

Borealis Denmark ApS

Stockholmsgade 45, 2100 København Ø

Company reg. no. 39 97 69 51

Annual report

25 October 2018 - 31 December 2019

The annual report was submitted and approved by the general meeting on the 17 February 2020.

Jan Roed
Chairman of the meeting

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Notes:

- To ensure the greatest possible applicability of this document, British 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 report

The managing director has today presented the annual report of Borealis Denmark ApS for the financial year 25 October 2018 to 31 December 2019.

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

I consider the accounting policies used appropriate, and in my opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position at 31 December 2019 and of the company's results of its activities in the financial year 25 October 2018 to 31 December 2019.

The managing director considers the requirements of omission of audit of the annual accounts for 2018/19 as met.

I am of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

København Ø, 17 February 2020

Managing Director

Jan Roed

Auditor's report on compilation of the annual accounts

To the shareholders of Borealis Denmark ApS

We have compiled the annual accounts of Borealis Denmark ApS for the period 25 October 2018 to 31 December 2019 based on the bookkeeping of the company and on further information you have provided.

The annual accounts comprise the accounting policies used, profit and loss account, balance sheet, statement of changes in equity and notes.

We performed this engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the annual accounts in accordance with the Danish Financial Statements Act. We have complied with relevant requirements of the Danish Act on Approved Auditors and Audit Firms and with ethical requirements of the Danish Institute of State Authorised Public Accountants, including principles of integrity, objectivity, professional competence and due care.

The annual accounts and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile the annual accounts. Accordingly, we do not express an audit opinion or a review conclusion on whether the annual accounts are prepared in accordance with the Danish Financial Statements Act.

Copenhagen, 17 February 2020

Grant Thornton

State Authorised Public Accountants
Company reg. no. 34 20 99 36

Michael Beuchert

State Authorised Public Accountant
mne32794

Company data

The company

Borealis Denmark ApS
Stockholmsgade 45
2100 København Ø

Company reg. no. 39 97 69 51
Established: 25 October 2018
Domicile: Copenhagen
Financial year: 25 October - 31 December

Managing Director

Jan Roed

Management's review

The principal activities of the company

The principal activities are manufacturing and selling organic chemicals.

Events subsequent to the financial year

No events have occurred subsequent to the financial year.

Accounting policies used

The annual report for Borealis Denmark ApS is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises. Furthermore, the company has chosen to comply with some of the rules applying for class C enterprises.

The annual accounts are presented in Danish kroner (DKK). The annual report comprises the first financial year, and consequently, comparative figures are not included.

The profit and loss account

Gross profit

The gross profit comprises the net turnover and external costs.

The net turnover comprises the value of services provided during the year, including outlay for customers less VAT and price reductions directly associated with the sale.

The turnover is recognised in the profit and loss account when the sale has been completed. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- There is a binding sales agreement
- The sales price has been determined
- The payment has been received, or it can with reasonable assurance be expected to be received.

Other external costs comprise costs for sales, administration, and operational leasing costs.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Net financials

Net financials comprise interest and credit charges. Financial income and expenses are recognised in the profit and loss account with the amounts that concerns the financial year.

Interest and other costs concerning loans for financing the production of intangible and tangible fixed assets and concerning the production period are not recognised in the cost of the fixed asset.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

Accounting policies used

The balance sheet

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Corporate tax and deferred tax

Current tax receivable and tax 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 previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax assets, including the tax value of tax losses eligible for carry-over, 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.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax.

Liabilities

Other liabilities are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account

All amounts in DKK.

<u>Note</u>	25/10 2018 - 31/12 2019
Gross profit	4.611.816
1 Staff costs	-4.300.150
Operating profit	311.666
Other financial costs	-39.694
Results before tax	271.972
Tax on ordinary results	-59.818
Results for the year	212.154
 Proposed distribution of the results:	
Allocated to results brought forward	212.154
Distribution in total	212.154

Balance sheet

All amounts in DKK.

<u>Note</u>	<u>31/12 2019</u>
Assets	
Current assets	
Prepayments for goods	3.485
Inventories in total	<u>3.485</u>
Amounts owed by group enterprises	1.243.275
Other debtors	<u>48.058</u>
Debtors in total	<u>1.291.333</u>
Current assets in total	<u>1.294.818</u>
Assets in total	<u>1.294.818</u>
Equity and liabilities	
Equity	
Contributed capital	223.813
Results brought forward	<u>212.154</u>
Equity in total	<u>435.967</u>
Liabilities	
Corporate tax	59.818
Other debts	<u>799.033</u>
Short-term liabilities in total	<u>858.851</u>
Liabilities in total	<u>858.851</u>
Equity and liabilities in total	<u>1.294.818</u>

2 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Results brought forward</u>	<u>In total</u>
Equity 25 October 2018	223.813	0	223.813
Profit or loss for the year brought forward	<u>0</u>	<u>212.154</u>	<u>212.154</u>
	<u>223.813</u>	<u>212.154</u>	<u>435.967</u>

Notes

All amounts in DKK.

	25/10 2018 - 31/12 2019
1. Staff costs	
Salaries and wages	4.085.925
Pension costs	209.756
Other costs for social security	4.469
	<u>4.300.150</u>
 Average number of employees	 <u>2</u>
2. Contingencies	
Contingent liabilities	
	DKK in thousands
Contingent liabilities in total	<u>396</u>