


**Styropack A/S**  
Tvilhovej 8  
6752 Glejbjerg

Telephone +45 79 79 81 11  
www.styropack.dk

**Styropack A/S**  
**Annual report 2015**

The annual report was presented and approved at the  
Company's annual general meeting  
on May 17 20 16  
chairman 

CVR no. 69 99 85 18

## **Contents**

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Company details	5
Financial highlights	6
Operating review	7
Financial statements 1 January – 31 December	8
Accounting policies	8
Income statement	14
Balance sheet	15
Notes	17

## **Statement by the Board of Directors and the Executive Board**

The Board of Directors and the Executive Board have today discussed and approved the annual report of Styropack A/S for the financial year 1 January – 31 December 2015.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2015.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters, of the results for the year and of the Company's financial position.

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

Glejbjerg, 17 May 2016

Executive Board:

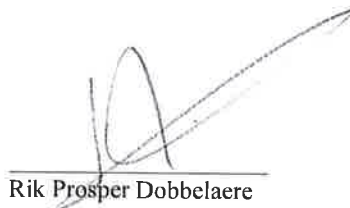


Steffen Busk Jespersen

Board of Directors:



Jozef H. Verstegen  
Chairman



Rik Prosper Dobbelaere



Peter Ellehuus



**KPMG**  
**Statsautoriseret Revisionspartnerselskab**  
Bredskifte Allé 13  
8210 Aarhus V  
Denmark

Telephone +45 70 70 77 60  
www.kpmg.dk  
CVR no. 25 57 81 98

## **Independent auditor's report**

**To the shareholders of Styropack A/S**

### **Independent auditor's report on the financial statements**

We have audited the financial statements of Styropack A/S for the financial year 1 January – 31 December 2015. The financial statements comprise accounting policies, income statement, balance sheet and notes. 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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's responsibility*

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit has not resulted in any qualification.



## **Independent auditor's report**

### ***Opinion***

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.

### **Statement on the Management's review**

In accordance with the Danish Financial Statements Act, we have read the Management's review. We have not performed any further procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Aarhus, 17 May 2016

**KPMG**

Statsautoriseret Revisionspartnerselskab

A handwritten signature in blue ink, appearing to read 'Elife Savas'.

Elife Savas

State Authorised

Public Accountant

## **Management's review**

### **Company details**

Styropack A/S  
Tvilhovej 8  
6752 Glejbjerg

Telephone: +45 79 79 81 11  
Website: [www.styropack.dk](http://www.styropack.dk)  
E-mail: [styropack@styropack.dk](mailto:styropack@styropack.dk)  
CVR no.: 69 99 85 18  
Established: 1 November 1964  
Registered office: Vejen  
Financial year: 1 January – 31 December

### **Board of Directors**

Jozef H. Versteegen (Chairman)  
Rik Prosper Dobbelaere  
Peter Ellehuus

### **Executive Board**

Steffen Busk Jespersen

### **Auditor**

KPMG  
Statsautoriseret Revisionspartnerselskab  
Bredskifte Allé 13  
8210 Aarhus

### **Group structure**

Synbra Denmark A/S, Glejbjerg, holds the entire share capital of a nominal value of DKK 3,000 thousand.

The ultimate parent company preparing consolidated financial statements, in which the Company is a subsidiary, is Synbra Holding B. V., the Netherlands.

The consolidated financial statements of the foreign parent company can be obtained from:  
Synbra Holding B. V., Zeedijk 25,4871 NM Etten-leur, the Netherlands.

## Management's review

### Financial highlights

DKK'000	2015	2014	2013	2012	2011
Profit/loss before financial income and expenses	893	4,649	1,666	-3,611	9,620
Profit/loss from financial income and expenses	1,192	993	643	433	-235
<b>Profit/loss for the year</b>	<b>1,538</b>	<b>4,100</b>	<b>2,223</b>	<b>-2,501</b>	<b>6,946</b>
Total assets	127,092	130,439	131,669	126,429	126,844
Investment in property, plant and equipment	5,966	6,308	2,246	9,832	3,246
<b>Equity</b>	<b>89,089</b>	<b>87,551</b>	<b>83,451</b>	<b>81,228</b>	<b>83,729</b>
Current ratio	258.2%	234.0%	210.3%	208.1%	208.9%
Return on equity	1.7%	4.8%	2.7%	-3.1%	8.3%
Solvency ratio	70.1%	67.1%	63.4%	64.2%	66.0%
Rate of return	0.7%	3.6%	1.3%	-2.9%	7.6%

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies.

