FC DST ApS

Merkurvej 27B, 6000 Kolding

Annual report

2021/22

Company reg. no. 42 76 81 03

The annual report was submitted and approved by the general meeting on the 10 January 2023.

Jacob Funk
Chairman of the meeting

Notes to users of the English version of this document:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points remain unchanged from Danish version of the document. This means that DKK 146.940 corresponds to the English amount of DKK 146,940, and that 23,5 % corresponds to 23.5 %.

Contents

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of FC DST ApS for the financial year 2021/22.

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 September 2022 and of the results of the Company's operations for the financial year 11 October 2021 – 30 September 2022.

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.

Kolding, 10 January 2023

Managing Director

Jacob Funk

Board of directors

Arent Alexander Fock Chairman of the Board	Martin Løhde Jacobsen	Jacob Funk

Ruben Dankaart

Independent auditor's report

To the Shareholders of FC DST ApS

Opinion

We have audited the financial statements of FC DST ApS for the financial year 11 October 2021 - 30 September 2022, which comprise a summary of significant accounting policies, income statement, balance sheet and notes, for the Company. The financial statements are prepared under 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 30 September 2022, and of the results of the Company's operations for the financial year 11 October 2021 - 30 September 2022 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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 audit 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 Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about 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 the 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 these financial statements.

Independent auditor's report

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

- 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 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 Management’s Review
Management is responsible for Management’s Review.

Our opinion on the financial statements does not cover Management’s Review, and we do not express any form of assurance conclusion thereon.

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Kolding, 10 January 2023

Martinsen
State Authorised Public Accountants
Company reg. no. 32 28 52 01

Jørn Dam Jensen
State Authorised Public Accountant
mne33686

Company information

The company	FC DST ApS Merkurvej 27B 6000 Kolding	
	Company reg. no.	42 76 81 03
	Domicile:	Kolding, Denmark
	Financial year:	11 October 2021 - 30 September 2022 1st financial year
Board of directors	Arent Alexander Fock, Chairman of the Board Martin Løhde Jacobsen Jacob Funk Ruben Dankaart	
Managing Director	Jacob Funk	
Auditors	Martinsen Statsautoriseret Revisionspartnerselskab Jupitervej 4 6000 Kolding	
Parent company	FC DST Holding ApS	
Subsidiary	DST-Chemicals A/S, Kolding	

Management´s review

The principal activities of the company

The activities are to acquire, own and dispose of unlisted and listed shares and any other related activity.

Development in activities and financial matters

The gross loss for the year totals DKK -4.653.000. Loss from ordinary activities after tax totals DKK -8.452.000. The loss of the first year relates to investments made during the year. Management considers the net loss for the first year as expected.

Accounting policies

The annual report for FC DST ApS 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 annual report is presented in DKK. The annual report comprises the first financial year and hence comparative figures are not available.

No consolidated financial statements have been prepared pursuant to section 112 (1) of the Danish Financial Statements Act. The financial statements of FC DST ApS and its group enterprises are included in the consolidated financial statements for FC DST Holding ApS, Kolding, CVR nr. 42 76 78 24.

Business combinations

Acquisitions completed by the 1 July 2018 or later (method of consolidation)

Acquisition of group enterprises are dealt with in accordance with the acquisition method, and afterwards the assets and liabilities of the acquired entity are measured at fair value at the date of acquisition. If it is possible to measure the value reliably, acquired contingent liabilities are measured at fair value under the item Equity investments in group enterprises.

The date of acquisition is the date when control of the acquired entity is obtained.

The cost of the acquired entity represents the fair value of the consideration agreed upon, including the considerations that are conditional on future events. Transaction costs directly attributable to the acquisition of group enterprises are recognised in the income statement as incurred.

Positive differences between the cost of the acquired entity and the identified assets and liabilities are recognised in the equity investment as goodwill, which is amortised on a straight-line basis in the income statement over the expected useful life. Amortisation of goodwill is allocated to the functions to which the goodwill relates. If the difference is negative, this is recognised immediately in the income statement.

If the allocation of the purchase price is not final, positive and negative differences from acquired group enterprises may, as a result of changes in recognition and measurement of the identified net assets, be adjusted up to 12 months from the date of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including depreciation already made.

If the cost includes contingent considerations, these are measured at fair value at the date of acquisition. Subsequently, contingent considerations at fair value are measured again. Value adjustments are recognised in the income statement.

