



CHRISTENSEN
KJÆRULFF

PERSONLIGT ENGAGEMENT

STATSAUTORISERET
REVISIONSAKTIESELSKAB

CVR: 15 91 56 41

TLF: 33 30 15 15

ØSTBANEGADE 123
2100 KØBENHAVN Ø

E-MAIL: CK@CK.DK
WEB: WWW.CK.DK

Customized Compound Solutions A/S

Søholm Park 1, 2900 Hellerup

Company reg. no. 36 73 27 76

Annual report

1 May 2022 - 30 April 2023

The annual report has been submitted and approved by the general meeting on the 22 September 2023.

Peter Adser
Chairman of the meeting



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Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.



Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Customized Compound Solutions A/S for the financial year 1 May 2022 - 30 April 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 30 April 2023 and of the results of the Company's operations for the financial year 1 May 2022 – 30 April 2023.

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

We recommend that the annual report be approved at the Annual General Meeting.

Hellerup, 21 September 2023

Managing Director

Svend Christian Rimestad

Board of directors

Claus Adser
Chairman

Lars Rønsholt

Kevin Barthomeuf

Svend Christian Rimestad



Independent auditor's report on extended review

To the Shareholders of Customized Compound Solutions A/S

Opinion

We have performed an extended review of the financial statements of Customized Compound Solutions A/S for the financial year 1 May 2022 - 30 April 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

Based on the work performed, in our opinion, the financial statements give a true and fair view of the Company's financial position at 30 April 2023 and of the results of the Company's operations for the financial year 1 May 2022 - 30 April 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review 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 (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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 extended review of the Financial Statements

Our responsibility is to express an opinion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our opinion on the financial statements and in addition perform specifically required supplementary procedures to obtain further assurance for our opinion.



Independent auditor's report on extended review

An extended review comprises procedures that primarily consist of making inquiries of Management and others within the Company, as appropriate, analytical procedures and the specifically required supplementary procedures as well as evaluation of the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on the financial statements.

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 opinion thereon.

In connection with our extended review 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 extended review, 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 in the Management's Review.

Copenhagen, 21 September 2023

Christensen Kjarulff

Company reg. no. 15 91 56 41



John Mikkelsen
State Authorised Public Accountant
mne26748



Company information

The company

Customized Compound Solutions A/S
Søholm Park 1
2900 Hellerup

Company reg. no. 36 73 27 76
Established: 4 May 2015
Domicile: Gentofte
Financial year: 1 May - 30 April

Board of directors

Claus Adser, Chairman
Kevin Barthomeuf
Svend Christian Rimestad
Lars Rønholt

Managing Director

Svend Christian Rimestad

Auditors

Christensen Kjørulff
Statsautoriseret Revisionsaktieselskab
Østbanegade 123
2100 København Ø



Management's review

Description of key activities of the company

Like previous years, the principal activities are production and development of compounds for primary plastics industry and its sub-groups of special industries.

The products are primarily customized compound solutions, developed in partnership with R & D laboratories and large companies or through license agreements.

Development in activities and financial matters

The gross profit for the year totals DKK 1.735.255 against DKK 1.937.116 last year. Income or loss from ordinary activities after tax totals DKK 1.064.493 against DKK 1.453.391 last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date which would have material impact on the financial position of the company



Income statement 1 May - 30 April

All amounts in DKK.

<u>Note</u>	<u>2022/23</u>	<u>2021/22</u>
Gross profit	<u>1.735.255</u>	<u>1.937.116</u>
Depreciation, amortisation, and impairment	-95.661	-71.356
Other operating costs	<u>-33.558</u>	<u>0</u>
Operating profit	<u>1.606.036</u>	<u>1.865.760</u>
1 Other financial expenses	<u>-241.298</u>	<u>-60.204</u>
Pre-tax net profit or loss	<u>1.364.738</u>	<u>1.805.556</u>
2 Tax on net profit or loss for the year	<u>-300.245</u>	<u>-352.165</u>
Net profit or loss for the year	<u>1.064.493</u>	<u>1.453.391</u>
Proposed distribution of net profit:		
Transferred to retained earnings	<u>1.064.493</u>	<u>1.453.391</u>
Total allocations and transfers	<u>1.064.493</u>	<u>1.453.391</u>



