

# Annual Report 2022



Envases Europe A/S  
Hedenstedvej 14  
8723 Loesning  
Central Business Registration No. 67 28 71 18

The Annual General Meeting adopted the annual report on

Chairman of the General Meeting  
Anette Sejer Thrane

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## Company details

### Company

Envases Europe A/S

Hedenstedvej 14

8723 Loesning

Central Business Registration No: 67 28 71 18

Registered in: Hedensted, Denmark

### Board of Directors

Laura Josefina Zapata y Oscoz, Chairman

Isaias Zapata Moran, Vice-chairman

Dan Aggertoft Christensen

Flemming Jakobsen, Employee representative

Claus Due, Employee representative

### Executive Management

Dan Aggertoft Christensen, Chief Executive Officer

Knud Christensen, Chief Financial Officer

Mikkel Noergaard Dall, Chief Commercial Officer

### Company auditors

Deloitte Statsautoriseret Revisionspartnerselskab

City Tower

Vaerkmestergade 2

DK-8000 Aarhus C

### Consolidation

Envases Europe A/S is included in the consolidated financial statements of Envases Universales de México, S.A.P.I de C.V.

## Statement by Management on the annual report

The Board of Directors and the Executive Management have today presented the annual report of Envases Europe A/S for the financial year 1 January to 31 December 2022.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31 December 2022 and of their financial performance and cash flow for the financial year 1 January to 31 December 2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Loesning, 8 May 2023

### Executive Management

Dan Aggertoft Christensen

Knud Christensen

Mikkel Noergaard Dall

### Board of Directors

Laura Josefina Zapata y Oscoz  
Chairman

Isaias Zapata Moran  
Vice-chairman

Dan Aggertoft Christensen

Flemming Jakobsen  
Employee representative

Claus Due  
Employee representative

## Independent auditor's report

### To the shareholder of Envases Europe A/S

#### Opinion

We have audited the consolidated financial statements and the parent financial statements of Envases Europe A/S for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for the Group as well as the Parent, and the consolidated cash flow statement. The consolidated financial statements and the parent financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2022, and of the results of their operations and the consolidated cash flows for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 this auditor's 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 consolidated financial statements and the parent financial statements

Management is responsible for the preparation of consolidated financial statements and parent 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 consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent 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 consolidated financial statements and parent financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent 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 Group's and the Parent'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 consolidated financial statements and the parent 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 Group's and the Parent'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 consolidated financial statements and the parent 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 Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 the management commentary

Management is responsible for the management commentary.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Aarhus, 8 May 2023

Deloitte

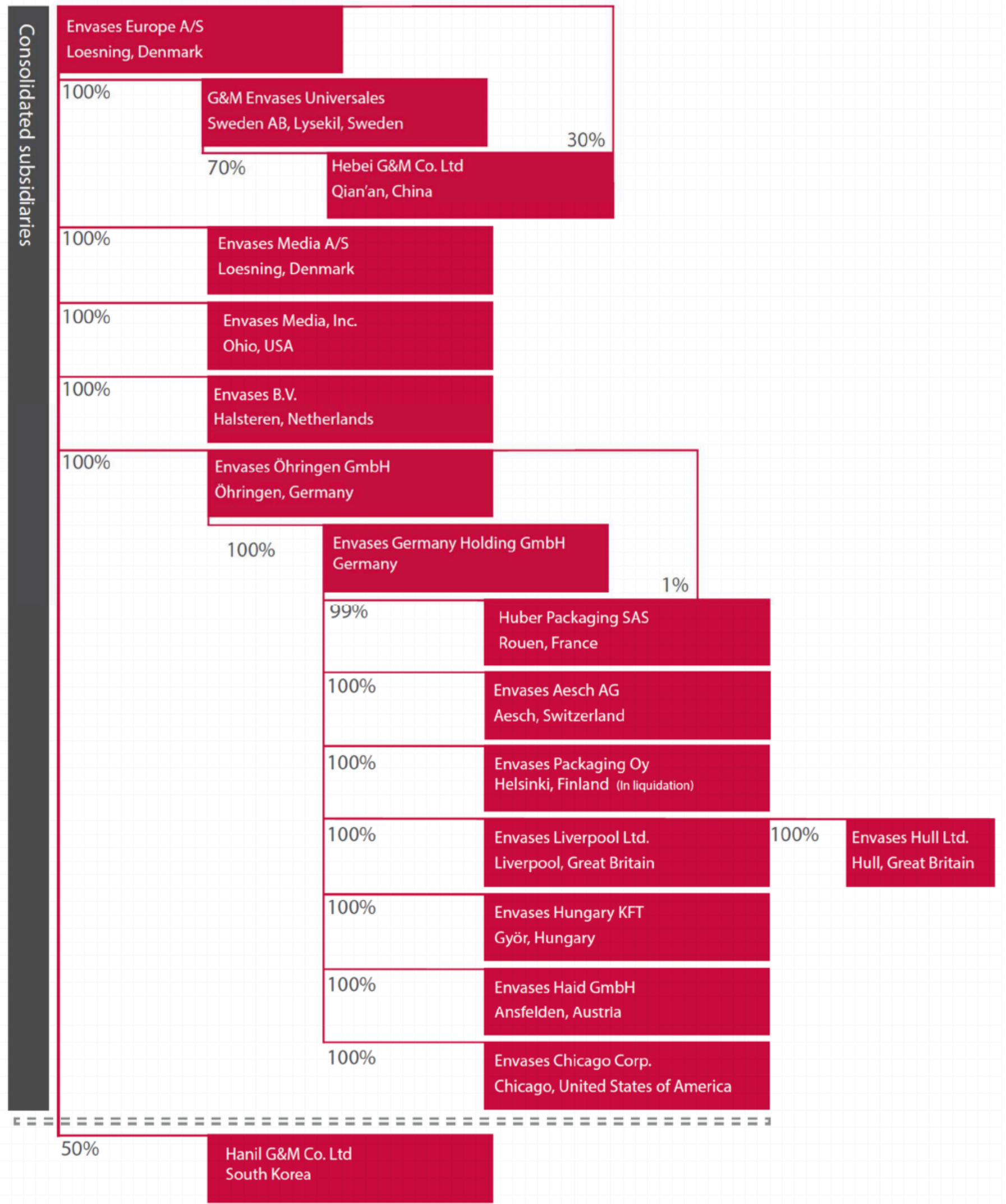
Statsautoriseret Revisionspartnerselskab  
Business Registration No 33 96 35 56

