

# DuPont Danmark ApS

CVR-nr. 58 15 88 28

Langebrogade 1

1411 København K

## Annual Report for the period 1 January 2016 - 31 December 2016

The Annual Report has been presented and adopted at the Annual General Meeting  
of the Company on <sup>30</sup> May 2017

Chairman: Henrik Fastholm



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## Management's Statement

The Executive Board has today considered and adopted the Annual Report of DuPont Danmark ApS for the period 1 January - 31 December 2016.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

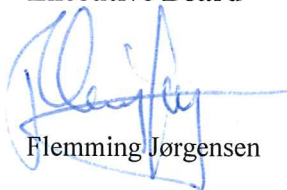
In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2016 of the Company and of the results of the Company operations for the period.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Copenhagen, 30 May 2017

### Executive Board



Flemming Jørgensen



Henrik Fastholm



Lisbeth Sørensen

# **Independent Practitioner's Report on the Financial Statements**

## ***To the shareholder of DuPont Danmark ApS***

We have performed an extended review of the Financial Statements of DuPont Danmark ApS for the financial year 1 January – 31 December 2016, which comprise income statement, balance sheet, and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

### **Management's Responsibility 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.

### **Practitioner's Responsibility**

Our responsibility is to express a conclusion on the Financial Statements. 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 under the Danish Financial Statements Act.

This requires that we comply with the Danish Act on Approved Auditors and Audit Firms and FSR – Danish Auditors' Code of Ethics and that we plan and perform procedures to obtain limited assurance in respect of our conclusion on the Financial Statements and, moreover, that we perform supplementary procedures specifically required to obtain additional assurance in respect of our conclusion.

An extended review consists of making inquiries, primarily of Management and others within the enterprise, as appropriate, and applying analytical procedures and the supplementary procedures specifically required as well as assessing the evidence obtained.

An extended review is less in scope than an audit and, consequently, we do not express an audit opinion on the Financial Statements.

### **Conclusion**

Based on the extended review, in our opinion the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company operations for the financial year 1 January – 31 December 2016 in accordance with the Danish Financial Statements Act.

# Independent Practitioner's Report on the Financial Statements

## 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.

In connection with our extended review 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 extended review, 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 Financials Statements Act.


Based on the work we have performed, in our view, 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 in Management's Review.

Copenhagen, 30 May 2017


### **PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Jesper Hansen  
State Authorised Public Accountant



Jan Wright  
State Authorised Public Accountant

## *Company Information*

### **The Company**

DuPont Danmark ApS  
Langebrogade 1  
DK-1411 København K

Municipality of reg. office: Copenhagen

### **Executive Board**

Flemming Jørgensen  
Henrik Fastholm  
Lisbeth Sørensen

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## **Management's Review**

### **Market overview**

DuPont Danmark ApS is a wholly owned subsidiary of the American DuPont Group and the main activity is reselling of crop protection products, the company also acts as commissioner for Performance Materials, and Electronics & Communications businesses.

The Company has its domicile in Copenhagen.

### **Development in the financial year**

Sales for 2016 were reduced by 1% to 35.4 mDKK, compared to 35.8 mDKK in 2015. Profit before tax increased by 48% from 6.2 mDKK in 2015 to 9.1 mDKK in 2016. Management considers the results as satisfactory.

The business climate for crop protection products continues to be impacted by public concern for the environment resulting in regulations and taxes.

DuPont believes that full evaluation and understanding of the human health and environmental impact of our products is consistent with the company's core values regarding safety and environmental stewardship.

DuPont is committed to making certain that all DuPont products manufactured in or imported into the European Union area are in compliance with the EU's REACH legislation. To that end, DuPont will work closely with its suppliers and customers as we implement the regulations. As a market-driven science company, DuPont has significant scientific and regulatory expertise to focus on market demands for safer and more sustainable products, while driving business growth.

### **Future development**

The company expects unchanged turnover and profit in 2017.

The DuPont Group has announced expected merger with DOW in 2017, and subsequent split by business units into 3 separate companies by 2018, this will also include DuPont Denmark ApS.

### **Capital resources**

The capital resource of the Company is considered to be satisfactory.

## **Accounting Policies**

### **Basis of Preparation**

The Annual Report of DuPont Danmark ApS for 2016 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from previous years.

In accordance with section 110 of the Danish Financial Statements Act no consolidated statement has been prepared.

The Annual Report is presented in DKK thousands.

Danish kroner are used as the measurement currency. All other currencies are regarded as foreign currencies.

