

DuPont Denmark Holding ApS

CVR-nr. 33 38 21 54

Langebrogade 1
1411 københavn K

Annual Report for the period 1 January 2020 - 31 December 2020

The Annual Report has been presented and adopted at the Annual General Meeting of the Company on 27 May 2021

Chairman

Lisbeth Sørensen

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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

Carsten Schrøder Nielsen
Flemming Jørgensen
Lisbeth Sørensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

DKK '000	2020	2019	2018	2017	2016
Income Statement					
Operating profit	- 61	- 150	- 256	- 213	- 272
Income from investments in subsidiaries	2 931 095	1 524 716	35 710	70 000	2 377 041
Net financials	- 4 832	- 114	- 248	- 36	1 794
Profit after tax for the period	2 927 278	1 524 526	35 317	67 108	2 376 691
Balance Sheet					
Balance sheet total	13 010 974	13 035 656	13 195 070	12 996 958	18 398 898
Equity	10 422 486	12 956 240	12 985 542	12 985 935	18 333 813
Key Figures in %					
Return on net assets	0,0	0,0	0,0	0,0	0,0
Solvency ratio	80,1	99,4	98,4	99,9	99,6
Return on equity	25,0	11,8	0,3	0,4	25,9

For definitions, please refer to accounting policies

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 2020.

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 2020 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, 27 May 2021

Executive Board

Carsten Schrøder Nielsen

Flemming Jørgensen

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 2020, and of the results of the Company's operations for the financial year 1 January - 31 December 2020 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 2020, 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, 27 May 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Torben Jensen
State Authorised Public Accountant
mne18651

Christian Bertelsen
State Authorised Public Accountant
mne36171

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 2,927 million compared to a gain of DKK 1,525 million in 2019.

The result is satisfactory and in line with expectations.

There are no employees in the Company, and the Executive Board have not received any remuneration.

Outlook

The Company expects operating loss in the range of DKK 0 - 1 million, and the Company is not expecting to receive any income from investments in subsidiaries in 2021.

Corporate Social Responsibility

The operating model of the Company is to maintain its investment in DuPont Nutrition Biosciences ApS, Denmark. There are no other activities in the Company.

Environmental and climate impact

The Company only performs investment activities, which does not have any environmental or climate impact, and for this reason the Company does not have any CSR policies related to environment and climate.

Human rights

The Company does not sell or purchase any products, and for this reason the Company does not have any CSR policies related to human rights.

Social and labour rights

There are no employees in the Company, and for this reason the Company does not have any CSR policies related to social and labour rights.

Anti-corruption and business ethics

The company does not have any interactions with government, and does not perform any new investments, and for this reason the Company does not have any CSR policies related to anti-corruption and business ethics.

Statutory Report on the underrepresented gender, cf. section 99b of the Danish Financial Statement Act

The Company's Executive Board consists of 3 persons, 2 male - 1 female. Which is equal representation of gender in the management level of the Company.

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 2020 – 31 December 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class C - large.

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 DuPont de Nemours Inc., Delaware, USA. The Group Annual Report for DuPont de Nemours Inc. may be obtained at www.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 DuPont 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.

Accounting Policies

Financial debts

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

Financial ratios

The financial ratios have been calculated as follows:

Return on net assets	=	$\frac{\text{Operating Profit} \times 100}{\text{Total assets}}$
Solvency ratio	=	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	=	$\frac{\text{Net Profit for the period} \times 100}{\text{Average equity}}$

Income Statement 1.1.2020 - 31.12.2020

	Note	2020 DKK '000	2019 DKK '000
Other expenses		- 61	- 150
Profit/loss before financial income and expenses		- 61	- 150
Income from investments in subsidiaries		2 931 095	1 524 716
Financial income	1	76	103
Financial expenses	2	-4 907	- 217
Profit before tax		2 926 202	1 524 452
Tax on profit for the year		1 076	74
Net profit/loss for the year		2 927 278	1 524 526

Balance Sheet 31.12.2020

Assets

	Note	2020 DKK '000	2019 DKK '000
Investments in subsidiaries	4	12 956 267	12 956 267
Financial investments		12 956 267	12 956 267
Non current assets		12 956 267	12 956 267
Receivables from group enterprises		38 914	54 009
Other receivables		0	24 945
Income tax		15 793	74
Receivables		54 707	79 028
Cash at bank and in hand		0	361
Current assets		54 707	79 389
Total assets		13 010 974	13 035 656

Balance Sheet 31.12.2020

Liabilities and equity

	<u>Note</u>	<u>2020</u> DKK '000	<u>2019</u> DKK '000
Share capital		115	115
Retained earnings		<u>10 422 371</u>	<u>12 956 125</u>
Equity	5	<u>10 422 486</u>	<u>12 956 240</u>
Other liabilities		53	2 131
Payables to group enterprises		2 588 434	12 908
Income taxes		0	64 377
Current liabilities		<u>2 588 487</u>	<u>79 416</u>
Total liabilities		<u>2 588 487</u>	<u>79 416</u>
Total liabilities and shareholders' equity		<u>13 010 974</u>	<u>13 035 656</u>
Contingent assets, liabilities and other financial obligations	6		
Related parties	7		

Statement of Changes in Equity

Shareholders' equity

	Share capital	Retained earnings	Total
	DKK '000	DKK '000	DKK '000
Balance at 1 January 2020	115	12 956 125	12 956 240
Dividend paid		-5 461 032	-5 461 032
Profit for the period		2 927 278	2 927 278
Balance at 31 December 2020	115	10 422 371	10 422 486

Notes to the Annual Report

	2020	2019
	DKK '000	DKK '000
1 Financial income		
Interest income	36	72
Currency exchange gain	39	31
	76	103
2 Financial expenses		
Interest expenses	- 143	- 180
Interest expenses from group enterprises	-4 738	0
Currency exchange loss	- 26	- 37
	-4 907	- 217
3 Distribution of profit		
Extraordinary dividend paid during the year	5.461.032	1 553 828
Retained earnings	-2 533 754	-29 302
	2 927 278	1 524 526
4 Financial investments		
		Investments in subsidiaries
Cost at 1 January 2020		12 956 267
Cost at 31 December 2020		12 956 267
Net book value at 31 December 2020		12 956 267

Investments in subsidiaries

Name, and place of office	Ownership	Equity	Profit for the Period
		DKK '000	DKK '000
DuPont Nutrition Biosciences ApS, Copenhagen, Denmark	*) 100%	4 321 000	1 792 000

*) Figures are based on the Financial statement for 2019

Notes to the Annual Report

5 Shareholders' equity

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.

6 Contingent assets, liabilities and other financial obligations

The Danish companies in the 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.

7 Related parties

The following companies have controlling influence of the Company; DuPont de Nemours Inc., US (ultimate parent), Nutrition & Biosciences Inc US (indirect owner), N&H EMEA Holding B.V., Holland (direct owner), Specialty Products N&H, US (indirect owner)

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

Transactions

In accordance with section 98c (7) of the Danish Financial Statements Act, all transactions with related parties have been conducted at arm's length.