In case of step-by-step acquisitions, the value of the hitherto equity holding in the acquired entity is measured again at the fair value at the date of acquisition. The difference between the carrying amount of the hitherto equity investment and the fair value is recognised in the income statement.

Business combinations (the carrying amount method)

Accounting policies

In case of intercompany business combinations, the carrying amount method is applied. By this method, the two enterprises are united at carrying amounts, and differences are not identified. Any considerations exceeding the carrying amount in the acquired entity are recognised directly in equity.

The carrying amount method is implemented on the acquisition date, and comparative figures are not modified.

Income statement

Gross loss

Gross loss comprises the external costs.

Other external expenses comprise expenses incurred for administration.

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, transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Results from investments in subsidiaries

After full elimination of intercompany profit or loss less amortised consolidated goodwill, the investment in the individual subsidiaries are recognised in the income statement as a proportional share of the subsidiaries' post-tax profit or loss.

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.

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

Impairment loss relating to non-current assets

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

Accounting policies

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown 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

Investments in subsidiaries

Investments in subsidiaries are recognised and measured by applying the equity method. The equity method is used as a method of consolidation.

Investments in subsidiaries are recognised in the statement of financial position at the proportionate share of the enterprise's equity value. This value is calculated in accordance with the parent's accounting policies with deductions or additions of unrealised intercompany gains and losses as well as with additions or deductions of the remaining value of positive or negative goodwill calculated in accordance with the acquisition method. Negative goodwill is recognised in the income statement at the time of acquisition of the equity investment. If the negative goodwill relates to contingent liabilities acquired, negative goodwill is not recognised until the contingent liabilities have been settled or lapsed.

Consolidated goodwill is amortised over its estimated useful life, which is determined on the basis of the management's experience with the individual business areas. Consolidated goodwill is amortised on a straight-line basis over the amortisation period, which represent 15 years. The depreciation period is determined on the basis of an assessment that these are strategically acquired enterpriseswith a strong market position and a long-term earnings profile.

In relation to material assets and liabilities recognised in subsidiaries but are not represented in the parent, the following accounting policies have been applied.

Development costs:

- Clearly defined and identifiable development projects are recognised as intangible assets provided that they are proven to be technically practicable, that sufficient resources and a potential market or development opportunity exist, and insofar as the intention is to produce, market or utilise the project. It is, however, a condition that the cost can be reliably calculated and that a sufficiently high degree of certainty indicates that future earnings will cover the costs of production, sales, and administration. The development projects are amortised on a straight-line basis over their expected useful life.

Accounting policies

- Other development costs are recognised in the income statement concurrently with their realisation.

Property, plant, and equipment:

- Property is measured at cost plus revaluations and less accrued depreciation and writedown for impairment. Land is not subject to depreciation.

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.

Receivables:

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

Liabilities other than provisions:

- Liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Investments in subsidiaries with a negative equity value are measured at DKK 0, and any accounts receivable from these enterprises are written down to the extent that the account receivable is uncollectible. To the extent that the parent has a legal or constructive obligation to cover an negative balance that exceeds the account receivable, the remaining amount is recognised under provisions.

To the extent the equity exceeds the cost, the net revaluation of equity investments in subsidiaries transferred to the reserve under equity for net revaluation according to the equity method. Dividends from subsidiaries expected to be adopted before the approval of this annual report are not subject to a limitation of the revaluation reserve. The reserve is adjusted by other equity movements in subsidiaries.

Newly acquired or newly established companies are recognised in the financial statement as of the time of acquisition. Sold or liquidated companies are recognised until the date of disposal.

On the acquisition of enterprises, the acquisition method, the uniting-of-interests method or the book value method is applied, cf. the above description under Business combinations.

Receivables

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

Accounting policies

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

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.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank.

Equity

Share premium

Share premium comprises premium payments made in connection with the issue of shares. Costs incurred for carrying through an issue are deducted from the premium.

The premium reserve can be used for dividend, for issuing bonus shares, and for covering losses.

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 ”Income tax receivable” or “Income tax payable”.

Accounting policies

According to the rules of joint taxation, FC DST ApS is unlimitedly, jointly, and severally 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.

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

Mortgage loans and bank loans are thus measured at amortised cost which, for cash loans, corresponds to the outstanding payables. For bond loans, the amortised cost corresponds to an outstanding payable calculated as the underlying cash value at the date of borrowing, adjusted by amortisation of the market value on the date of the borrowing effectuated over the repayment period.

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

Income statement

All amounts in DKK.