Henrik Vedel  
State-Authorised  
Public Accountant  
Identification No (MNE) mne10052

Mikael Møller  
State-Authorised  
Public Accountant  
Identification No (MNE) mne 47835

## Management commentary

### Group chart as per 31 December 2022



## Group financial highlights

	2022	2021	2020	2019	2018
Income statement in mDKK:					
Revenue	4.729	3.703	2.125	2.063	1.778
Gross profit	1.040	669	305	268	246
Income before interests	588	433	109	73	86
Net financial income	-22	-22	-22	-23	0
Income for the year	440	360	93	71	102
Balance sheet in mDKK:					
Balance sheet total	4.163	3.809	2.417	2.375	1.517
Equity	1.986	1.543	1.163	1.080	1.011
Cash flow in mDKK:					
Acquisition etc of property, plant and equipment	293	410	90	78	82
Employees:					
Average number of employees	2.029	1.868	1.113	1.125	992
Key ratios:					
Gross margin	22%	18%	14%	13%	14%
Net profit ratio	12%	12%	5%	4%	5%
Return on invested capital including goodwill	23%	22%	8%	7%	10%
Solvency ratio	48%	41%	48%	45%	67%
Return on equity	25%	27%	8%	7%	11%

Change in accounting policies in 2019 on right of use assets (Leasing assets) is adapted from 2019 and on. Financial highlights have not been restated for earlier periods.

Key ratios are defined and calculated in accordance with latest "Recommendations & Ratios" issued by the Danish Finance Society, as specified in note 21.

## Management commentary

### Primary activities

The Group's primary activity is to manufacture and sell decorated metal packaging. Envases Europe products are mainly used in the production of foodstuffs, food products, beverages, paint and chemicals.

Envases Europe products are marketed globally, with the Danish and German market being the base markets, and the Group employs 2.029 staff in total. We refer to our homepage, [www.envases.dk](http://www.envases.dk), for further information about our organisation.

A chart of the Group's legal entities is provided on page 6.

### Development in activities and finances

The Envases Europe Group's revenue for 2022 comes to DKK 4,729m against DKK 3,703m for 2021, and income for the year is DKK 440m against last year's DKK 360m.

In the end of 2021 we acquired activities within 5 litre beverage keg's. The purchase has in 2022 been fully included in our production facilities in Germany and added revenue and earnings as expected.

The war in Ukraine impacted our business in 2022. We have stopped all direct sales to Russia. The main impact to our business was the increased risk in energy supply and the derived effect in energy-prices. We have invested in alternatives for gas supply for all our main plants by installing LPG facilities. The price for energy had a large impact on our cost and this will continue in 2023.

The Covid-19 pandemic still had an impact on our business in the first part of 2022, but we do not see any major impacts in our operation any longer.

With effect from November 2022, the Group has acquired 100% of the shares in Nepak Ltd. (UK). Nepak is a strategic supplier to our production of metal screw caps to our business in Liverpool, UK. The company runs operations in Hull, UK and will continue to stay in Hull. The effect of the purchase has been limited in 2022.

As we expected in the beginning of 2022 we experienced a year with increasing purchase prices. We secured some raw materials before year ending and we successfully pushed the price increase into the market, mainly for short term contracts. We expected a decrease for the volume development for 2022, but actually the market, especially the first half year, was better.

The securement of raw materials and operation performance led to a very satisfactoring net profit for 2022.

## Management commentary

### Closure of subsidiary in China

The Group's subsidiary in China (Hebei G&M Ltd.) has been under closure since 2015. At present the company still owns the production building in China where the Company's activities have been located. The building is recognized at the estimated sales price at 31.12.2022, and provisions are made for estimated selling costs. Moreover, provisions have been made for other estimated costs until expected liquidation of the Company.

As in previous years the subsidiary Hebei G&M Ltd. is considered a discontinuing activity.

### Investments

Investments for the year total DKK 374m (including additions in right to use assets) and total ongoing investments are DKK 270m at year-end.

### Financial risks

Due to its international activities, the Envases Europe Group is affected by exchange rate fluctuations relating to certain currencies. The Group aims to hedge commercial currency risks.

Movements in commodity prices can affect earnings and cash flow. It is Envases Europe's policy to ensure that significant risks related to raw materials are reduced through a combination of fixed price agreements with suppliers, active price adjustment and in some cases financial hedging.

The Group's interest-bearing net debt is financed by floating rate on loans with short-term maturity and both fixed and floating rates on loans with long-term maturity.

The Group's granting of credit when selling goods involves a risk, which the Group seeks to reduce through effective management and credit insurance.

### Intellectual capital resources

#### Research and development

The Group is focusing on strengthening its position by selling quality products in selected markets. Such efforts will be made continuously, being an important element of the strategy plan adopted.

With a Technology Department the Group has access to the resources of the competence centre which carries out research and development activities. These activities are not deemed to be entitled to capitalisation.

### Data ethics policy statement, cf. section §99 d of the Danish Financial Statements Act

Envases Europe A/S has not defined a separate "Data Ethics Policy". Envases Europe A/S has defined a policy for "General Data Protection Regulation" (GDPR) which defines rules on how data is managed and protected. Any violation of the policy or other internal procedures may be reported by employees through the Group's whistleblower system. No reports were filed in 2022.

## Management commentary

### Corporate social responsibility and gender distribution in management

The CSR policies of Envases Europe A/S are described in our separate Corporate Social Responsibility Report for 2022, which is available at [https://www.envases.mx/media/11428/csr\\_report\\_2022\\_final\\_08-05-23.pdf](https://www.envases.mx/media/11428/csr_report_2022_final_08-05-23.pdf). The report also include Envases Europe A/S' report on gender distribution in the company's management. This CSR Report comply with section 99a+b of the Danish Financial Statements Act.

### Outlook

In 2023 we expect more stable prices for raw materials, but due to the inflation in 2022 other costs and energy prices are expected to increase.

