KINGSPAN INSULATION APS

LANGEBJERGVÆNGET 18, 4000 ROSKILDE

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 26 June 2024

Patrick Alan Lawlor

CVR NO. 35 89 18 03

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COMPANY DETAILS

Company	Kingspan Insulation ApS Langebjergvænget 18 4000 Roskilde	
	CVR No.:	35 89 18 03
	Established:	10 June 2014
	Municipality:	Roskilde
	Financial Year:	1 January - 31 December
Executive Board	Patrick Alan Lawlor Ian McAuliffe David Mark Macdonald	
Auditor	EY Godkendt Revisionspartnerselskab Østre Havnegade 65, 3. 9000 Aalborg	

MANAGEMENT'S STATEMENT

Today the Executive Board have discussed and approved the Annual Report of Kingspan Insulation ApS for the financial year 1 January - 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 Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

We recommend the Annual Report be approved at the Annual General Meeting.

Roskilde, 26 June 2024

Executive Board

Patrick Alan Lawlor	Ian McAuliffe	David Mark Macdonald

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Kingspan Insulation ApS

Opinion
We have audited the financial statements of Kingspan Insulation ApS for the financial year 1 January – 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including 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 financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023 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 our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (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.

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 as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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.

INDEPENDENT AUDITOR'S REPORT

- 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 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 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 that we identify during our audit.

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

Our opinion on the financial statements does not cover the 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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 of the Management's review.

Aalborg, 26 June 2024

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Hans B. Vistisen	Henrik K. Andersen
State Authorised Public Accountant	State Authorised Public Accountant
MNE no. mne23254	MNE no. mne36193

MANAGEMENT'S REVIEW

Principal activities
The company's activities are marketing and sales of insulation boards and other related activities.

Development in activities and financial and economic position
Revenue in Kingspan Insulation ApS reached DKK 67,582 thousand compared to DKK 71,530 thousand in 2022. Operating profit, before financial income and expenses, reached DKK 1,128 thousand compared to DKK 389 thousand last year. Profit after tax is DKK 728 thousand compared to DKK 245 thousand in 2022.

Significant events after the end of the financial year
Kingspan Insulation ApS has after the balance sheet date acquired the majority of the capital in Treetops Holding ApS. Kingspan Insulation ApS has taken out a loan from the parent company Kingspan Holding Netherlands BV to finance the purchase of the capital of Treetops Holding ApS.

After the balance sheet date, no other events of significant importance to the company's financial position have occurred.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
REVENUE		**67.581.797**	**71.529.689**
Expenses for raw materials and consumables		-45.838.871	-50.874.767
Other external expenses		-13.350.781	-15.017.253
GROSS PROFIT/LOSS		**8.392.145**	**5.637.669**
Staff costs	1	-7.030.298	-5.113.009
Depreciation, amortisation and impairment losses for tangible assets		-234.223	-135.543
OPERATING PROFIT		**1.127.624**	**389.117**
Other financial expenses		-140.611	-48.676
PROFIT BEFORE TAX		**987.013**	**340.441**
Tax on profit/loss for the year	2	-259.496	-95.684
PROFIT FOR THE YEAR		**727.517**	**244.757**

PROPOSED DISTRIBUTION OF PROFIT

Retained earnings		727.517	244.757
TOTAL		**727.517**	**244.757**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Right-of-use assets		1.606.103	142.726
Other plant, fixtures and equipment		152.842	5.332
Property, plant and equipment	3	**1.758.945**	**148.058**
NON-CURRENT ASSETS		**1.758.945**	**148.058**
Raw materials and consumables		2.061	0
Finished goods and goods for resale		364.859	487.010
Inventories		**366.920**	**487.010**
Trade receivables		10.328.032	13.102.064
Receivables from group enterprises	4	6.128.999	5.823.050
Other receivables		59.002	0
Prepayments		88.578	76.221
Receivables		**16.604.611**	**19.001.335**
CURRENT ASSETS		**16.971.531**	**19.488.345**
ASSETS		**18.730.476**	**19.636.403**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share Capital		80.000	80.000
Retained earnings		9.803.535	9.076.018
EQUITY		**9.883.535**	**9.156.018**
Lease liabilities		1.040.681	68.401
Non-current liabilities	5	**1.040.681**	**68.401**
Lease liabilities		574.521	73.961
Trade payables		360.691	73.418
Debt to Group companies		3.791.502	5.215.177
Joint tax contribution payables		268.971	836.888
Other liabilities		2.810.575	4.212.540
Current liabilities		**7.806.260**	**10.411.984**
LIABILITIES		**8.846.941**	**10.480.385**
EQUITY AND LIABILITIES		**18.730.476**	**19.636.403**
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EQUITY

	Share Capital	Retained earnings	Total
Equity at 1 January 2023	80.000	9.076.018	9.156.018
Proposed profit allocation		727.517	727.517
Equity at 31 December 2023	**80.000**	**9.803.535**	**9.883.535**

NOTES

	2023 DKK	2022 DKK	Note
Staff costs			1
Average number of full time employees	8	7	
Wages and salaries	6.378.788	4.622.482	
Pensions	577.632	438.209	
Other costs for social security	73.878	52.318	
	7.030.298	**5.113.009**	

