

AGC Automotive Glass Danmark A/S

Roholmsvej 12
DK-2620 Albertslund

CVR no. 32 55 76 51

Annual report 2023

The annual report was presented and approved at
the Company's annual general meeting on

14 June 2024

Chairman of the annual general meeting _____

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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 for AGC Automotive Glass Danmark A/S for the financial year 1 January - 31 December 2023.

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 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

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

Albertslund, 14 June 2023
Executive Board:

Michael Rewers Østergaard
CEO

Board of Directors:

Jean-Claude Joseph G.
Dethier
Chairman

Michael Rewers Østergaard

Richard Charles Hussey



Independent auditor's extended review report on the financial statements

To the shareholder of AGC Automotive Glass Danmark A/S

Opinion

We have performed an extended review of the financial statements of AGC Automotive Glass Danmark A/S for the financial year 1 January - 31 December 2023 comprising income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on the work performed, it is our opinion that the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for Opinion

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 "Auditor's responsibility 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' 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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 responsibility 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 in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures in order to obtain further assurance for our conclusion.

An extended review comprises procedures primarily consisting of making enquiries of Management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on these financial statements.



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Independent auditor's extended review report on the financial statements

Statement on the Management's Review

Management is responsible for the Management's Review.

Our conclusion on the financial statements does not cover the 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 the Management's Review and, in doing so, consider whether the 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 the Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the 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 the Management's review.

Aalborg, 14 June 2023

KPMG
Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Steffen S. Hansen
State Authorised Public Accountant
mne32737

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Management's review

Company details

AGC Automotive Glass Danmark A/S
Roholmsvej 12
DK-2620 Albertslund

CVR no.:	32 55 76 51
Established:	28 October 2009
Registered office:	Albertslund
Financial year:	1 January - 31 December

Board of Directors

Jean-Claude Joseph G. Dethier, Chairman
Michael Rewers Østergaard
Richard Charles Hussey

Executive Board

Michael Rewers Østergaard, CEO

Auditor

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havnegade 22D
DK-9000 Aalborg
CVR no. 25 57 81 98

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Management's review

Operating review

Principal activities

The company's activity is supplying windscreens for cars, train and shipping industry and suppliers to these industries.

Development in activities and financial position

The Company's income statement for 2023 shows a loss of DKK 365,771 as against a loss of DKK 51,058 in 2022. Equity in the Company's balance sheet at 31 December 2023 stood at DKK -23,620,943 as against DKK -23,255,172 at 31 December 2022.

The financial year was in line with forecast, and results for the year are considered satisfactory.

Capital resources

The Company's equity at 31 December 2023 amounts to -24,558,423 DKK, whereby the entire share capital has been lost. The company is reliant on the Group loans that are subordinated. Management has received a letter of subordination of debt to Group Company's of 32,793,980 DKK. Based on this, management has prepared its financial statements under the assumption of continued operations.

Events after the balance sheet date

No events have occurred after the balance sheet date of material importance to the annual report for 2023.

Financial statements 1 January – 31 December

Income statement

DKK	Note	2023	2022
Gross profit		11,160,923	9,412,843
Staff costs	2	-10,555,148	-9,520,310
Depreciation of property, plant and equipment	3	-25,194	-14,086
Operating profit/loss		580,581	-121,553
Other operating costs		-51,343	-93,850
Profit/loss before financial income and expenses		529,238	-215,403
Other financial income		342,544	30,876
Other financial expenses	4	-1,597,429	-250,362
Loss before tax		-725,647	-434,889
Tax on loss for the year	5	359,876	383,831
Loss for the year		<u>-365,771</u>	<u>-51,058</u>
Proposed distribution of loss			
Retained earnings		-365,771	-51,058
		<u>-365,771</u>	<u>-51,058</u>

Financial statements 1 January – 31 December

Balance sheet

DKK	Note	31/12 2023	31/12 2022
ASSETS			
Fixed assets			
Property, plant and equipment			
	6		
Plant and machinery		0	0
Fixtures, fittings, tools and equipment		182,886	60,780
Leasehold improvements		0	0
		<u>182,886</u>	<u>60,780</u>
Financial assets			
Deposits		1,435,285	1,369,129
Total fixed assets		<u>1,618,171</u>	<u>1,429,909</u>
Current assets			
Receivables			
Trade receivables		559,146	25,394
Receivables from group entities		6,002,104	0
Deferred tax assets		519,572	600,764
Other receivables		393,286	563,991
Receivables from shareholders and management		824,898	1,118,991
Prepayments		343,249	255,250
		<u>8,642,255</u>	<u>2,564,390</u>
Cash at bank and in hand		<u>719,590</u>	<u>5,464,382</u>
Total current assets		<u>9,361,845</u>	<u>8,028,772</u>
TOTAL ASSETS		<u><u>10,980,016</u></u>	<u><u>9,458,681</u></u>

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Balance sheet

DKK	Note	31/12 2023	31/12 2022
EQUITY AND LIABILITIES			
Equity			
Contributed capital		500,000	500,000
Retained earnings		-24,120,943	-23,755,172
Total equity		<u>-23,620,943</u>	<u>-23,255,172</u>
Liabilities			
Non-current liabilities			
Payables to group entities		<u>32,793,980</u>	<u>31,233,300</u>
Current liabilities			
Trade payables		395,090	297,954
Payables to group entities		0	225,767
Other payables, including taxes payable		1,411,889	956,832
		<u>1,806,979</u>	<u>1,480,553</u>
Total liabilities		<u>34,600,959</u>	<u>32,713,853</u>
TOTAL EQUITY AND LIABILITIES		<u>10,980,016</u>	<u>9,458,681</u>

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Statement of changes in equity

DKK	Contributed capital	Retained earnings	Total
Equity at 1 January 2023	500,000	-23,755,172	-23,255,172
Transferred over the distribution of loss	0	-365,771	-365,771
Equity at 31 December 2023	500,000	-24,120,943	-23,620,943

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1 Accounting policies

The annual report of AGC Automotive Glass Danmark A/S for 2023 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with opt-in from higher reporting classes.

