

DuPont Danmark ApS

CVR-nr. 58 15 88 28

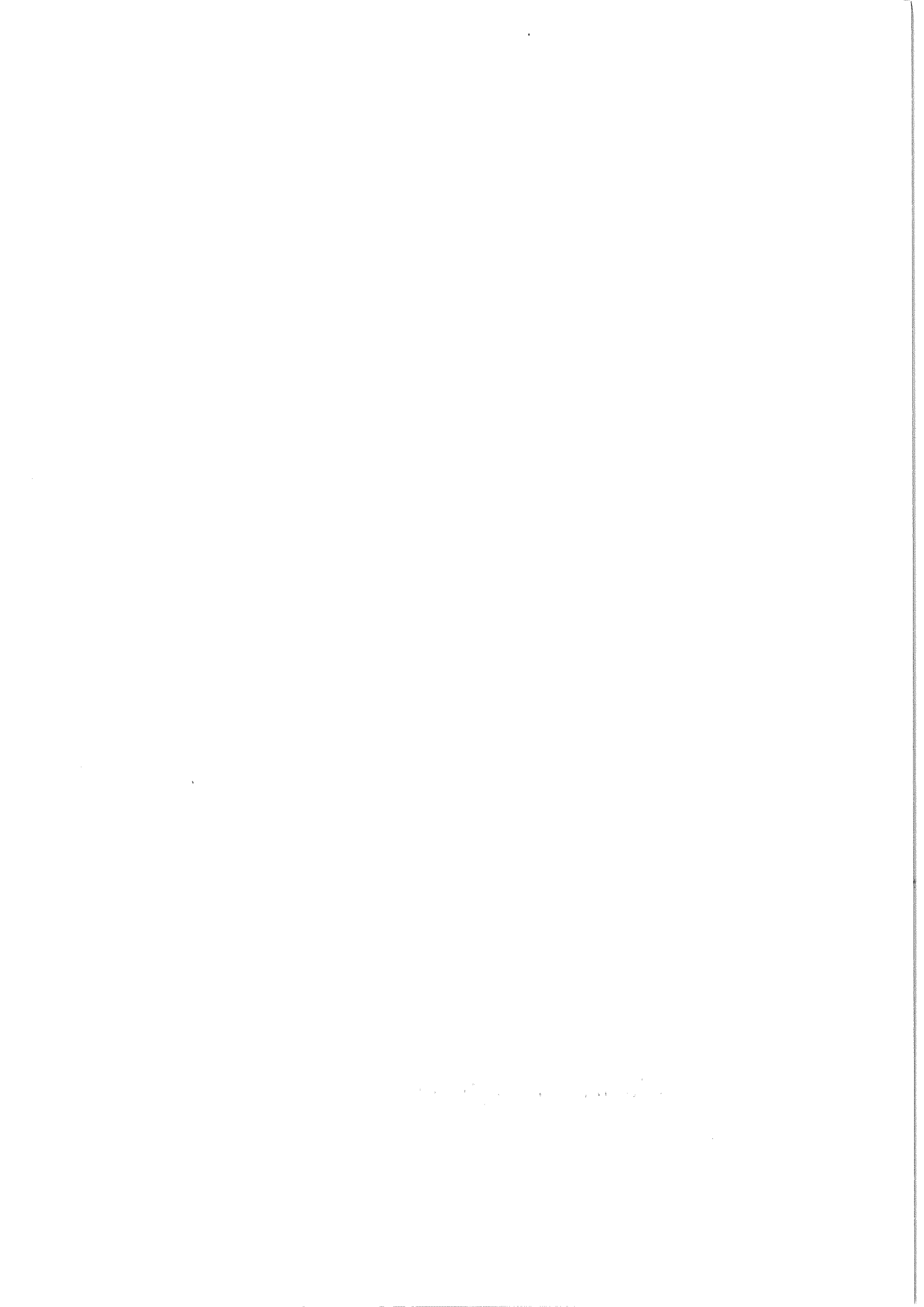
Langebrogade 1
1411 København K

Annual Report for the period 1 January 2018 - 31 December 2018

The Annual Report has been presented and adopted at the Annual General Meeting
of the Company on
1st March 2019

Chairman:
Søren Toft Bjerreskov

Søren Toft Bjerreskov



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 2018.

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

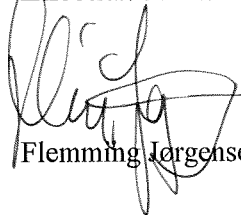
In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2018 of the Company and of the results of the Company operations for the period.

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, 26 February 2019

Executive Board



Flemming Jørgensen



Henrik Fastholm



Lisbeth Sørensen

The Independent Practitioner's Report

To the shareholder of DuPont Danmark ApS

Conclusion

We have performed an extended review of the Financial Statements of DuPont Danmark ApS for the financial year 1 January – 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, in our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2018 and of the results of the Company operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for conclusion

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 "Practitioner'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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

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.