	2023 DKK	2022 DKK	Note
Tax on profit/loss for the year			2
Calculated tax on taxable income of the year	269.846	89.858	
Adjustment of tax for previous years	-10.350	0	
Adjustment of deferred tax	0	5.826	
	259.496	**95.684**	

Property, plant and equipment 3

	Right-of-use assets	Other plant, fixtures and equipment
Cost at 1 January 2023	215.506	114.573
Additions	1.670.410	174.700
Cost at 31 December 2023	**1.885.916**	**289.273**
Depreciation and impairment losses at 1 January 2023	72.779	109.242
Depreciation for the year	207.034	27.189
Depreciation and impairment losses at 31 December 2023	**279.813**	**136.431**
Carrying amount at 31 December 2023	**1.606.103**	**152.842**

Receivables from group enterprises 4

Kingspan Insulation ApS has concluded an agreement regarding a cash pool scheme with Danske Bank A/S, according to which Kingspan Insulation ApS is the sub-account holder together with the Group's other group entities. Under the terms agreed for the cash pool scheme, Danske Bank A/S is entitled to settle withdrawals and balances with each other whereby only the net balance of the total cash pool accounts makes up the Groups balance with Danske Bank A/S.

Kingspan Insulation ApS' account in the cash pool scheme, which is recognised as a receivable from group entities, made up an account balance of DKK 5.935 thousand at 31 December 2023 (at 31 December 2022: a balance of DKK 5.815 thousand).

Long-term liabilities 5

	31/12 2023 total liabilities	Repayment next year	Debt outstanding after 5 years	31/12 2022 total liabilities
Lease liabilities	1.615.202	574.521	0	142.362
	1.615.202	**574.521**	**0**	**142.362**

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Contingencies etc. 6

Joint liabilities
The company is jointly and severally liable together with the parent company and the other group companies in the joint taxable group for tax on the group's joint taxable income and for certain possible withholding taxes, such as dividend tax, etc.

Tax payable on the Group's joint taxable income is stated in the annual report of Logstor Denmark Holding ApS (CVR 35 37 56 27), which serves as management company for the joint taxation.

Any subsequent corrections of income subject to joint taxation and withholding taxes, etc., may entail that the Company's liability will increase.

Guarantees
The Company has provided a guarantee, totaling DKK 166 thousand.

Consolidated Financial Statements 7

The Company is included in the consolidated financial statements of Kingspan Group plc, Dublin Road, Kingscourt, Co Cavan, A82 XY31, Ireland.

Other financial obligations 8

The Company has entered into short-term lease agreements for a period of 12 months from 31 December 2023, which are not recognised in the balance sheet (short-term lease cf. IFRS 16). The rent obligation amounts to DKK 1.117 thousand as of 31 December 2023.

ACCOUNTING POLICIES

The Annual Report of Kingspan Insulation ApS for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles used last year.

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 rates 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, payables and other monetary items denominated in foreign currencies are translated at the exchange rates 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 latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currency are measured at the exchange rate at the transaction date.

INCOME STATEMENT

Net revenue
The company has chosen to use IFRS 15 to interpret the provisions of the Danish Financial Statements Act for the recognition of revenue.

The Company's sales agreements are broken down into individually identifiable performance liabilities that are recognised and measured separately at fair value. Where a sales agreement includes several performance obligations, the total sales value of the sales agreement shall be allocated proportionately to the agreement’s delivery obligations. Revenue is recognised at one point of time when control over each identifiable performance obligation passes to the customer.

The revenue recognised is measured at the fair value of the agreed consideration excluding VAT and taxes collected on behalf of third parties. All kinds of discounts given are recognised in revenue.

The part of the total remuneration that is variable, for example in the form of discounts, bonus payments, etc., is first included in turnover, where it is reasonably certain that there will be no reversal thereof in subsequent periods, for example as consequence of lack of goal achievement, etc.

Sales of goods for resale are recognised in turnover when control over each identifiable performance obligation in the sales agreement passes to the customer, which, according to the terms of sale, occurs at the time of delivery.

The terms of payment in the Company's sales agreements with customers depend on the underlying delivery obligation and on the the underlying customer relationship. For the sale of goods where control is transferred at one specific time, the terms of payment will typically be running month + 1-3 months. The Company does not enter into sales agreements where the credit period exceeds 12 months, which is why the Company does not adjust the agreed contract price with a financing element.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year.

ACCOUNTING POLICIES

Other external expenses
Other external expenses include expenses relating to the Company's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the company’s employees. Repayments from public authorities are deducted from staff costs.

Financial income and expenses
Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

Tax
The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

BALANCE SHEET

Tangible fixed assets
Other plants, machinery, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Other plant, machinery, fixtures, tools and equipment	3-5 years	0 DKK

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

ACCOUNTING POLICIES

Lease contracts
The company has chosen to use IFRS 16 to interpret the provisions of the Danish Financial Statements Act for the recognition of leases.