For 2023 we do not expect positive impact from secured raw material. Our group revenue is expected to grow to DKK 4.700-5.000m with a expected net profit dropping to the range of DKK 250-275m. We continue to have a policy of securing raw material prices, but we do not see any effect of 2022 contracts in the expected result of 2023.

The energy situation can still have an impact on our business, but with the investments in alternative supply for gas we believe we have limited the risk for production stop.

## Accounting policies

The annual report of Envases Europe A/S and the consolidated financial statements have been prepared in accordance with the requirements of the Danish Financial Statements Act governing reporting class C (large) enterprises.

The accounting policies applied for the financial statements are consistent with those applied last year.

### Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Group, and the value of the assets can be measured reliably.

Liabilities are recognised in the balance sheet when the Group has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Group, and the value of the liabilities can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant effective interest rate over their term. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the accumulated amortisation of any difference between cost and the nominal amount.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement. Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

### Business combinations

The uniting-of-interests method is applied on mergers where the enterprises concerned are controlled by the Parent. Under the uniting-of-interests method, the acquiree's assets and liabilities are recognised at their carrying amounts, adjusted for any differences in accounting policies and accounting estimates. The comparative figures are restated.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date.

Exchange differences that arise between the rate at the transaction date and the one in effect at the payment date or the rate at the balance sheet date are recognised in the income statement as financial income or financial expenses.

Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Loans granted to group enterprises at the time of acquisition are also translated to Danish kroner using the exchange rate at the balance sheet date. Translation differences between the rates at the beginning and end of the year are adjusted directly on equity.

### Consolidated financial statements

The consolidated financial statements include the Parent Envases Europe A/S and the enterprises in which the Parent, directly or indirectly, holds the majority of the voting rights.

#### Basis of consolidation

The consolidated financial statements are prepared on the basis of the financial statements of Envases Europe A/S and its subsidiaries. The consolidated financial statements are prepared by combining uniform items. On consolidation, intra-group income and expenses, intra-group accounts and dividends as well as profits and losses on transactions between the consolidated enterprises are eliminated. The financial statements used for consolidation have been prepared applying the Group's accounting policies.

Subsidiaries' financial statement items are recognised in full in the consolidated financial statements. Minority interests' pro rata shares of the profit/loss and the net assets are disclosed as separate items in the income statement and the balance sheet, respectively.

In the consolidated financial statements the carrying amount of the Parent's investments in the consolidated subsidiaries are offset against its share of the subsidiaries' equity value calculated at the date when the group relation was established.

### Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Derivative financial instruments are recognised under other receivables or other payables.

Value adjustments of derivative financial instruments concluded to hedge the fair value of recognised financial assets or liabilities are added to/deducted from the fair value of the hedged asset/liability.

Value adjustments of derivative financial instruments concluded to hedge estimated future cash flows are recognised in equity until the hedged transaction has been carried out. If the transaction results in an asset or a liability, the accumulated value adjustment will be recognised in cost of the asset or liability, and if the transaction results in income or expenses, the accumulated value adjustment will be recognised in the income statement together with the item hedged.

For derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

### Discontinuing activities

Discontinued operations are material business areas or geographical areas in the process of being shut down and where the assets are held for sale.

The profit/loss from discontinued operations is presented in the income statement as a separate item consisting of operating profit/loss after tax for the relevant operation. Assets relating to discontinued operations are presented separately in the balance sheet under current assets. Liabilities directly related to discontinued operations are presented as current liabilities in the balance sheet.

### Income statement

#### Revenue

Revenue from sale of goods for resale and manufactured goods is recognised in the income statement when delivery has been made and risk has been transferred to the buyer before year-end and when the income can be calculated reliably and receipt is expected. Revenue is measured net of VAT, duties and sales discounts.

#### Production costs

Production costs comprise direct and indirect costs incurred to earn revenue. Production costs include cost of goods sold, wages and salaries to staff engaged in production as well as depreciation of production plant and other costs derived from production.

Production costs also include research and development costs that do not meet the criteria for capitalisation in the balance sheet as well as amortisation of development costs capitalised.

#### Sales and distribution costs

Sales and distribution costs include costs incurred for salaries to staff engaged in sale and distribution, advertising costs, freight costs and other types of related costs.

#### Administrative expenses

Administrative expenses include expenses for administrative staff, management and office premises, etc including depreciation and amortisation.

#### Depreciation and amortisation

Intangible assets and property, plant and equipment are depreciated/amortised straight-line over the expected useful lives of the assets which represent:

Acquired patents and licences	5-20 years
Software licences	0-5 years
Goodwill	10 years
Buildings	25 years
Plant and machinery	3-10 years
Operating equipment, fixtures and fittings	3-10 years

Depreciation and amortisation as well as profits and losses on current replacement of fixed assets are recognised under production costs, sales and distribution costs as well as administrative expenses.

#### Other operating income and expenses

Other operating income and expenses comprise items of a secondary nature to the Company's primary activities.

#### Financial income and expenses

These items comprise interest income and expenses, realised and unrealised capital gains and losses on payables and transactions in foreign currencies, amortisation premium or allowance on mortgage debt, etc as well as tax surcharge and tax relief under the Danish Tax Prepayment Scheme.

Interest and other expenses relating to loans for financing the manufacture of intangible assets and property, plant and equipment and which relate to the manufacturing period are not included in cost.

#### Income taxes

Envases Europe A/S is subject to the rules of national joint taxation with Envases Europe A/S as the administration company. Income taxes are allocated among the jointly taxed Danish companies (full allocation).

Tax for the year in the income statement consists of current tax for the year, adjustment of deferred tax for the year as well as adjustment relating to previous years. Tax for the year is recognised in the income statement by the portion attributable to profit/loss for the year and recognised directly in equity by the portion attributable to entries directly in equity.

Deferred tax liabilities are recognised in the balance sheet as provisions. The deferred tax liability is recognised as tax on all temporary differences at the current tax rate. The value of prior years' tax losses is set off against deferred tax provided the tax losses are expected to be set off against future income.

#### Profit/loss from investments in group enterprises and associates

The Parent's income statement includes the share of group enterprises' and associates profits/losses adjusted for change in non-realised internal profits.

## Balance sheet

### Goodwill and goodwill on consolidation

Goodwill is calculated as the difference between cost of the investments and fair value of the assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life which is assessed to be 10 years, based on expected earning profile and benefit from the relevant resources.

