

# BLUE CUBE DENMARK ApS

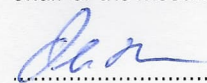
H.C. Andersens Boulevard 38, 3. th, 1553 København V

CVR no. 35 37 64 61

## Annual report 2021

Approved at the Company's annual general meeting on 23 May 2022

Chair of the meeting:



.....  
Ole Fynbo Hansen

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## Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of BLUE CUBE DENMARK ApS for the financial year 1 January - 31 December 2021.

The annual report is prepared in accordance with the Danish Financial Statements Act.

The annual report, which has not been audited, has been prepared in accordance with the provisions of the Danish Financial Statements Act. The Executive Board has considered the criteria for omission of audit to be met.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 23 May 2022  
Executive Board:



Teresa Marie Vermillion  
Managing Director

Irene Franck  
Director

Ole Fynbo Hansen  
Director

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Executive Board:

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Teresa Marie Vermillion  
Managing Director

.....  
Irene Franck  
Director

  
.....  
Ole Fynbo Hansen  
Director

## Management's review

### Company details

Name	BLUE CUBE DENMARK ApS
Address, Postal code, City	C/O TMF Denmark A/S H.C. Andersens Boulevard 38, 3. th, 1553 København V
CVR no.	35 37 64 61
Established	13 June 2013
Registered office	København
Financial year	1 January - 31 December
Executive Board	Teresa Marie Vermillion, Managing Director Irene Franck, Director Ole Fynbo Hansen, Director

## Management's review

### Business review

Blue Cube Denmark's main activities is selling epoxies globally on behalf of Blue Cube Germany to multinational customers active in coatings, wind, civil engineering applications etc. with the strategy of building long term business relations with both existing and new customers. The strategy of the company is to grow the business.

In 2021 the average number of staff (FTE) was 1, which is in line with the previous year. The employee has a shared responsibility for marketing and sales activities for the Blue Cube Group in Europe.

### Financial review

In 2021, the company's revenue amounted to DKK 14.469.940 against DKK 8.625.890 last year. The income statement for 2021 shows a profit of DKK 9.866.188 against a profit of DKK 5.074.096 last year. The balance sheet at 31 December 2021 shows an equity of DKK 3.900.782.

Management considers the Company's financial performance in the year satisfactory.

### Financial risks and use of financial instruments

There are no specific business risks for Blue Cube Denmark.

### Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

### Outlook

In 2022, the company's revenue and profit will be comparable to 2021.

## Financial statements 1 January - 31 December

### Income statement

Note	DKK	2021	2020
	Revenue	14,469,940	8,625,890
	Other external expenses	-110,387	-354,227
	Gross profit	14,359,553	8,271,663
2	Staff costs	-1,563,892	-1,650,764
	Profit before net financials	12,795,661	6,620,899
3	Financial income	11,642	31,537
	Financial expenses	-130,571	-132,830
	Profit before tax	12,676,732	6,519,606
4	Tax for the year	-2,810,544	-1,445,510
	Profit for the year	<u>9,866,188</u>	<u>5,074,096</u>
	Recommended appropriation of profit		
	Extraordinary dividend distributed in the year	9,000,000	6,600,000
	Retained earnings/accumulated loss	<u>866,188</u>	<u>-1,525,904</u>
		<u>9,866,188</u>	<u>5,074,096</u>



Financial statements 1 January - 31 December

Balance sheet

Note	DKK	<u>2021</u>	<u>2020</u>
	<b>ASSETS</b>		
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	4,418,129	2,060,805
	Other receivables	6,269	78,703
		<u>4,424,398</u>	<u>2,139,508</u>
	Cash	269,124	126,456
	Total non-fixed assets	<u>4,693,522</u>	<u>2,265,964</u>
	<b>TOTAL ASSETS</b>	<u>4,693,522</u>	<u>2,265,964</u>