Balance sheet at 30 April

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Assets		
Non-current assets		
3 Acquired concessions, patents, licenses, trademarks, and similar rights	506.975	530.536
4 Goodwill	42.218	52.772
Total intangible assets	<u>549.193</u>	<u>583.308</u>
5 Plant and machinery	105.916	217.349
6 Other fixtures, fittings, tools and equipment	20.949	26.185
Total property, plant, and equipment	<u>126.865</u>	<u>243.534</u>
7 Other financial investments	1.483.680	1.483.680
Total investments	<u>1.483.680</u>	<u>1.483.680</u>
Total non-current assets	<u>2.159.738</u>	<u>2.310.522</u>
Current assets		
Raw materials and consumables	7.482.978	11.835.891
Total inventories	<u>7.482.978</u>	<u>11.835.891</u>
Trade receivables	231.423	1.738.543
Receivables from group enterprises	4.152.624	1.599.130
Other receivables	0	456.359
Total receivables	<u>4.384.047</u>	<u>3.794.032</u>
Total current assets	<u>11.867.025</u>	<u>15.629.923</u>
Total assets	<u>14.026.763</u>	<u>17.940.445</u>



Balance sheet at 30 April

All amounts in DKK.

Equity and liabilities		
Note	2023	2022
Equity		
Contributed capital	1.000.000	1.000.000
Results brought forward	5.341.392	4.276.899
Total equity	6.341.392	5.276.899
Provisions		
Provisions for deferred tax	62.598	84.675
Total provisions	62.598	84.675
Liabilities other than provisions		
Payables to group enterprises	0	800.716
Total long term liabilities other than provisions	0	800.716
Bank loans	5.152.838	6.803.527
Trade payables	1.052.818	2.155.969
Payables to group enterprises	532.827	1.886.784
Income tax payable	0	18.855
Payable tax to group enterprise	335.655	402.028
Other payables	548.635	510.992
Total short term liabilities other than provisions	7.622.773	11.778.155
Total liabilities other than provisions	7.622.773	12.578.871
Total equity and liabilities	14.026.763	17.940.445

8 Contingencies



Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 May 2021	1.000.000	2.823.508	3.823.508
Share of results	<u>0</u>	<u>1.453.391</u>	<u>1.453.391</u>
Equity 1 May 2021	1.000.000	4.276.899	5.276.899
Share of results	<u>0</u>	<u>1.064.493</u>	<u>1.064.493</u>
	<u>1.000.000</u>	<u>5.341.392</u>	<u>6.341.392</u>



Notes

All amounts in DKK.

	<u>2022/23</u>	<u>2021/22</u>
1. Other financial expenses		
Financial costs, group enterprises	7.277	12.412
Other financial costs	<u>234.021</u>	<u>47.792</u>
	<u>241.298</u>	<u>60.204</u>
2. Tax on net profit or loss for the year		
Tax of the results for the year, parent company	322.322	402.028
Adjustment for the year of deferred tax	<u>-22.077</u>	<u>-49.863</u>
	<u>300.245</u>	<u>352.165</u>
3. Acquired concessions, patents, licenses, trademarks, and similar rights		
Cost 1 May 2022	548.105	495.009
Additions during the year	<u>32.511</u>	<u>53.096</u>
Cost 30 April 2023	<u>580.616</u>	<u>548.105</u>
Amortisation and write-down 1 May 2022	-17.569	0
Amortisation for the year	<u>-56.072</u>	<u>-17.569</u>
Amortisation and write-down 30 April 2023	<u>-73.641</u>	<u>-17.569</u>
Carrying amount, 30 April 2023	<u>506.975</u>	<u>530.536</u>
4. Goodwill		
Cost 1 May 2022	<u>73.880</u>	<u>73.880</u>
Cost 30 April 2023	<u>73.880</u>	<u>73.880</u>
Amortisation and write-down 1 May 2022	-21.108	-10.554
Amortisation for the year	<u>-10.554</u>	<u>-10.554</u>
Amortisation and write-down 30 April 2023	<u>-31.662</u>	<u>-21.108</u>
Carrying amount, 30 April 2023	<u>42.218</u>	<u>52.772</u>



Notes

All amounts in DKK.