Goodwill is written down to the lower of recoverable amount and carrying amount.

### Development projects, software, acquired rights

The cost of development projects and software comprises salaries, depreciation/amortisation and other expenses that are directly attributable to the Company's development activities or implementation of software.

Clearly defined and identifiable development projects, for which the technical rate of utilisation, adequate resources and a potential future market or a development possibility in the enterprise can be established, and where the intention is to manufacture, market or apply the project, are recognised as intangible assets provided that sufficient certainty exists that the value in use of future earnings can cover manufacturing costs, sales expenses, administrative expenses and development costs.

Development projects which do not meet the criteria for recognition in the balance sheet are recognised as costs in the income statement as incurred.

Capitalised development costs and software are measured at the lower of cost less accumulated amortisation and impairment losses and recoverable amount.

Capitalised development costs and software are amortised from the time of completion on a straight-line basis over the period in which it is expected to generate economic benefits.

Acquired rights are measured at the lower of cost, less accumulated amortisation and impairment losses, and recoverable amount.

### Customer relationship, brand name etc.

Customer relationship, brand name etc. are recognised at cost less depreciation and impairment losses.

Costs are amortised from the time of acquisition on a straight-line basis over a period of 3 years in which it is expected to generate economic benefits.

Customer relationship, brand name etc. are measured at the lower of cost, less accumulated amortisation and impairment losses, and recoverable amount.

### Property, plant and equipment

Property, plant and equipment are recognised at cost less depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation.

Cost for self-constructed part of assets comprises direct and indirect costs of materials, components, subsuppliers and labour costs. Interest are expensed and not included in self-constructed assets.

The carrying amounts and the useful lives of property, plant and equipment are reviewed annually to determine any indications of impairment in addition to those reflected in depreciation. If there is an indication of impairment, an impairment test is performed to determine if the recoverable amount is lower than the carrying amount, and consequently the asset will be written down to such recoverable amount.

The recoverable amount of the asset is determined as the higher of net selling price and value in use. If it is not possible to fix a recoverable amount for the individual asset, all assets must be measured together in the smallest group of assets for which a reliable recoverable amount can be fixed by an overall valuation.

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and carrying amount at the time of sale. Profits or losses are recognised in the income statement as adjustment to depreciation and impairment losses.

#### Investments in subsidiaries and associates

Investments in subsidiaries and associates are recognised and measured under the equity method. This means that investments are measured at the pro rata share of the enterprises' equity plus or less unamortised positive, or negative, goodwill and plus or less unrealised intra-group profits or losses.

The profit share in the foreign enterprise is translated into Danish kroner using average exchange rates whereas investments are translated into Danish kroner using the exchange rate at the balance sheet date. Translation differences between exchange rates at the beginning of the year, average exchange rates and exchange rates at the end of the year are adjusted directly on equity.

Subsidiaries with a negative equity value are measured at zero value, and any receivables from these enterprises are written down by the Parent's share of such negative equity if it is deemed irrecoverable. If the negative equity exceeds the amount receivable, the remaining amount is recognised under provisions if the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise.

Upon distribution of profit or loss, net revaluation of investments in subsidiaries and associates is transferred to reserve for net revaluation according to the equity method under equity.

#### Inventories

Inventories consist of goods, consumption materials and spare parts.

Inventories are measured at the lower of cost using the average cost formula and net realisable value.

Goods for resale as well as raw materials and consumables are measured at cost plus landing costs.

Cost of manufactured goods and work in progress consists of cost of materials and direct labour costs with addition of indirect production costs. Indirect production costs comprise indirect materials and labour costs, costs of maintenance, depreciation and impairment losses for machinery, factory buildings and equipment applied for the manufacturing process as well as costs of factory administration and management. Finance costs are not included in cost.

#### Receivables

Receivables are recognised at nominal value less writedown for bad debt on the basis of an individual assessment.

#### Pension obligations

Defined contribution plans are covered by insurance. Payments to the insurance are expensed in the financial year.

Defined benefit plans in relation to present and former employees are measured using actuarial methods. Actuarial gain and loss related to the defined benefit plan is recognized in equity. Service cost, calculated interests and other cost related to the financial year are recognised in the income statement.

#### Cash flow statement

The cash flow statement of the Group is presented using the indirect method and shows cash flows from operating, investing and financing activities as well as the Group's cash and cash equivalents at the beginning and the end of the financial year.

Cash flows from operating activities are calculated as the operating profit/loss adjusted for non-cash operating items, working capital changes and income taxes paid.

Cash flows from investing activities comprise payments in connection with acquisition and divestment of enterprises, activities and fixed asset investments as well as purchase, development, improvement and sale, etc of intangible assets and property, plant and equipment, including acquisition of assets held under finance leases.

Cash flows from financing activities comprise changes in the size or composition of the Parent's share capital and related costs as well as the raising of loans, inception of finance leases, installments on interest-bearing debt and payment of dividend.

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

## Income statement for the financial year 1 January to 31 December

Note	Parent		Group	
	2022	2021	2022	2021
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
1 Revenue	2.124.746	1.767.586	4.729.073	3.702.587
Production costs	-1.728.197	-1.497.505	-3.689.057	-3.034.067
Gross profit	396.549	270.081	1.040.016	668.520
Sales and distribution costs	-92.925	-87.786	-238.916	-238.936
Administrative expenses	-73.513	-64.795	-216.698	-203.505
2 Other income	13.559	216.173	3.705	206.836
Income before interests	243.670	333.673	588.107	432.915
3 Income from investments in subsidiaries	250.136	70.434	0	0
Income from investments in associates	22.906	23.677	22.906	23.677
4 Financial income	11.126	9.717	16.158	10.944
5 Financial expenses	-36.432	-31.239	-38.071	-32.988
Income before tax	491.406	406.262	589.100	434.548
6 Tax on profit/loss for the year	-49.975	-42.734	-147.669	-71.020
Income for the year - continuing activities	441.431	363.528	441.431	363.528
7 Income after tax on discontinuing activities	-1.060	-3.449	-1.060	-3.449
8 Income for the year	440.371	360.079	440.371	360.079