### **Recognition and measurement**

All revenues are recognized in the income statement as earned.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report, which confirm or invalidate affairs and conditions existing at the balance sheet date.

### **Leases**

Leases entered into by the company are considered operating leases. Payments made under operating leases are recognised in the income statement over the lease term.

### **Translation policies**

Transactions in foreign currencies are translated during the year at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognized as financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised as financial income and expenses in the income statement.



## Accounting Policies

### **Corporation tax and deferred tax**

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity entries is recognised directly in equity.

Deferred tax is measured under the balance sheet liability method in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

The Company is jointly taxed with Danish subsidiaries. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes.

## **Accounting Policies**

### **Income Statement**

#### **Revenue**

Revenue from the sale of goods for resale is recognised in the income statement provided that delivery and transfer of risk have been made to the purchaser by year-end. Revenue is recognised exclusive of VAT and net of sales discounts.

#### **Other operating income**

Other operating income includes services provided to affiliated companies.

#### **Costs of goods sold**

Costs of goods sold include costs of goods consumed to achieve revenue for the year.

#### **Other external costs**

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

#### **Staff expenses**

Staff expenses comprise wages and salaries as well as payroll related expenses.

#### **Financial income and expenses**

Financial income and expenses comprise interest, realised and unrealised foreign exchange adjustments.

### **Balance Sheet**

#### **Financial assets**

##### **Investments in subsidiaries**

Investments in subsidiaries are recognised and measured at cost or a lower recovery value. Dividends are recognised in the Income Statement when declared.

##### **Receivables**

Receivables are recognised in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

##### **Provisions**

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Provisions are measured at amortized cost, substantially corresponding to nominal value.

##### **Liabilities**

Liabilities are measured at amortized cost, substantially corresponding to nominal value.

## Income Statement 1 January - 31 December

|   | Note | 2016          | 2015          |
|---|------|---------------|---------------|
|   |      | DKK '000      | DKK '000      |
| Revenue   |      | 35 440        | 35 769        |
| Other operating income                              |      | 11 213        | 13 835        |
| Costs of goods sold                                 |      | -25 447       | -28 626       |
| Commissions   |      | 10 323        | 7 942         |
| <b>Gross profit</b>                                 |      | <b>31 529</b> | <b>28 919</b> |
| Other external costs                                |      | -9 518        | -12 633       |
| Staff costs   | 1    | -13 051       | -10 539       |
| <b>Operating profit</b>                             |      | <b>8 960</b>  | <b>5 747</b>  |
| Financial income                                    | 2    | 474           | 851           |
| Financial expenses                                  | 3    | - 346         | - 355         |
| <b>Profit before tax</b>                            |      | <b>9 088</b>  | <b>6 243</b>  |
| Tax on profit for the year                          |      | -2 334        | -1 515        |
| <b>Profit for the year</b>                          |      | <b>6 754</b>  | <b>4 728</b>  |
| <br><b>Distribution of profit</b>                   |      |               |               |
| <b>Proposed distribution of profit for the year</b> |      |               |               |
| Profit carried forward                              |      | 6.754         | 4.728         |
|   |      | <b>6 754</b>  | <b>4 682</b>  |

## Balance Sheet 31 December

### Assets

|                                      | Note | 2016<br>DKK '000 | 2015<br>DKK '000 |
|--------------------------------------|------|------------------|------------------|
| Investments in subsidiaries          | 4    | 56 654           | 56 604           |
| <b>Financial investments</b>         |      | <b>56 654</b>    | <b>56 604</b>    |
| <b>Non current assets</b>            |      | <b>56 654</b>    | <b>56 604</b>    |
| Trade debtors                        |      | 2 316            | 0                |
| Amounts owed by affiliated companies |      | 3 874            | 3 781            |
| Other receivables                    |      | 1 699            | 3 230            |
| Deferred tax asset                   |      | 0                | 152              |
| <b>Receivables</b>                   |      | <b>7 889</b>     | <b>7 163</b>     |
| <b>Cash at bank and in hand</b>      |      | <b>28 923</b>    | <b>23 549</b>    |
| <b>Current assets</b>                |      | <b>36 812</b>    | <b>30 712</b>    |
| <b>Total assets</b>                  |      | <b>93 466</b>    | <b>87 316</b>    |

