

# DuPont Denmark Holding ApS

CVR-nr. 33 38 21 54

Langebrogade 1  
1411 københavn K

## Annual Report for the period 1 January 2018 - 31 December 2018

The Annual Report has been presented and adopted at the Annual General Meeting of the Company on 28 May 2019

Chairman

 **SØREN TOFT BJERRESKOV**  
ADVOKAT, LL.M. / LEGAL COUNSEL  
Langebrogade 1  
DK-1411 Copenhagen K

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## Management's Statement on the Annual Report

The Executive Board has today considered and adopted the Annual Report of DuPont Denmark Holding ApS for the period 1 January - 31 December 2018.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2018 of the Company and of the results of the Company operations for the period.

In our opinion, 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.

Copenhagen, 28th May 2019

### Executive Board



Flemming Jørgensen



Henrik Arent Fastholm



Lisbeth Sørensen

# **Independent Auditor's Report**

## ***To the shareholder of DuPont Denmark Holding ApS***

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018, and of the results of the Company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of DuPont Denmark Holding ApS for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, and notes, including a summary of significant accounting policies ("financial statements").

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 our report. We are independent of the Company in accordance with the International Ethics Standards Board for 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.

### **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.

# **Independent Auditor's Report**

## **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 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 liquidate the Company 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 judgment and maintain professional skepticism 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

## Independent Auditor's Report

- 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 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the 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 that we identify during our audit.

Hellerup, 28th May 2019

**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab  
CVR No 33 77 12 31



Torben Jensen  
State Authorised Public Accountant  
mne18651



Christian Bertelsen  
State Authorised Public Accountant  
mne36171

## *Company Information*

### **The Company**

DuPont Denmark Holding ApS  
Langebrogade 1  
1411 København K

CVR-no.: 33 38 21 54

Financial year: 1 January - 31 December  
Municipality of reg. office: Copenhagen

### **Executive Board**

Flemming Jørgensen  
Henrik Arent Fastholm  
Lisbeth Sørensen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## **Management's Review**

### **Primary activity**

The object of the company shall be to own shares in other companies and businesses and related activities as determined by the Executive Board.

### **Development in the financial year**

The Company made a gain after tax of DKK 35 million compared to a gain of DKK 67 million in 2017.

The result is satisfactory and in line with expectations.

### **Events after the balance sheet date**

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



## **Accounting Policies**

### **Basis of Preparation**

The Annual Report of DuPont Denmark Holding ApS for 1 January 2018 – 31 December 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

In accordance with section 112(2) of the Danish Financial Statements Act no consolidated statement has been prepared. The financial statements of the Company and subsidiaries are part of the consolidated financial statements of DowDuPont Inc., Delaware, USA. The Group Annual Report for DowDuPont Inc. may be obtained at [www.Dow-DuPont.com](http://www.Dow-DuPont.com).

The accounting policies are unchanged compared to last year.

The Annual Report is presented in DKK thousands.

Danish kroner are used as the functional currency. All other currencies are regarded as foreign currencies.

### **Recognition and measurement**

The financial statements have been prepared under the historical cost method.

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost is recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, 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 flow 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 will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

### **Translation policies**

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

## **Accounting Policies**

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

### **Income Statement**

#### **Other external expenses**

The Company's expenses are bank charges, audit fee and other period expenses.

#### **Financial income and expenses**

Financial income and expenses comprise interest, realised and unrealised exchange adjustments.

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

Tax for the year consists of current tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with Danish Group Companies. The tax effect of the joint taxation is allocated to Danish enterprises showing profits or losses in proportion to their taxable income.

## **Balance Sheet**

#### **Investments in subsidiaries**

Investments in subsidiaries are recognised to cost value. Where the cost value exceeds the recoverable amount is written down to the lower value. Cost is reduced to the extent that dividends exceed the accumulated earnings after the acquisition date.

#### **Receivables**

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

#### **Current tax receivables and liabilities**

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

#### **Financial debts**

Other debts are measured at amortised cost, sub-substantially corresponding to nominal value.