	<u>30/4 2023</u>	<u>30/4 2022</u>
5. Plant and machinery		
Cost 1 May 2022	371.186	371.186
Disposals during the year	<u>-214.466</u>	<u>0</u>
Cost 30 April 2023	<u>156.720</u>	<u>371.186</u>
Depreciation and write-down 1 May 2022	-153.837	-115.841
Depreciation for the year	<u>-23.797</u>	<u>-37.996</u>
Depreciation, amortisation and writedown for the year, assets disposed of	<u>126.830</u>	<u>0</u>
Depreciation and write-down 30 April 2023	<u>-50.804</u>	<u>-153.837</u>
Carrying amount, 30 April 2023	<u>105.916</u>	<u>217.349</u>
6. Other fixtures, fittings, tools and equipment		
Cost 1 May 2022	52.076	0
Additions during the year	<u>0</u>	<u>52.076</u>
Cost 30 April 2023	<u>52.076</u>	<u>52.076</u>
Depreciation and write-down 1 May 2022	-25.891	-20.654
Depreciation for the year	<u>-5.236</u>	<u>-5.237</u>
Depreciation and write-down 30 April 2023	<u>-31.127</u>	<u>-25.891</u>
Carrying amount, 30 April 2023	<u>20.949</u>	<u>26.185</u>
7. Other financial investments		
Cost 1 May 2022	1.483.680	0
Additions during the year	<u>0</u>	<u>1.483.680</u>
Cost 30 April 2023	<u>1.483.680</u>	<u>1.483.680</u>
Carrying amount, 30 April 2023	<u>1.483.680</u>	<u>1.483.680</u>



Notes

All amounts in DKK.

8. Contingencies

Joint taxation

With Adserbi A/S, company reg. no 87802310 as administration company, the company is subject to the Danish scheme of joint taxation and is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligations to withhold tax on interest, royalties, and dividends of the jointly taxed companies.

The liabilities amount to a maximum amount corresponding to the share of the company capital, which is owned directly or indirectly by the ultimate parent company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.



Accounting policies

The annual report for Customized Compound Solutions A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, write-downs for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.



Accounting policies

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Depreciation, amortisation, and write-down for impairment

Depreciation, amortisation, and write-down for impairment comprise depreciation on, amortisation of, and write-down for impairment of intangible and tangible assets, respectively.

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.



Accounting policies

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Patents and licenses are measured at cost less accrued amortisation. Patents are amortised on a straightline basis over the remaining patent period and licenses are amortised over the contract period, however, for a maximum of 10 years.

Profit and loss from the sale of development projects, patents, and licenses are measured as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Goodwill

Acquired goodwill is measured at cost less accumulated amortisation. Given that it is impossible to make a reliable estimate of the useful life, the amortisation period is set at 7 years.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life:

	Useful life
Plant and machinery	5-10 years



Accounting policies

Other fixtures and fittings, tools and equipment 3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

As regards self-constructed assets, the cost comprises direct costs for materials, components, deliveries from subsuppliers, payroll costs, and borrowing costs from specific and general borrowing concerning the construction of each individual asset.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Other financial instruments

Financial instruments recognised under non-current assets comprise listed bonds and shares measured at fair value on the reporting date. Listed financial instruments are measured at market price.

Other unlisted financial instruments are measured at cost. Write-down for impairment is done to the recoverable amount if this value is lower than the carrying amount.



Accounting policies

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

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

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Customized Compound Solutions A/S is proportionally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.



Accounting policies

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.