## Balance sheet at 31 December

### Assets

Note	Parent		Group	
	2022	2021	2022	2021
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
Acquired intangible assets	652	777	1.074	1.796
Intellectual property	0	0	14.508	13.183
Customer relationship, brand name etc.	0	0	79.435	96.221
Goodwill	0	0	109.755	127.797
9 Intangible assets	652	777	204.772	238.997
Land and buildings	373	432	557.449	555.584
Plant and machinery	290.395	251.804	455.454	391.775
Other fixtures and fittings, tools and equipment	107.177	100.042	135.197	119.766
Right of use assets	397.983	537.610	404.965	542.411
Fixed assets under construction and prepayments	127.340	126.764	270.363	229.876
10 Tangible assets	923.268	1.016.652	1.823.428	1.839.412
Investments in subsidiaries	1.332.679	1.075.003	0	0
Investments in associates	86.321	81.487	86.321	81.487
Receivables from related parties	298.125	2.092	19.696	37.413
Other long term receivables	31.466	31.339	31.711	32.341
11 Fixed asset investments	1.748.591	1.189.921	137.728	151.241
Deferred tax assets	0	0	6.289	3.267
Fixed assets	2.672.511	2.207.350	2.172.217	2.232.917
12 Inventories	489.964	307.512	968.194	665.091
Trade receivables	294.211	264.412	564.081	512.358
Receivables from related parties	38.807	532.664	37.516	57.114
Income tax receivable	5.801	0	5.801	0
13 Other receivables	28.854	33.005	58.027	78.811
Prepayments	1.895	2.654	2.388	4.408
Receivables	369.568	832.735	667.813	652.691
Cash	8.346	14.141	345.392	247.985
7 Assets in discontinuing activities	0	0	9.220	10.592
Current assets	867.878	1.154.388	1.990.619	1.576.359
Assets	3.540.389	3.361.738	4.162.836	3.809.276

## Balance sheet at 31 December

### Equity and liabilities

Note	Parent		Group	
	2022	2021	2022	2021
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
Share capital	175.000	175.000	175.000	175.000
Net revaluation of investments in subsidiaries and associates	746.828	456.280	70.142	65.308
Reserve for currency translation	0	0	6.969	12.239
Retained earnings	1.064.529	912.028	1.734.246	1.290.761
<b>Equity</b>	<b>1.986.357</b>	<b>1.543.308</b>	<b>1.986.357</b>	<b>1.543.308</b>
Provision for pensions	0	0	81.071	100.381
14 Deferred tax liabilities	18.071	26.218	130.281	128.079
Other provisions	0	0	1.334	938
<b>Provisions</b>	<b>18.071</b>	<b>26.218</b>	<b>212.686</b>	<b>229.398</b>
Right of use asset liability	395.027	519.080	401.015	523.837
Credit institutions	297.704	405.102	323.384	432.984
Other payables	42.249	41.477	42.249	41.477
Deferred income	5.064	4.723	6.058	6.286
15 Long-term liabilities other than provisions	740.044	970.382	772.706	1.004.584
Current portion of long-term liabilities to credit institutions and right of use asset liability	140.804	87.013	176.482	122.184
Bank loans and overdrafts	78.214	194.200	78.214	194.200
Trade payables	315.858	188.202	609.904	434.733
Debt to related parties	154.666	244.186	0	0
Income tax payable	0	12.983	63.169	46.377
13 Other payables	106.375	95.246	259.045	230.077
<b>Short-term liabilities</b>	<b>795.917</b>	<b>821.830</b>	<b>1.186.814</b>	<b>1.027.571</b>
7 Liabilities on discontinuing activities	0	0	4.273	4.415
<b>Liabilities other than provisions</b>	<b>1.535.961</b>	<b>1.792.212</b>	<b>1.963.793</b>	<b>2.036.570</b>
<b>Equity and liabilities</b>	<b>3.540.389</b>	<b>3.361.738</b>	<b>4.162.836</b>	<b>3.809.276</b>
16 Staff costs				
17 Assets charged and provided securities				
18 Other commitments				
19 Contingent liabilities				
20 Fee to auditors appointed by the Company in general meeting				
21 Events after balance sheet date				
22 Transactions with related parties				
23 Definition of financial key ratios				

## Statement of changes in equity

The share capital consists of 175,000 shares at DKK 1,000.  
There has been no changes in share capital in the past five financial years.

Parent	Share capital	Net revaluation of investments in subsidiaries and associates	Retained earnings	Total
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
Equity at 1 January 2021	175.000	446.342	541.277	1.162.619
Exchange adjustments of subsidiaries and associates		15.124		15.124
Fair value adjustments of hedging instruments		34	4.081	4.115
Dividens received		-141.560	141.560	0
Net revaluation for the year		1.371		1.371
Retained earnings for the year		134.969	225.110	360.079
Equity at 31 December 2021	<u>175.000</u>	<u>456.280</u>	<u>912.028</u>	<u>1.543.308</u>
Equity at 1 January 2022	175.000	456.280	912.028	1.543.308
Exchange adjustments of subsidiaries and associates		-2.731		-2.731
Fair value adjustments of hedging instruments		-29	-8.934	-8.963
Dividens received		-22.311	22.311	0
Net revaluation for the year		14.372		14.372
Retained earnings for the year		301.247	139.124	440.371
Equity at 31 December 2022	<u>175.000</u>	<u>746.828</u>	<u>1.064.529</u>	<u>1.986.357</u>

## Statement of changes in equity

Group	Share capital	Net revaluation of investments in associates	Reserve for currency translation	Retained earnings	Total
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
Equity at 1 January 2021	175.000	184.881	-4.725	807.463	1.162.619
Exchange adjustments of subsidiaries and associates		-1.840	16.964		15.124
Fair value adjustments of hedging instruments				4.115	4.115
Dividens received		-141.560		141.560	0
Net revaluation for the year		150		1.221	1.371
Retained earnings for the year		23.677		336.402	360.079
Equity at 31 December 2021	<u>175.000</u>	<u>65.308</u>	<u>12.239</u>	<u>1.290.761</u>	<u>1.543.308</u>
Equity at 1 January 2022	175.000	65.308	12.239	1.290.761	1.543.308
Exchange adjustments of subsidiaries and associates		2.539	-5.270		-2.731
Fair value adjustments of hedging instruments				-8.963	-8.963
Dividens received		-22.311		22.311	0
Net revaluation for the year		1.700		12.672	14.372
Retained earnings for the year		22.906		417.465	440.371
Equity at 31 December 2022	<u>175.000</u>	<u>70.142</u>	<u>6.969</u>	<u>1.734.246</u>	<u>1.986.357</u>

