

Borealis Denmark ApS

Stockholmsgade 45, 2100 København Ø

Company reg. no. 39 97 69 51

Annual report

1 January - 31 December 2020

The annual report was submitted and approved by the general meeting on the 22 February 2021.

Jan Roed
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 report

The managing director has today presented the annual report of Borealis Denmark ApS for the financial year 1 January to 31 December 2020.

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 2020 and of the company's results of its activities in the financial year 1 January to 31 December 2020.

The managing director considers the requirements of omission of audit of the annual accounts for 2020 as met.

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

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

København Ø, 22 February 2021

Managing Director



Jan Roed

Auditor's report on compilation of the annual accounts

To the shareholders of Borealis Denmark ApS

We have compiled the financial statements of Borealis Denmark ApS for the financial year 1 January - 31 December 2020 based on the company's bookkeeping and on further information provided by you.

The financial statements comprise the accounting policies, income statement, statement of financial position, statement of changes in equity and notes.

We performed this engagement in accordance with the international standard ISRS 4410 applying to compilation engagements.

We have applied our professional expertise to assist you in the preparation and presentation of the financial statements 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 financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

As 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 in order to compile the financial statements. Accordingly, we express neither an audit opinion nor a review opinion as to whether the financial statements have been compiled in accordance with the Danish Financial Statements Act.

Copenhagen, 22 February 2021

Grant Thornton

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



Michael Beuchert

State Authorised Public Accountant
mne32794

Company information

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: 1 January - 31 December

Managing Director

Jan Roed

Management commentary

The principal activities of the company

The principal activities are manufacturing and selling organic chemicals.

Development in activities and financial matters

The gross profit for the year is DKK 5,004,391 against DKK 4,611,816 last year. The results from ordinary activities after tax are DKK 186,019 against DKK 212,154 last year. The management consider the results satisfactory.

Events subsequent to the financial year

No events have occurred subsequent to the financial year.

Accounting policies

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.

Income statement

Gross profit

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

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue comprises the value of services provided during the year, including outlay for customers less VAT and price concessions directly associated with the sale.

Revenue is recognised in the income statement on the completion of sales. This is generally considered to be the case when:

- The service has been provided before the end of the financial year
- A binding sales agreement exists
- The sales price has been determined
- Payment has been received, or is anticipated with a reasonable degree of certainty.

This ensures that recognition does not take place until the total income and costs and stage of completion at the reporting date can be reliably validated and it seems probable that the economic benefits, including payments, will flow to the enterprise.

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.

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.

Accounting policies

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.

The balance sheet

Receivables

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

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.

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.

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

Liabilities other than provisions relating to investment properties are measured at amortised cost.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Gross profit	5.004.391	4.611.816
1 Staff costs	-4.751.154	-4.300.150
Operating profit	253.237	311.666
Other financial costs	-13.692	-39.694
Pre-tax net profit or loss	239.545	271.972
Tax on ordinary results	-53.526	-59.818
Net profit or loss for the year	186.019	212.154
Proposed appropriation of net profit:		
Transferred to retained earnings	186.019	212.154
Total allocations and transfers	186.019	212.154

Statement of financial position at 31 December

All amounts in DKK.

<u>Note</u>	<u>2020</u>	<u>2019</u>
Assets		
Current assets		
Prepayments for goods	0	3.485
Total inventories	0	3.485
Amounts owed by group enterprises	2.515.174	1.243.275
Other debtors	9.109	48.058
Total receivables	2.524.283	1.291.333
Total current assets	2.524.283	1.294.818
Total assets	2.524.283	1.294.818
Equity and liabilities		
Equity		
Contributed capital	223.813	223.813
Results brought forward	398.173	212.154
Total equity	621.986	435.967
Liabilities other than provisions		
Corporate tax	53.526	59.818
Other debts	1.848.771	799.033
Total short term liabilities other than provisions	1.902.297	858.851
Total liabilities other than provisions	1.902.297	858.851
Total equity and liabilities	2.524.283	1.294.818

2 Contingencies

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2020	223.813	212.154	435.967
Profit or loss for the year brought forward	<u>0</u>	<u>186.019</u>	<u>186.019</u>
	<u>223.813</u>	<u>398.173</u>	<u>621.986</u>

Notes

All amounts in DKK.

	<u>2020</u>	<u>2019</u>
1. Staff costs		
Salaries and wages	4.643.020	4.085.925
Pension costs	100.057	209.756
Other costs for social security	<u>8.077</u>	<u>4.469</u>
	<u>4.751.154</u>	<u>4.300.150</u>
Average number of employees	<u>2</u>	<u>2</u>

2. Contingencies

Contingent liabilities

Leasing liabilities

The company has entered into operational leasing contracts with an average annual leasing payment of DKK 215,105. The leasing contracts have 16-37 months left to run, and the total outstanding leasing payment is DKK 457,342.