## **Management's review**

### **Operating review**

#### **Principal activities of the Company**

The Company is primarily engaged in the manufacturing and sale of packaging and technical products made in EPS (Expandable Polystyrene) as well as EPS insulating material.

The production facilities are situated in Denmark. The products of the Company are mainly sold in Denmark, Germany, United Kingdom and Sweden.

#### **Development during the financial year**

Profit before financial income and expenses amounted to DKK 893 thousand as against a profit of DKK 4,649 thousand last year.

Profit for the year after tax amounted to DKK 1,538 thousand as against a profit of DKK 4,100 thousand last year.

Management considers the profit for the year – under the given market conditions – to be at a satisfactory level and in line with the expectations.

Styropack A/S is a party to a finance agreement within the Synbra Group. We refer to additional information in note 6.

#### **Environment**

The Group prepares an environmental statement for the production site placed in Tvilho in Denmark. The overall objective is to avoid any accidents which may cause damage to persons, technical equipment and the surroundings. It is of crucial importance that all Group activities in Denmark take place with the lowest possible environmental strain on the surroundings and with a high safety standard.

#### **Outlook**

Management expects a positive tendency in the activities in the next financial year. For 2016, the Company expects earnings capacity to be positive.

#### **Risks**

The Company's most significant operating risk relates to its ability to be strongly positioned on the domestic market.

#### **Events after the balance sheet date**

No significant events have occurred after the balance sheet date, which are considered to have a material effect on the assessment of the annual report.



## **Financial statements 1 January – 31 December**

### **Accounting policies**

The annual report of Styropack A/S for 2015 has been presented in accordance with the provisions applying to reporting class C medium-sized entities under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Referring to section 32 of the Danish Financial Statements Act, the Company's revenue and production costs are aggregated into one item called Gross profit.

### **Recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement

### **Income statement**

#### **Revenue**

Revenue from the sale of goods and finished goods is included in the income statement when the delivery and transfer of risk to the purchaser have taken place before the end of the year, and if the income can be made up reliably and is expected to be received.

#### **Production costs**

Production costs comprise costs incurred to generate revenue for the year, including depreciation, amortisation, wages and salaries incurred to generate revenue for the year.

#### **Sales and distribution costs**

Costs incurred to sell and distribute goods sold during the year and in conducting sales campaigns, etc., during the year are recognised as sales and distribution costs. Also, costs relating to sales staff, advertising, exhibitions and depreciation are recognised as distribution costs.

#### **Administrative expenses**

Administrative expenses comprise expenses incurred during the year for management and administration of the Company, including expenses for administrative staff, management, office premises, office expenses and depreciation.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

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

Financial income and expenses comprise interest income and expense, expenses pertaining to finance leases, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

#### **Tax on profit/loss for the year**

The Company is covered by the Danish rules on compulsory joint taxation of the Synbra Group's Danish subsidiaries. Subsidiaries form part of the joint taxation from the date on which they are included in the consolidation, of the consolidated financial statement and up to the date on which they exit the consolidation.

Synbra Danmark A/S is the administrative company for the joint taxation and consequently settles all corporation tax payments with the tax authorities.

The current Danish corporation tax is allocated by the settlement of joint taxation contribution between the joint taxed companies in proportion to their taxable income. In this relation, companies with tax loss carryforwards receive joint taxation contribution from companies that have used these losses to reduce their own taxable profits.

Tax for the year comprises current tax, joint taxation contributions for the year and changes in deferred tax for the year. The tax expense in relation to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

#### **Balance sheet**

##### **Property, plant and equipment**

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, subsuppliers, energy consumption, staff and depreciation of machinery used.

Revaluation of non-current assets was made with reference to a reassessment of the value of the assets at the date of acquisition.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets.

The estimated useful lives are as follows:

Buildings	10-50 years
Plant and machinery	8-12 years
Fixtures, fittings and equipment	2-8 years

Depreciation is recognised in the income statement as production costs, sales and distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognised in the income statement as other operating income or other operating costs, respectively.

##### **Leases**

Leases for non-current assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are initially recognised in the balance sheet at cost, corresponding to the lower of fair value and the net present value of future lease payments. When the net present value of future lease payments is calculated, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the Company's other non-current assets.