## Group cash flow statement

Note	Group	
	2022	2021
	DKK 1.000	DKK 1.000
Income for the year	440.371	360.078
24 Adjustments	359.644	88.701
25 Working capital changes	-124.642	-39.870
Cash flow from income before interests	675.373	408.909
Financial income received	16.158	10.943
Financial expenses paid	-38.071	-32.987
Income taxes paid	-134.702	-80.113
Cash flow from operating activities	518.758	306.752
Purchase of shares in subsidiaries	-8.324	-228.934
Dividends received from associates	18.965	141.560
Acquisition etc. of other long term receivables	630	-2.584
Acquisition etc. of intangible assets	-983	-80.340
Acquisition etc. of property, plant and machinery etc.	-291.439	-242.538
Sale of property, plant and machinery etc.	11.835	1.194
Cash flows from investing activities	-269.316	-411.642
Net long-term financing	-102.796	300.558
Net payment on liabilities on right of use assets	-40.224	-40.247
Installments on long-term liabilities	-44.171	-50.463
Changes in related parties outstanding accounts	37.315	-19.283
Cash flows from financing activities	-149.876	190.565
Increase/decrease in cash and cash equivalents	99.566	85.675
Cash and equivalents aquired at purchase of subsidiaries	930	51.679
Cash and equivalents at 1 January	213.881	76.527
26 Cash and equivalents at 31 December	314.377	213.881

## Notes

	Parent		Group	
	2022	2021	2022	2021
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
1 Revenue				
The Company's primary segments are geografic markets.				
Scandinavia	1.197.582	1.020.017	1.318.764	1.092.889
EU countries (excluding Denmark and Sweden	470.296	352.964	2.589.791	1.959.920
Rest of the world	456.868	394.605	820.518	649.778
	<u>2.124.746</u>	<u>1.767.586</u>	<u>4.729.073</u>	<u>3.702.587</u>
2 Other income				
Rent	2.592	416	2.923	416
Group badwill	0	205.601	0	205.601
Other income	10.967	10.156	782	819
	<u>13.559</u>	<u>216.173</u>	<u>3.705</u>	<u>206.836</u>
3 Income from investments in subsidiaries				
Income from investments in subsidiaries	278.174	112.121	0	0
Depreciation on goodwill and re-evaluations on aquired subsidiaries	-28.038	-41.687	0	0
	<u>250.136</u>	<u>70.434</u>	<u>0</u>	<u>0</u>

## Notes

	Parent		Group	
	2022	2021	2022	2021
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
<b>4 Financial income</b>				
Financial income from group enterprises	7.179	3.265	2.790	3.550
Foreign exchange adjustments	3.400	6.114	12.211	6.980
Other financial income	547	338	1.157	414
	<u>11.126</u>	<u>9.717</u>	<u>16.158</u>	<u>10.944</u>
<b>5 Financial expenses</b>				
Financial expenses	8.971	6.370	13.125	9.258
Financial expenses on right of use assets	16.178	17.675	16.234	16.852
Financial expenses to group enterprises	3.098	2.392	0	0
Foreign exchange adjustments	6.223	4.802	6.450	5.274
Other financial expenses	1.962	0	2.262	1.604
	<u>36.432</u>	<u>31.239</u>	<u>38.071</u>	<u>32.988</u>
<b>6 Tax on profit/loss for the year</b>				
Current tax	52.448	35.228	144.002	69.184
Change in deferred tax	-5.658	-8.430	107	-14.081
Tax on received dividend	3.347	18.408	3.347	18.408
Adjustment concerning tax in previous years	-162	-2.472	213	-2.491
	<u>49.975</u>	<u>42.734</u>	<u>147.669</u>	<u>71.020</u>

## Notes

	Group	
	2022	2021
	DKK 1.000	DKK 1.000
7 Discontinuing activities		
Income statement		
Revenue	0	0
Production costs	0	0
Gross profit	0	0
Sales and distribution costs	0	0
Administrative expenses	-1.060	-3.449
Income before interests and tax	-1.060	-3.449
Financial items	0	0
Tax	0	0
Income after tax on discontinuing activities	-1.060	-3.449
Balance sheet		
Assets		
Intangible assets	3.616	3.718
Tangible assets	5.396	5.548
Fixed assets	9.012	9.266
Inventories	0	0
Receivables	0	0
Cash	208	1.326
Current assets	208	1.326
Assets in discontinuing activities	9.220	10.592
Liabilities		
Trade payables	0	0
Other payables	4.273	4.415
Liabilities in discontinuing activities	4.273	4.415
Debt to consolidated enterprises	63.047	63.049
Net equity discontinuing activities	-58.100	-56.872
Net investment / receivable	4.947	6.177

## Notes

### 8 Proposed distribution of income for the year

	2022
	DKK 1.000
Parent	
Transfer to reserve for net revaluation of subsidiaries and associates	301.247
Retained earnings	139.124
	<u>440.371</u>
Group	
Transfer to reserve for net revaluation of associates	22.906
Retained earnings	417.465
	<u>440.371</u>

### 9 Intangible assets

	Acquired intangible assets
	DKK 1.000
Parent	
Cost at 1 January	40.398
Additions	815
Cost at 31 December	<u>41.213</u>
Depreciation and impairment losses at 1 January	39.621
Depreciation for the year	940
Depreciation and impairment losses at 31 December	<u>40.561</u>
Carrying amount at 31 December	<u>652</u>

Amortisation and depreciation are recognised as follows  
in the income statement

	2022	2021
	DKK 1.000	DKK 1.000
Production costs	940	1.167
	<u>940</u>	<u>1.167</u>