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.

Practitioner's responsibilities for the extended review of the Financial Statements

Our responsibility is to express a conclusion on the Financial Statements. This requires 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.

The Independent Practitioner's Report

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.

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 Statements Act. We did not identify any material misstatement in Management's Review.

Copenhagen, 26 February 2019

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Torben Jensen
State Authorised Public Accountant
mne18651

Jan Wright
State Authorised Public Accountant
mne10053

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 DowDuPont Group and the main activity is reselling of Crop Protection products. The company also acted as commissioner for Electronics & Communications business for the first 10 months of the year, after which the commission agreement was terminated. Additionally a commission agreement for Performance Materials business was terminated 1 January 2018.

The entity will continue as reseller of Crop Protection Products.

The Company has its domicile in Copenhagen.

Development in the financial year

Sales for 2018 were decreased by 43% to 27,2 mDKK, compared to 47.6 mDKK in 2017. Profit before tax reduced by 94% from 6,5 mDKK in 2017 to 0,4 mDKK in 2018. Management considers the results as satisfactory.

The Company sold part of its Agriculture Business in November 2017, this transaction have effected the turnover and profit before tax for 2018.

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.

DowDuPont is committed to making certain that all DowDuPont products manufactured in or imported into the European Union area are in compliance with the EUs REACH legislation. To that end, DowDuPont will work closely with its suppliers and customers as we implement the regulations.

As a market-driven science company, DowDuPont has significant scientific and regulatory expertise to focus on market demands for safer and more sustainable products, while driving business growth.

Future development

The DowDuPont Group has announced expected split by business units into 3 separate companies by 2019, 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 2018 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	2018 DKK '000	2017 DKK '000
Revenue		27 190	47 652
Other operating income		6 867	11 533
Costs of goods sold		-22 695	-38 185
Commissions		1 630	4 743
Gross profit		12 991	25 743
Other external costs		-7 051	-10 185
Staff costs	1	-5 715	-8 567
Operating profit		224	6 991
Financial income	2	413	208
Financial expenses	3	- 256	- 728
Profit before tax		381	6 471
Tax on profit for the year		- 157	-1 100
Profit for the year		224	5 372
 Distribution of profit			
 Proposed distribution of profit for the year			
Profit carried forward		224	5.372
		224	5 372

Balance Sheet 31 December

Assets

	<u>Note</u>	2018	2017
		DKK '000	DKK '000
Investments in subsidiaries		56 655	56 654
Financial investments		56 655	56 654
Non current assets		56 655	56 654
Trade debtors		13 455	6 728
Amounts owed by affiliated companies		1 576	2 885
Other receivables		556	21
Receivables		15 587	9 633
Cash at bank and in hand		29 763	30 991
Current assets		45 350	40 624
Total assets		102 005	97 278

Balance Sheet 31 December

Liabilities and shareholders' equity

	Note	2018 DKK '000	2017 DKK '000
Share capital		8 100	8 100
Retained earnings		77 685	77 461
Equity	4	85 785	85 561
Trade creditors		1 000	450
Amounts owed to affiliated companies		12 676	8 297
Corporate tax		102	402
Other liabilities		2 442	2 569
Current liabilities		16 220	11 718
Total liabilities		16 220	11 718
Total liabilities and shareholders' equity		102 005	97 278
Contingent liabilities	5		
Related parties and ownership	6		

Notes to the Annual Report

	2018	2017	
	DKK '000	DKK '000	
1 Staff costs			
The average number of employees and staff expenses are as follows:			
Number of employees	7	11	
Wages and salaries	5 191	7 616	
Pensions	455	716	
Staff costs	13	124	
Other social security costs	56	111	
	5 715	8 567	
2 Financial income			
Currency exchange gain	413	208	
	413	208	
3 Financial expenses			
Other financial expenses	- 32	- 17	
Currency exchange loss	- 225	- 710	
	- 256	- 728	
4 Shareholders' equity			
	Share capital	Retained earnings	Total
	DKK '000	DKK '000	DKK '000
Balance at 1 January 2018	8 100	77 461	85 561
Profit for the year		224	224
Balance at 31 December 2018	8 100	77 685	85 785

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

The share capital has been unchanged for the last 5 years

Notes to the Annual Report

	2018	2017
	DKK '000	DKK '000
5 Contingent liabilities		
Guarantees		
Guarantees	0	0
Operating leasing		
Leasing commitments	264	572
Within one year	111	354
Between two and five	153	218

Joint tax

The Danish companies in the DowDuPont 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.

6 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 DowDuPont Inc., Delaware, USA. This company and its subsidiaries are considered related parties through the ownership of the Company. The financial statements can be obtained at Dow-DuPont.com