## Financial statements 1 January - 31 December

### Balance sheet

Note	DKK	<u>2021</u>	<u>2020</u>
	<b>EQUITY AND LIABILITIES</b>		
	Equity		
5	Share capital	80,000	80,000
	Retained earnings	<u>916,303</u>	<u>50,115</u>
	<b>Total equity</b>	<u><b>996,303</b></u>	<u><b>130,115</b></u>
	<b>Liabilities other than provisions</b>		
6	Non-current liabilities other than provisions		
	Other payables	<u>160,433</u>	<u>160,433</u>
		<u><b>160,433</b></u>	<u><b>160,433</b></u>
	<b>Current liabilities other than provisions</b>		
	Trade payables	9,782	74,684
	Payables to group enterprises	860,555	0
	Corporation tax payable	2,278,479	1,181,296
	Other payables	<u>387,970</u>	<u>719,436</u>
		<u><b>3,536,786</b></u>	<u><b>1,975,416</b></u>
	<b>Total liabilities other than provisions</b>	<u><b>3,697,219</b></u>	<u><b>2,135,849</b></u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>4,693,522</b></u>	<u><b>2,265,964</b></u>

- 1 Accounting policies
- 7 Contractual obligations and contingencies, etc.
- 8 Collateral
- 9 Related parties

## Financial statements 1 January - 31 December

### Statement of changes in equity

DKK	Share capital	Retained earnings	Total
Equity at 1 January 2020	80,000	1,576,019	1,656,019
Transfer through appropriation of loss	0	-8,125,904	-8,125,904
Proposed extraordinary dividend recognised under equity	0	6,600,000	6,600,000
Equity at 1 January 2021	80,000	50,115	130,115
Transfer through appropriation of loss	0	-8,133,812	-8,133,812
Proposed extraordinary dividend recognised under equity	0	9,000,000	9,000,000
Equity at 31 December 2021	80,000	916,303	996,303

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of BLUE CUBE DENMARK ApS for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The company has in the comparison numbers reclassified DKK 258.850 from long term other payables to short term other payables, relating to correct presentation of frozen vacation pay.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

#### Income statement

##### Revenue

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods for resale and finished goods, is recognised in revenue when the most significant rewards and risks have been transferred to the buyer and provided the income can be measured reliably and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

##### Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

##### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

##### Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

##### Balance sheet

##### Receivables

Receivables are measured at amortised cost.

The Company has chosen IAS 39 as interpretation for impairment of financial receivables.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

##### Equity

##### *Proposed dividends*

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income taxes and deferred taxes

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

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Other liabilities are measured at net realisable value.

## Financial statements 1 January - 31 December

### Notes to the financial statements

DKK	<u>2021</u>	<u>2020</u>
<b>2 Staff costs</b>		
Wages/salaries	1,443,534	1,518,192
Other social security costs	<u>120,358</u>	<u>132,572</u>
	<u>1,563,892</u>	<u>1,650,764</u>
Average number of full-time employees	<u>1</u>	<u>1</u>
<b>3 Financial income</b>		
Interest income, group entities	7,725	8,336
Exchange gain	<u>3,917</u>	<u>23,201</u>
	<u>11,642</u>	<u>31,537</u>
<b>4 Tax for the year</b>		
Estimated tax charge for the year	2,810,544	1,445,510
	<u>2,810,544</u>	<u>1,445,510</u>
<b>5 Share capital</b>		
Analysis of the share capital:		
80,000 shares of DKK 1.00 nominal value each	80,000	80,000
	<u>80,000</u>	<u>80,000</u>

The Company's share capital has remained DKK 80,000 over the past 5 years.

### 6 Non-current liabilities other than provisions

Other payables - long term consists of frozen vacation pay, it likely will be paid within 5 years after the balance sheet date.

### 7 Contractual obligations and contingencies, etc.

#### Other contingent liabilities

The company was subject to the Danish scheme of jointly taxation an unlimited jointly and severally liable with other jointly taxed companies for the total corporation tax until 5 October 2015.

The company was jointly and severally liable with other jointly taxes group entities for payment of income taxes, taxes of dividends, interest and royalties.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 8 Collateral

The Company has not provided any security or other collateral in assets at 31 December 2021.

#### 9 Related parties

BLUE CUBE DENMARK ApS' related parties comprise the following:

##### Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
Olin Corporation	Clayton, Missouri, USA	Ultimate parent company

##### Information about consolidated financial statements

<u>Parent</u>	<u>Domicile</u>
Nedastra Holding B.V.	Axelsedam 3 a, 4531 HH Terneuzen, Holland