## Notes

### 9 Intangible assets - continued

Group	Acquired intangible assets	Intellectual property	Customer relationship, brand name etc.	Goodwill
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
Cost at 1 January	113.392	13.386	163.208	244.427
Additions from aquisition of subsidiaries	0	3.907	0	0
Foreign exchange adjustments	-3	-148	-24	0
Additions	983	0	0	0
Disposals	-327	0	0	0
Cost at 31 December	<u>114.045</u>	<u>17.145</u>	<u>163.184</u>	<u>244.427</u>
Depreciation and impairment losses at 1 January	111.596	203	66.987	116.630
Additions from aquisition of subsidiaries	0	0	0	0
Foreign exchange adjustments	-3	0	-25	0
Depreciation for the year	1.705	2.434	16.787	18.042
Reversals relating to disposals	-327	0	0	0
Depreciation and impairment losses at 31 December	<u>112.971</u>	<u>2.637</u>	<u>83.749</u>	<u>134.672</u>
Carrying amount at 31 December	<u>1.074</u>	<u>14.508</u>	<u>79.435</u>	<u>109.755</u>

Amortisation and depreciation are recognised as follows in the income statement

	2022	2021
	DKK 1.000	DKK 1.000
Production costs	21.416	19.411
Sales and distribution costs	16.787	18.234
Administrative expenses	765	2.196
	<u>38.968</u>	<u>39.841</u>

## Notes

### 10 Tangible assets

Parent	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Right of use assets	Fixed assets under construction
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
Cost at 1 January	1.846	1.877.147	226.918	676.013	126.764
Additions	0	16.913	14.213	3.208	103.286
Transfers	0	98.338	4.372	0	-102.710
Re-evaluations	0	0	0	-102.712	0
Disposals	0	-27.840	0	-15.783	0
Cost at 31 December	<u>1.846</u>	<u>1.964.558</u>	<u>245.503</u>	<u>560.726</u>	<u>127.340</u>
Depreciation and impairment losses at 1 January	1.414	1.625.343	126.876	138.403	0
Depreciation for the year	59	69.658	11.450	39.786	0
Reversals relating to disposals	0	-20.838	0	-15.446	0
Depreciation and impairment losses at 31 December	<u>1.473</u>	<u>1.674.163</u>	<u>138.326</u>	<u>162.743</u>	<u>0</u>
Carrying amount at 31 December	<u>373</u>	<u>290.395</u>	<u>107.177</u>	<u>397.983</u>	<u>127.340</u>

Amortisation, depreciation and gain/loss on sales/disposals are recognised as follows in the income statement

	2022	2021
	DKK 1.000	DKK 1.000
Production costs	115.389	127.625
Sales and distribution costs	437	498
Administrative expenses	4.280	4.516
	<u>120.106</u>	<u>132.639</u>

## Notes

### 10 Tangible assets - continued

Group	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Right of use assets	Fixed assets under construction
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
Cost at 1 January	827.873	3.126.067	520.598	685.721	229.876
Additions from aquisition of subsidiaries	0	2.396	42	0	0
Foreign exchange adjustments	2.007	-3.937	-191	39	-812
Additions	11.350	49.906	27.017	9.883	193.283
Transfers	0	138.024	7.797	0	-145.821
Re-evaluations	0	0	0	-102.712	0
Disposals	-1.746	-43.876	-1.164	-16.938	0
Cost at 31 December	<u>839.484</u>	<u>3.268.580</u>	<u>554.099</u>	<u>575.993</u>	<u>276.526</u>
Depreciation and impairment losses at 1 January	272.289	2.734.292	400.832	143.310	0
Additions from aquisition of subsidiaries	0	803	41	0	0
Foreign exchange adjustments	-1.069	-2.949	-210	22	0
Depreciation and impairment for the year	11.973	107.039	19.403	44.297	6.163
Reversals relating to disposals	-1.158	-26.059	-1.164	-16.601	0
Depreciation and impairment losses at 31 December	<u>282.035</u>	<u>2.813.126</u>	<u>418.902</u>	<u>171.028</u>	<u>6.163</u>
Carrying amount at 31 December	<u>557.449</u>	<u>455.454</u>	<u>135.197</u>	<u>404.965</u>	<u>270.363</u>

Amortisation, depreciation and gain/loss on sales/disposals are recognised as follows in the income statement

	2022	2021
	DKK 1.000	DKK 1.000
Production costs	178.905	168.110
Sales and distribution costs	1.615	753
Administrative expenses	15.262	10.035
	<u>195.782</u>	<u>178.898</u>

## Notes

### 11 Fixed asset investments

Parent	Investments	Investments	Other long
	in subsidiaries	in associates	term receivables
	DKK 1.000	DKK 1.000	DKK 1.000
Cost at 1 January	590.557	16.179	31.339
Additions	0	0	127
Cost at 31 December	<u>590.557</u>	<u>16.179</u>	<u>31.466</u>
Net revaluation at 1 January	484.446	65.308	0
Foreign exchange adjustments	-5.270	2.539	0
Net share of profit/loss for the year	277.114	22.906	0
Dividends received	0	-22.311	0
Depreciation on goodwill and re-evaluations on acquired subsidiaries	-28.038	0	0
Net revaluation for the year	12.643	1.700	0
Net adjustments of investments having a negative equity value	1.227	0	0
Net revaluation at 31 December	<u>742.122</u>	<u>70.142</u>	<u>0</u>
Carrying amount at 31 December	<u>1.332.679</u>	<u>86.321</u>	<u>31.466</u>

## Notes

### 11 Fixed asset investments - continued

Group	Investments in associates	Other long term receivables
	DKK 1.000	DKK 1.000
Cost at 1 January	16.179	32.341
Additions	0	127
Disposals	0	-757
Cost at 31 December	<u>16.179</u>	<u>31.711</u>
Net revaluation at 1 January	65.308	0
Foreign exchange adjustments	2.539	0
Net share of profit/loss for the year	22.906	0
Dividends received	-22.311	0
Net revaluation for the year	1.700	0
Net revaluation at 31 December	<u>70.142</u>	<u>0</u>
Carrying amount at 31 December	<u>86.321</u>	<u>31.711</u>