Note		11/10 2021 - 30/9 2022
	Gross profit	**-4.652.787**
	Income from investments in subsidiaries	-235.578
1	Other financial expenses	-4.576.905
	Pre-tax net profit or loss	**-9.465.270**
	Tax on net profit or loss for the year	1.012.782
	Net profit or loss for the year	**-8.452.488**
	Proposed appropriation of net profit:	
	Allocated from retained earnings	-8.452.488
	Total allocations and transfers	**-8.452.488**

Balance sheet

All amounts in DKK.

Note	Assets	30/9 2022	11/10 2021
	Non-current assets		
2	Investments in subsidiaries	237.593.340	0
	Total investments	237.593.340	0
	Total non-current assets	**237.593.340**	**0**
	Current assets		
	Receivables from subsidiaries	2.296.563	0
	Tax receivables from subsidiaries	1.012.782	0
	Total receivables	3.309.345	0
	Cash and cash equivalents	14.889	40.000
	Total current assets	**3.324.234**	**40.000**
	Total assets	**240.917.574**	**40.000**

Balance sheet

All amounts in DKK.

Note	Equity and liabilities	30/9 2022	11/10 2021
	Equity		
3	Contributed capital	41.000	40.000
4	Share premium	98.459.000	0
5	Retained earnings	-7.974.239	0
	Total equity	**90.525.761**	**40.000**
	Liabilities other than provisions		
	Bank loans	86.763.600	0
	Other payables	51.778.063	0
6	Total long term liabilities other than provisions	138.541.663	0
6	Current portion of long term liabilities	11.831.400	0
	Trade creditors	18.750	0
	Total short term liabilities other than provisions	11.850.150	0
	Total liabilities other than provisions	**150.391.813**	**0**
	Total equity and liabilities	**240.917.574**	**40.000**

7 Charges and security

8 Contingencies

9 Related parties

Notes

All amounts in DKK.

		11/10 2021 - 30/9 2022
1.	**Other financial expenses**	
	Other financial costs	4.576.905
		4.576.905

		30/9 2022	11/10 2021
2.	**Investments in subsidiaries**		
	Additions during the year	242.350.669	0
	Cost end of period	**242.350.669**	**0**
	Results for the year before goodwill amortisation	12.244.329	0
	Dividend	-5.000.000	0
	Translation by use of the exchange rate valid on balance sheet date	478.249	0
	Revaluation end of period	**7.722.578**	**0**
	Amortisation of goodwill for the year	-12.479.907	0
	Depreciation on goodwill end of period	**-12.479.907**	**0**
	Carrying amount, end of period	**237.593.340**	**0**
	The item includes goodwill with an amount of	191.736.719	0
	Goodwill is recognised under the item "Additions during the year" with an amount of	204.216.626	0

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, FC DST ApS
DST-Chemicals A/S, Kolding	100 %	45.856.621	14.411.391	237.593.340
		45.856.621	**14.411.391**	**237.593.340**

Notes

All amounts in DKK.

		30/9 2022	11/10 2021
3.	**Contributed capital**		
	Contributed capital opening balance	40.000	0
	Cash capital increase	1.000	40.000
		41.000	**40.000**
4.	**Share premium**		
	Share premium account for the year	98.459.000	0
		98.459.000	**0**
5.	**Retained earnings**		
	Profit or loss for the year brought forward	-8.452.488	0
	Exchange rate adjustment	478.249	0
		-7.974.239	**0**

6. Long term labilities other than provisions

	Total payables 30 Sep 2022	Current portion of long term payables	Long term payables 30 Sep 2022	Outstanding payables after 5 years
Bank loans	98.595.000	11.831.400	86.763.600	29.578.500
Other payables	51.778.063	0	51.778.063	51.778.063
	150.373.063	**11.831.400**	**138.541.663**	**81.356.563**

7. Charges and security

As collateral for bank loans and bank loans of subsidiary, in total DKK 100.000.000, security has been granted on the shares of the subsidiary with a carrying amount of DKK 237.593.000 at 30 September 2022.

Notes

All amounts in DKK.

8. Contingencies

Contingent liabilities

Recourse guarantee commitments:

The company has guaranteed the bank loans of the group enterprises. On 30 September 2022, the total bank loans of the group enterprises totalled DKK 0.

Joint taxation

With FC DST Holding ApS, company reg. no 42 76 78 24 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

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

9. Related parties

Consolidated financial statements

The company is included in the consolidated financial statements of FC DST Holding ApS, Kolding, Denmark.