The capitalised residual lease obligation is recognised in the balance sheet as a liability and the interest element of the lease payment is recognised in the income statement over the term of the lease.

All other leases are treated as operating leases. Payments relating to operating leases and other leases are recognised in the income statement over the term of the lease. The Company's total obligation relating to operating leases and other leases is disclosed as contingencies, etc.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

#### **Impairment of non-current assets**

The carrying amount of intangible assets and property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortisation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. Value in use is determined as the present value of forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or group of assets after the end of the useful life.

#### **Inventories**

Raw materials and consumables are measured at the lower of cost in accordance with the FIFO method and net realisable value.

Finished goods are measured at the lower of the cost plus indirect production overheads and net realisable value.

Finished goods are measured at cost, comprising the cost of raw materials, consumables, direct wages and salaries and indirect production overheads. Indirect production overheads comprise costs for factory administration and management.

#### **Receivables**

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

#### **Prepayments**

Prepayments comprise incurred concerning subsequent financial years.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

#### **Equity**

##### ***Dividends***

Proposed dividends are recognised as a liability at the date on which they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

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

In its capacity as the administrative company, Synbra Danmark A/S is liable for its subsidiaries' corporation taxes to the tax authorities concurrently with the payment of joint taxation contribution by the subsidiaries.

Current tax payable and receivable is recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account

Joint taxation contribution payable and receivable is recognised in the balance sheet as "Corporation tax".

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to other items where temporary differences arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where different tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax losses carried forward, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

##### **Liabilities**

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost, corresponding to the capitalised value using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Finance lease also include the capitalised residual obligation on finance leases.

Other liabilities are measured at net realisable value.

## **Financial statements 1 January – 31 December**

### **Accounting policies**

#### **Cash flow statement**

Referring to section 86 of the Danish Financial Statements Act, no cash flow statement has been prepared as Styropack A/S' cash flows are recognised in the consolidated financial statements of Synbra Danmark A/S.

#### **Financial ratios**

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

The financial ratios have been calculated as follows:

Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Return on equity	$\frac{\text{Profit/loss from ordinary activities after tax} \times 100}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity ex. non-controlling interests at year end} \times 100}{\text{Total equity and liabilities at year end}}$
Rate of return	$\frac{\text{Profit before financial income and expenses and tax} \times 100}{\text{Assets}}$

## Financial statements 1 January – 31 December

### Income statement

DKK'000	Note	2015	2014
<b>Gross profit</b>		45,201	49,424
Sales and distribution costs		-33,398	-33,046
Administrative expenses		-10,910	-11,729
<b>Profit before financial income and expenses</b>		893	4,649
Financial income	1	1,625	1,408
Financial expenses	2	-433	-415
<b>Profit before tax</b>		2,085	5,642
Tax on profit for the year	3	-547	-1,542
<b>Profit for the year</b>		<u>1,538</u>	<u>4,100</u>
 <b>Proposed profit appropriation</b>			
Transferred to retained earnings		<u>1,538</u>	<u>4,100</u>
		<u>1,538</u>	<u>4,100</u>

## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2015	2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, plant and equipment</b>	4		
Land and buildings		24,978	23,990
Plant and machinery		8,939	12,508
Fixtures, fitting and equipment		1,014	971
Work in progress		1,406	614
		<u>36,337</u>	<u>38,083</u>
<b>Total non-current assets</b>		<u>36,337</u>	<u>38,083</u>
<b>Current assets</b>			
<b>Inventories</b>			
Raw materials and consumables		3,353	4,580
Finished goods		7,559	9,308
		<u>10,912</u>	<u>13,888</u>
<b>Receivables</b>			
Trade receivables		44,468	49,984
Receivables from group entities		29,250	24,194
Other receivables		162	736
Corporation tax		1,028	374
Prepayments		1,459	554
		<u>76,367</u>	<u>75,842</u>
<b>Cash at bank and in hand</b>		<u>3,476</u>	<u>2,626</u>
<b>Total current assets</b>		<u>90,755</u>	<u>92,356</u>
<b>TOTAL ASSETS</b>		<u>127,092</u>	<u>130,439</u>



