after end of reporting period	4		
Contingent liabilities	5		
Related parties	6		

Statement of changes in Equity

	Contributed capital kr.	Retained earnings kr.	Total kr.
Equity 1 January 2023	3.100.000	9.788.653	12.888.653
Profit (loss)	0	-8.021	-8.021
Equity 31 December 2023	**3.100.000**	**9.780.632**	**12.880.632**

The share capital has remained unchanged for the last 5 years.

Notes

1. Employee benefits expense

	2023	2022
Wages and salaries	1.115.769	971.098
Post-employement benefit expense	75.125	67.461
Other employee expense	274.278	365.376
	1.465.172	**1.403.935**
Average number of employees	2	2

2. Tax expense

Tax expense on ordinary activities	0	-337.040
Adjustments for deferred tax	1.111	-69.547
	1.111	**-406.587**

3. Current deferred tax

Operating equipment	-16.853	-29.907
Leasehold equipment	56.041	67.249
Prepayments	-2.185	-1.450
	37.003	**35.892**

4. Significant events occurring after end of reporting period

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

5. Contingent assets, liabilities and other financial obligations

	2023	2022
Rental and lease obligations	2.870.985	3.107.956

6. Related parties

The immediate parent company is Chemviron S.A., a company incorporated in Belgium.

The ultimate holding company, and controlling party, is Kuraray Co., Ltd., Ote Center Building, 1-1-3, Otemachi, Chiyoda-ku, Tokyo 100-8115, Japan

The largest and smallest group that prepares consolidated financial statements, which include the company, is Kuraray Co., Ltd.

The consolidated financial statements of this group are available to the public and may be obtained from Kuraray’s website on the “Investor Relations” page: http://www.kuraray.com/ir/.

Accounting Policies

Reporting Class
The annual report of CHEMVIRON CARBON ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, with the adoption of individual rules from class C.

The accounting policies applied remain unchanged from last year.

Reporting currency
The annual report is presented in Danish kroner.

Translation policies
Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

General information

Basis of recognition and measurement
The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Income statement

Gross profit/loss
The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, change in inventories of finished goods, work in progress and

Accounting Policies

goods for resale, other operating income, costs for raw materials and consumables and other external expenses.

Revenue
Revenue is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end and if the revenue can be reliably calculated and expected to be received. Revenue is recognised excluding VAT and all discounts granted are recognised in revenue.

Other external expenses
Other external expenses include expenses for distribution, sales, advertising, administration, premises, bad debts, operating leasing expenses etc.

Staff costs
Staff costs include wages and salaries including compensated absence and pension to the Companies employees, as well as other social security contributions etc.

Other staff expenses are recognised in other external expenses.

Amortisation and impairment of tangible and intangible assets
Amortization and impairment of intangible assets, property, plant and equipment has been performed based on a continuing assessment of the useful life of the assets in the Company. Non-current assets are amortized on a straight line basis, based on cost, on the basis of the following assessment of useful life and residual values:

Financial income and expenses
Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Dividends from other investments are recognised as income in the financial year in which the dividends are declared.

Tax on net profit for the year
Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance sheet

Property, plant and equipment
Property, plant and equipment are measured at cost on initial recognition and subsequently at cost less accumulated depreciation and impairment losses.

The depreciable amount is calculated taking into consideration the residual value of the asset at the end of its useful life, reduced by impairment losses, if any. The depreciation period and the residual value are determined at the data of acquisition. If the residual value exceeds the carrying amount of the asset, depreciation is discontinued.

In case of changes in depreciation period or residual value, the effect of a change in depreciation period is recognised prospectively in accounting estimates.

Cost includes the purchase price and expenses directly related to the acquisition until the time when the asset is ready for use. The cost of self-constructed assets includes costs for materials, components, subcontractors, direct payroll costs and indirect production costs.

The cost of composite asset is disaggregated into components, which are separately depreciated if the useful lives

Accounting Policies

of the individual component differ.

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	8 years	0%
Leasehold improvements	5 years	0%

The carrying amounts of property plant and equipment are tested annually to determine whether there is any indication of impairment other than what is expressed by amortization and depreciation. If so, the assets are tested for impairment to determine whether the recoverable amounts are lower than the carrying amounts and the relevant assets are written down to such lower recoverable amounts. An impairment test is carried out annually of ongoing development projects, whether or not there is any indication of impairment.

The recoverable amount of an asset is determined as the higher of the net sales price and the value in use. Where the recoverable amount of the individual assets cannot be determined, the assets are grouped together into the smallest group of assets that can be estimated to determine an aggregate reliable recoverable amount for those units.

Inventories
Inventories are measured at cost on the basis of the FIFO principle. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

The net realizable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

The cost of goods for resale, raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

Merchandises are measured at cost comprising purchase price plus delivery costs.

Receivables
Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Prepayments
Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Other short-term receivables
Other short-term receivables are measured at amortized cost which usually corresponds to the nominal value.

Cash and cash equivalents
Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Equity
Equity comprises the working capital and a number of equity items that may be statutory or stipulated in the articles of association.

Accounting Policies

Deferred tax
Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Current tax liabilities
Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Liabilities
Financial liabilities are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, financial liabilities are measured at amortized cost, corresponding to the capitalized value using the effective interest method, so that the difference between the proceeds and the nominal value is recognised in the income statement over the life of the financial instrument.

Mortgage debt is accordingly measured at amortized cost, corresponding to the outstanding balance in case of cash loans. In case of bond loans, amortized cost corresponds to the outstanding balance determined as the underlying cash value of the loans at the time of borrowing adjusted for amortisation of capital losses on the loans over the repayment period.

Other liabilities are measured at net realisable value.

Other payables
Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Accruals and deferred income entered as liabilities
Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Contingent assets and liabilities
Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.