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

The Annual Report is presented in Danish kroner (DKK).

Income statement

Revenue

Revenue includes handling fees from intercompany parties.

Other external costs

Other external costs comprise costs for distribution and sales costs, costs for advertising, administrative expenses, costs of premises, bad debts, operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance, pension and other social security costs.

Financial income and expenses

Financial income and expenses comprise interest income and expense, financial costs regarding finance leases, gains and losses on securities, 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 loss for the year

The Parent Company is subject to the Danish rules on compulsory joint taxation of the Group's Danish subsidiaries. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Parent Company is the administrative company for the joint taxation and accordingly settles all payments of corporation tax to the tax authorities.

On payment of joint taxation contributions, current Danish corporation tax is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have used the losses to reduce their own taxable profit.

Tax for the year comprises current corporation tax for the year and changes in deferred tax, including changes in tax rates. The tax expense relating 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 in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

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1 Accounting policies

Balance sheet

Property, plant and equipment

Property, plant, fixtures, fittings, tools and equipment are measured at historic cost less accumulated depreciation and impairment losses.

Historic cost comprise the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Assets are depreciated on a straight-line basis over the expected useful economic lives of the assets:

Plant and machinery	2-5 years
Fixtures, fittings, tools and equipment	2-5 years

Asset acquisitions below the taxable limit is fully written off in the year of acquisition.

Gains and losses on disposals are determined as the difference between selling price less sales cost and carrying amount at time of disposal and are recognized in the income statement. Gain or loss is recognized under other operating income or expenses.

Impairment of fixed assets

The carrying amount of property, plant and equipment is every year reviewed in order to determine if there are indications of impairment exceeding the amount expressed by depreciations and amortisations. If this is the case an impairment test is carried out in order to determine if the recoverable amount is lower than the carrying amount. The assets are written down to this lower value.

Recoverable amount for the asset is determined as the highest value of net sales price and the capital value. If it is not possible to determine the recoverable amount for the individual asset, assets are assessed together with the smallest group of assets where it is possible to determine a reliable evaluation of the recoverable amount.

Assets where it is not possible to determine an individual capital value because the asset does not generate future cash flows is assessed together with the group of assets which they can be attributed to.

Receivables

Receivables are measured at amortized cost which corresponds in all material respects to nominal value. The value is reduced with provisions for expected bad debts.

Corporation tax and deferred tax

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.

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 measured on the planned use of the asset or settlement of the liability, respectively. However, deferred tax is not recognised on temporary differences relating to office buildings non-deductible for tax purposes and other items where temporary differences arise at the date of acquisition without affecting either profit/loss or taxable income.

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1 Accounting policies

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation within the foreseeable future; 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. Any deferred net assets are measured at net realisable value.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement or equity, respectively.

Cash at bank and in hand

Cash at bank and in hand comprise cash and bank deposits.

Liabilities

Other liabilities are measured at net realisable value.

The liability in relation to frozen holiday funds is measured at net realisable value, including indexation. Indexation adjustments are recognised as interest expense in the income statement.

2 Staff costs

DKK	2023	2022
Wages and salaries	8,933,426	8,199,149
Pensions	892,777	582,071
Other social security costs	728,945	739,090
	<u>10,555,148</u>	<u>9,520,310</u>
Average number of full-time employees	<u>24</u>	<u>23</u>

3 depreciation of property, plant and equipment

DKK	2023	2022
Depreciation of property, plant and equipment	25,194	14,086
	<u>25,194</u>	<u>14,086</u>

4 Other financial expenses

DKK	2023	2022
Interest paid to group entities	1,242,847	225,615
Other interest expenses	354,582	24,747
	<u>1,597,429</u>	<u>250,362</u>

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5 Tax on loss for the year

DKK	2023	2022
Current tax for the year	-441,068	-383,831
Deferred tax adjustment for the year	81,192	0
	<u>-359,876</u>	<u>-383,831</u>

6 Property, plant and equipment

DKK	Plant and machinery	Fixtures, fittings, tools and equipment	Leasehold improvements	Total
Cost at 1 January 2023	43,700	2,502,143	126,857	2,672,700
Additions	0	88,300	0	88,300
Disposals	0	-79,755	0	-79,755
Cost at 31 December 2023	<u>43,700</u>	<u>2,510,688</u>	<u>126,857</u>	<u>2,681,245</u>
Depreciation and impairment at 1 January 2023	-43,700	-2,441,363	-126,857	-2,611,920
Depreciation for the year	0	-26,194	0	-26,194
Reversed depreciation and impairment losses on assets sold	0	139,755	0	139,755
Depreciation and impairment at 31 December 2023	<u>-43,700</u>	<u>-2,327,802</u>	<u>-126,857</u>	<u>-2,498,359</u>
Carrying amount at 31 December 2023	<u>0</u>	<u>182,886</u>	<u>0</u>	<u>182,886</u>

7 Contractual obligations, contingencies, etc.

Contingent liabilities

The company is a subsidiary in joint taxation with AGC Biologics A/S. The companies in the joint taxation are jointly liable on corporation taxes and taxes on dividends, interest and royalties.

The company is committed to pay rent at termination of contracts regarding leased premises and cars. The rent commitment at 31 December 2023 amounts to DKK 4.069 thousand.