## Balance Sheet 31 December

### Liabilities and shareholders' equity

|   | Note     | 2016                 | 2015                 |
|---|----------|----------------------|----------------------|
|   |          | DKK '000             | DKK '000             |
| Share capital                                     |          | 8 100                | 8 100                |
| Retained earnings                                 |          | <u>72 089</u>        | <u>65 335</u>        |
| <b>Equity</b>                                     | <b>5</b> | <b><u>80 189</u></b> | <b><u>73 435</u></b> |
| <br>  |          |                      |                      |
| Trade creditors                                   |          | 616                  | 961                  |
| Amounts owed to affiliated companies              |          | 6 483                | 8 412                |
| Corporate tax                                     |          | 2 292                | 1 267                |
| Other liabilities                                 |          | <u>3 886</u>         | <u>3 241</u>         |
| <b>Current liabilities</b>                        |          | <b><u>13 277</u></b> | <b><u>13 881</u></b> |
| <br>  |          |                      |                      |
| <b>Total liabilities</b>                          |          | <b><u>13 277</u></b> | <b><u>13 881</u></b> |
| <br>  |          |                      |                      |
| <b>Total liabilities and shareholders' equity</b> |          | <b><u>93 466</u></b> | <b><u>87 316</u></b> |
| <br>  |          |                      |                      |
| Contingent liabilities                            | 6        |                      |                      |
| Related parties and ownership                     | 7        |                      |                      |

## Notes to the Annual Report

|  | <u>2016</u>          | <u>2015</u>          |
|--|----------------------|----------------------|
|  | DKK '000             | DKK '000             |
| <b>1 Staff costs</b>   |                      |                      |
| The average number of employees and staff expenses are as follows: |                      |                      |
| Number of employees  | <u>14</u>            | <u>14</u>            |
| Wages and salaries   | 11 714               | 9 470                |
| Pensions   | 951                  | 891                  |
| Staff costs  | 270                  | 91                   |
| Other social security costs  | 116                  | 87                   |
|  | <u><b>13 051</b></u> | <u><b>10 539</b></u> |
| <b>2 Financial income</b>  |                      |                      |
| Currency exchange gain   | <u>474</u>           | <u>851</u>           |
|  | <u><b>474</b></u>    | <u><b>851</b></u>    |
| <b>3 Financial expenses</b>  |                      |                      |
| Other financial expenses   | - 8                  | - 30                 |
| Currency exchange loss   | - 338                | - 325                |
|  | <u><b>- 346</b></u>  | <u><b>- 355</b></u>  |

#### 4 Financial investments

Investments in subsidiaries are specified as follow:

| Name                              | Ownership | Share capital | Equity      | Profit for the year |
|-----------------------------------|-----------|---------------|-------------|---------------------|
| DPM Netherlands B.V. Holland      | 100 %     | 1 EUR         | 21 160 tEUR | 90 tEUR             |
| Performance Materials Danmark ApS | 100 %     | 50 tDKK       | 50 tDKK     | 0 DKK               |

## Notes to the Annual Report

### 5 Shareholders' equity

|                                    | Share<br>capital | Retained<br>earnings | Total         |
|------------------------------------|------------------|----------------------|---------------|
|                                    | DKK '000         | DKK '000             | DKK '000      |
| Balance at 1 January               | 8 100            | 65 335               | 73 435        |
| Profit for the year                |                  | 6 754                | 6 754         |
| <b>Balance at 31 December 2016</b> | <b>8 100</b>     | <b>72 089</b>        | <b>80 189</b> |

The company's share capital comprises 8.100 shares of DKK 1.000.

The share capital has been unchanged for the last 5 years

|                                 | 2016     | 2015     |
|---------------------------------|----------|----------|
|                                 | DKK '000 | DKK '000 |
| <b>6 Contingent liabilities</b> |          |          |
| <b>Guarantees</b>               |          |          |
| Guarantees                      | 15       | 0        |
| <b>Operating leasing</b>        |          |          |
| Leasing commitments             | 1 808    | 2 008    |
| Within one year                 | 903      | 878      |
| Between two and five            | 905      | 1 130    |

#### Joint tax

The Danish companies in the DuPont Group are jointly taxed and jointly liable for the total tax of the Group. The net payable tax is included in the annual report of DuPont Denmark Holding ApS, which is the administration company for the group taxation. Any later corrections of the taxable income may increase the total liable amount.

### 7 Related parties and ownership

The Company is a wholly owned subsidiary of DuPont de Nemours Groupe SARL. (Controlling influence). The ultimate Parent Company in which the Company is included as subsidiary is E.I. DuPont de Nemours and Company, Delaware, USA. This company and its subsidiaries are considered related parties through the ownership of the Company. The financial statements can be obtained at [DuPont.com](http://DuPont.com)