A lease asset and a lease liability are recognised in the balance sheet when, under a lease agreement entered into, the Company is in respect of a specifically identifiable asset is made available to the lease asset during the lease term and when the Company acquires entitlement to virtually all the economic benefits from the use of the identified asset and the right to decide over the use of the identified asset.

Lease liabilities are measured at initial recognition at the present value of future lease payments discounted by the Company's alternative loan rate. The following lease payments are recognised as partof the lease payment:

- Fixed payments
- Variable payments that change with changes in an index or interest rate, based on that index or interest rate
- Payments subject to an extension option that the Company is reasonably likely to expect to exercise
- The exercise price of purchase options that the Company is reasonably likely to expect to exercise
- Penalties related to a termination option, unless the Company is reasonably unlikely to expect to exercise the option

The lease liability is measured at amortised cost under the effective interest method. The lease liability is recalculated when there are changes in the underlying contractual cash flows from:

- Changes in an index or interest rate
- If there are changes in the Company's estimate or residual value guarantee
- If the Company changes its assessment of whether a purchase, extension or termination option is reasonably likely to be expected utilised.

The lease asset is measured at initial recognition at cost, which corresponds to the value of the lease liability adjusted for prepaid lease payments plus direct related costs and estimated demolition, refurbishment costs or similar and deducted from discounts received or other types of incentive payments from the lessor.

Subsequently, the asset is measured at cost less accumulated depreciation and amortisation. The lease asset is depreciated over the shortest of the lease term and the useful life of the lease asset. The depreciation is recognised linearly in the income statement.

The lease asset is adjusted for changes in the lease liability as a result of changes in the terms of the lease agreement or changes in the cash flows of the contract in line with changes in an index or interest rate.

Lease assets are depreciated on a straight line basis over the expected rental period that constitutes:

- Cars: 3-5 years
- Buildings: 2-3 years

The Company presents the lease asset and lease liability separately in the balance sheet.

The Company has chosen not to recognise low-value lease assets and short-term leases in the balance sheet. Instead lease payments relating to those leases are recognised in a straight-line profit and loss account

ACCOUNTING POLICIES

Impairment of fixed assets
The carrying amount of tangible assets are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists

Inventories
Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, the inventories are written down to the lower value.

Finished goods and goods for resale, raw materials and consumables are measured at cost, comprising purchase price plus delivery costs and other costs directly related to the purchase.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

The Company has chosen to use IFRS 9 for interpretation for write-downs of financial assets measured at amortised cost.

Receivables
The Company has chosen to use IFRS 9 for interpretation for write-downs of financial assets measured at amortised cost.

Receivables are measured at amortised cost. Write-downs to counter losses are made after the simplified expected credit loss model, according to which the total loss is immediately recognised in the income statement at the same time as the receivable is recorded in the balance sheet on the basis of the expected loss in the total life of the receivable. The revenue transfer of interest on written-down receivables are calculated on the written down value with the effective interest rate for each receivable.

The financial asset is monitored on an ongoing basis in accordance with the Company's risk management until realisation. The write-down is calculated out from the expected loss rate, which is calculated for financial assets by geographical location. The loss rate is calculated on the basis of historical data corrected for estimates of the impact of expected changes in relevant parameters, such as the economic development of the market concerned.

ACCOUNTING POLICIES

For other loans and receivables, including receivables from affiliates, the general expected credit loss model is used. Under this model, write-downs are made according to an expectation-based model, which involves a financial asset being written down by an amount equal to the expected credit loss for 12 months at the time of initial withdrawal. If there is subsequently a significant increase in credit risk compared to the time of initial recognition, the asset is written down by an amount equal to the expected credit loss in the asset's remaining maturity. If the asset is found to be depreciated, the asset is written down by an amount equal to the expected credit loss in the remaining maturity of the asset, and interest income is recognised in the profit and loss account according to the method of the effective interest rate in relation to the amount written down.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Receivables for which there are no objective indication of impairment at individual level are assessed at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' registered office and credit rating in accordance with the Company's policy for credit risk management. The objective indicators, which are applied for portfolios, are determined based on the historical loss experiences.

Write-off is determined as the difference between the carrying amount of receivables and the present value of the expected cash flows, including realisable value of any received collaterals. The effective interest rate is used as discount rate for the single receivable or portfolio.

Prepayments
Prepayments comprise prepaid costs concerning subsequent financial years.

Cash and cash equivalents
Cash and cash equivalents comprise cash and deposits at banks.

Considering the nature of the scheme, account balances relating to the Group's cash pool scheme are not considered cash and cash equivalents, but are included in the financial statement item receivables from group entities.

Tax payable and deferred tax
Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

The Company is subject to joint taxation with Danish group companies. The current corporation tax is distributed among the joint taxable companies in proportion to their taxable income and with full allocation and refund related to tax losses. The joint taxable companies are included in the on account tax scheme. Joint taxation contributions receivable and payable are recognised in the Balance Sheet under current assets and liabilities, respectively.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

ACCOUNTING POLICIES

Liabilities
The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Amortised cost of current liabilities usually corresponds to nominal value.

Other liabilities are measured at net realisable value