## Financial statements 1 January – 31 December

### Balance sheet

DKK'000	Note	2015	2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' equity</b>	5		
Share capital		3,000	3,000
Revaluation reserve		1,896	1,896
Retained earnings		84,193	82,655
<b>Total equity</b>		<u>89,089</u>	<u>87,551</u>
<b>Provisions</b>			
Provisions for deferred tax		2,438	2,774
<b>Total provisions</b>		<u>2,438</u>	<u>2,774</u>
<b>Liabilities other than provisions</b>			
<b>Non-current liabilities other than provisions</b>			
Lease liabilities		411	642
		<u>411</u>	<u>642</u>
<b>Current liabilities other than provisions</b>			
Current portion of non-current liabilities		192	1,030
Bank loans		588	1,349
Trade payables		14,308	6,024
Payables to group enterprises		7,545	9,948
Other liabilities		12,521	21,121
		<u>35,154</u>	<u>39,472</u>
<b>Total liabilities other than provisions</b>		<u>35,565</u>	<u>40,114</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>127,092</u>	<u>130,439</u>
<b>Collateral, mortgages and contingent liabilities</b>	6		
<b>Staff costs</b>	7		
<b>Related parties</b>	8		

## Financial statements 1 January – 31 December

### Notes

DKK'000	2015	2014			
<b>1 Financial income</b>					
Financial income from group entities	1,620	1,408			
Other financial income	5	0			
	1,625	1,408			
 <b>2 Financial expenses</b>					
Financial expenses from group entities	340	223			
Other financial expenses	93	192			
	433	415			
 <b>3 Tax on profit for the year</b>					
Total tax for the year	927	1,964			
Deferred tax adjustment for the year	-380	-422			
	547	1,542			
 <b>4 Property, plant and equipment</b>					
DKK'000	Land and buildings	Plant and machinery	Fixtures, fittings and equip- ment	Work in progress	Total
Cost at 1 January 2015	47,344	114,985	12,119	614	175,062
Additions during the year	2,724	1,305	531	1,406	5,966
Disposals during the year	-2,723	-10,416	-9,399	-614	-23,152
Cost at 31 December 2015	47,345	105,874	3,251	1,406	157,876
Revaluations at 1 January 2015	2,527	0	0	0	2,527
Depreciation at 1 January 2015	25,881	102,477	11,148	0	139,506
Depreciation during the year	1,736	4,874	477	0	7,087
Reversed depreciation on disposals for the year	-2,723	-10,416	-9,388	0	-22,527
Depreciation at 31 December 2015	24,894	96,935	2,237	0	124,066
<b>Carrying amount at 31 December 2015</b>	24,978	8,939	1,014	1,406	36,337

## Financial statements 1 January – 31 December

### Notes

#### 4 Property, plant and equipment (continued)

Carrying amount includes leased assets of DKK 484 thousand.

#### 5 Shareholders' equity

DKK'000	Share capital	Revaluation reserve	Retained earnings	Total
Equity at 1 January 2015	3,000	1,896	82,655	87,551
Profit for the year	0	0	1,538	1,538
<b>Equity at 31 December 2015</b>	<b>3,000</b>	<b>1,896</b>	<b>84,193</b>	<b>89,089</b>

The share capital consists of 1 share of a nominal value of DKK 3,000 thousand.

The share capital has remained unchanged for the past five years.

#### 6 Collateral, mortgages and contingent liabilities

The Company has assumed lease commitments, which, at the balance sheet date in the period of interminability, totalled DKK 11,779 thousand.

In June 2015, Synbra Holding B.V. entered into a three-year senior Facility Agreement. In relation to this, the shares in Synbra Danmark A/S have been provided as collateral to the lenders.

The company is jointly taxed with other Danish group companies. As a group company, together with the other companies included in the joint taxation, the company has unlimited joint and several liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties within the jointly taxed unit. The jointly taxed entities' total known net liability to SKAT is disclosed in the financial statements of the administrative company, Synbra Danmark A/S (CVR No. 25 04 43 98). Any subsequent corrections to the joint taxation income and withholding taxes, etc. may result in an increased liability for the Company.

DKK'000	2015	2014
<b>7 Staff costs</b>		
Wages and salaries	49,272	50,796
Pension contribution	4,021	3,752
Other social security costs	2,147	349
	<b>55,440</b>	<b>54,897</b>
Average number of full-time employees	133	122

Referring to section 98 b (3) of the Danish Financial Statements Act, remuneration of the Executive Board is not disclosed.

## **Financial statements 1 January – 31 December**

### **Notes**

#### **8 Related parties**

##### **Control**

Synbra Danmark A/S holds the entire share capital in the Company.

##### **Other related parties**

Other related companies in the Synbra International bv Group.