## Income Statement 1 January - 31 December

	Note	2018 DKK '000	2017 DKK '000
Other expenses		- 256	- 213
<b>Profit/loss before financial income and expenses</b>		<b>- 256</b>	<b>- 213</b>
Income from investments in subsidiaries		35 710	70 000
Financial income	1	27	56
Financial expenses	2	- 275	- 92
<b>Profit before tax</b>		<b>35 206</b>	<b>69 751</b>
Tax on profit for the Period		111	-2 643
<b>Net profit/loss for the year</b>		<b>35 317</b>	<b>67 108</b>

### Distribution of profit

#### Proposed distribution of loss for the year

Extraordinary dividend paid during the year	35 710	0
Profit carried forward	- 393	67 108
	<b>35 317</b>	<b>67 108</b>

## Balance Sheet 31 December

### Assets

	Note	2018 DKK '000	2017 DKK '000
Investments in subsidiaries		12 956 267	12 956 267
<b>Financial investments</b>	3	<b>12 956 267</b>	<b>12 956 267</b>
<b>Non current assets</b>		<b>12 956 267</b>	<b>12 956 267</b>
Receivables from group enterprises		127 647	3 699
Deferred tax asset		0	7 034
Income tax		81 311	6 640
<b>Receivables</b>		<b>208 958</b>	<b>17 373</b>
<b>Cash at bank and in hand</b>		<b>29 845</b>	<b>23 318</b>
<b>Current assets</b>		<b>238 803</b>	<b>40 691</b>
<b>Assets</b>		<b>13 195 070</b>	<b>12 996 958</b>

## Balance Sheet 31 December

### Liabilities and equity

	Note	2018	2017
		DKK '000	DKK '000
Share capital		115	115
Retained earnings		<u>12 985 427</u>	<u>12 985 820</u>
<b>Equity</b>	4	<b><u>12 985 542</u></b>	<b><u>12 985 935</u></b>
Other liabilities		67	67
Payables to group enterprises		<u>209 461</u>	<u>10 956</u>
<b>Current liabilities</b>		<b><u>209 528</u></b>	<b><u>11 023</u></b>
<b>Total liabilities</b>		<b><u>209 528</u></b>	<b><u>11 023</u></b>
<b>Total liabilities and shareholders' equity</b>		<b><u>13 195 070</u></b>	<b><u>12 996 958</u></b>
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Related parties and ownership	6		

## Notes to the Annual Report

	<u>2018</u>	<u>2017</u>
	DKK '000	DKK '000
<b>1 Financial income</b>		
Currency exchange gain	27	56
	<u>27</u>	<u>56</u>
<b>2 Financial expenses</b>		
Interest expenses	- 275	- 78
Currency exchange loss	0	- 14
	<u>- 275</u>	<u>- 92</u>
<b>3 Financial investments</b>		
		<u>Investments in subsidiaries</u>
Cost at 1 January 2018		12 956 267
Cost at 31 December 2018		<u>12 956 267</u>
<b>Net book value at 31 December 2018</b>		<u>12 956 267</u>

## Notes to the Annual Report

### 4 Shareholders' equity

	Share capital	Retained earnings	Total
	DKK '000	DKK '000	DKK '000
Balance at 1 January 2018	115	12.985.820	12.985.935
Dividend paid		-35 710	-35 710
Profit for the period		35 317	35 317
<b>Balance at 31 December 2018</b>	<b>115</b>	<b>12 985 427</b>	<b>12 985 542</b>

There has been no changes in the Company's share capital in the past 5 years.

The Company capital comprises of 115 581 shares of 1 DKK, no shares carry any special rights.

### 5 Contingent assets, liabilities and other financial obligations

The Danish companies in the Dow-DuPont Group are jointly taxed and jointly liable for the total tax of the Group. The net payable tax is included in the annual report of DuPont Denmark Holding ApS, which is the administration company for the group taxation. Any later corrections of the taxable income may increase the total liable amount.

### 6 Related parties

The following companies have controlling influence of the Company; DowDuPont Inc., USA (ultimate parent), DuPont Chemical and Energy Operations Inc., USA (indirect owner), E. I. du Pont de Nemours and Company, USA (indirect owner), N&H EMEA Holding B.V., Holland (direct owner), N&H US LLC, USA (indirect owner).

The ultimate parent company of the group in which the Company is included as a subsidiary is DowDuPont Inc., Delaware, USA. This company and its subsidiaries are considered related parties through the ownership of the Company.