## Notes

### 11 Fixed asset investments - continued

Parent	Net profit in last annual report	Equity in last annual report	Share capital	Parent share of voting rights
<u>Subsidiaries</u>				
G&M Envases Universales Sweden AB Lysekil, Sweden	TSEK 16.913	TSEK 125.201	TSEK 3.706	100%
Envases Media A/S Løsning, Denmark	TDKK 10.447	TDKK 82.516	TDKK 1.000	100%
Envases Media Inc. Ohio, USA	TUSD 1.995	TUSD 15.282	TUSD 3.000	100%
Hebei G&M Co. Ltd Qian'an, China	TRMB 2.642	TRMB -33.994	TRMB 90.338	30%
Envases BV Halsteren, Netherlands	TEUR 3.863	TEUR 20.041	TEUR 477	100%
Envases Öhringen GmbH Öhringen, Germany	TEUR 4.748	TEUR 16.615	TEUR 30.618	100%
<u>Associates</u>				
Hanil G&M Co. Ltd. Seoul, Korea	MKRW 1.309	MKRW 23.812	MKRW 5.000	50%
<u>Group</u>				
<u>Associates</u>				
Hanil G&M Co. Ltd. Seoul, Korea	MKRW 1.309	MKRW 23.812	MKRW 5.000	50%

## Notes

	Parent		Group	
	2022	2021	2022	2021
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
12 Inventories				
Raw materials and consumables	229.228	114.609	429.475	276.611
Goods in progress	199.207	147.003	387.423	272.988
Finished goods	61.529	45.900	151.296	115.492
	<u>489.964</u>	<u>307.512</u>	<u>968.194</u>	<u>665.091</u>

### 13 Other receivables / Other payables

Envases Europe has entered into financial contracts which are recognized at fair value in the following line items in the balance sheet.

Other receivables:

Foreign exchange contracts:

Sale of NOK, ending 01.01.2023 - 11.05.2023

In other receivables

Other payables

Aluminium Swap contracts, due dates in 2023

In other payables

	Parent	Group
	2022	2022
	DKK 1.000	DKK 1.000
Sale of NOK, ending 01.01.2023 - 11.05.2023	36	39
In other receivables	<u>36</u>	<u>39</u>
Aluminium Swap contracts, due dates in 2023	6.259	6.259
In other payables	<u>6.259</u>	<u>6.259</u>

## Notes

	Parent		Group	
	2022	2021	2022	2021
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
14 Deferred tax liabilities				
Intangible assets	0	0	4.648	8.510
Tangible assets	12.282	15.691	108.110	109.492
Inventories	14.272	15.768	18.877	18.154
Other items	-8.483	-5.241	-7.643	-11.344
	<u>18.071</u>	<u>26.218</u>	<u>123.992</u>	<u>124.812</u>
Deferred tax asset	0	0	-6.289	-3.267
Deferred tax liabilities	18.071	26.218	130.281	128.079
	<u>18.071</u>	<u>26.218</u>	<u>123.992</u>	<u>124.812</u>
Deferred tax at 1 January 2022	26.218		124.812	
Foreign exchange adjustments			-391	
Deferred tax identified at acquisition of subsidiaries	0		375	
Change in deferred tax in income statement	-5.627		445	
Change in deferred tax in Equity	-2.551		-1.281	
Adjustment of deferred tax in previous years	31		32	
Deferred tax at 31 December 2022	<u>18.071</u>		<u>123.992</u>	
15 Long-term liabilities other than provisions				
Other payables consist of holiday payable obligations.				
Long-term liabilities due after more than 5 years:				
Right of use asset liability	<u>376.803</u>		<u>376.803</u>	
Other payables (holiday payable obligation)	<u>35.277</u>		<u>35.277</u>	

## Notes

	Parent 2022	Group 2022
	DKK 1.000	DKK 1.000
16 Staff costs		
Wages and salaries	403.242	861.267
Pension costs	36.291	54.388
Other social security costs	12.637	98.985
	452.170	1.014.640
Staff costs are recognised as follows in the income statement:		
Production costs	402.638	841.914
Sales- and distribution costs	16.856	57.746
Administrative expenses	32.676	114.980
	452.170	1.014.640
From this wages and salaries for executive management and board of directors make:		
Executive Management	9.275	9.275
Board of directors	200	200
	9.475	9.475
Average number of employees	823	2.029
17 Assets charged and provided securities		
The group has no assets charged or provided any securities.		
18 Other commitments		
Renting and lease payments due in 1 year	55	435
Renting and lease payments due in 2-5 years	33	421
Renting and lease payments due after 5 years	0	170
	88	1.026

## Notes

	Parent		Group	
	2022	2021	2022	2021
	DKK 1.000	DKK 1.000	DKK 1.000	DKK 1.000
19 Contingent liabilities				
Guarantees for subsidiaries	14.715	6.862	0	0
Other contingent liabilities	16.031	13.070	142.057	13.370
	<u>30.746</u>	<u>19.932</u>	<u>142.057</u>	<u>13.370</u>

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

The Envases Europe Group has received a compensation claim from a few customers. Provisions are made for expected claims to the extent found necessary by Management. The outcome of single cases may differ in positive as well as negative directions, and the accounting impact may be significant.

### 20 Fee to auditors appointed by the Company on general meeting

Statutory audit services	600	943	2.458	2.554
Other assurance engagements	163	83	163	87
Tax services	0	0	25	28
Other services	0	0	22	0
	<u>763</u>	<u>1.026</u>	<u>2.668</u>	<u>2.669</u>

### 21 Events after balance sheet date

No significant events have occurred after the balance sheet date to this date which would influence the evaluation of the consolidated and parent financial statements.

## Notes

### 22 Transactions with related parties

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. Such transactions have not been conducted in the financial year.

### 23 Definition of financial highlights

Key ratios are defined and calculated in accordance with latest "Recommendations & Ratios" issued by the Danish Society of Financial Analysts.

Ratios Calculation formula

$$\text{Gross margin (\%)} = \frac{\text{Gross profit} \times 100}{\text{Revenue}}$$

$$\text{Net profit ratio (\%)} = \frac{\text{Income before interest} \times 100}{\text{Revenue}}$$

$$\text{Return on invested capital incl goodwill (\%)} = \frac{\text{EBITA} \times 100}{\text{Average invested capital incl goodwill}}$$

$$\text{Solvency ratio(\%)} = \frac{\text{Equity}}{\text{Total assets}}$$

$$\text{Return on equity (\%)} = \frac{\text{Income for the year} \times 100}{\text{Average equity}}$$

Ratios reflect

Return on invested capital incl goodwill

The return generated by the enterprise on the investors' funds.

EBITA (Earnings Before Interest, Tax and Amortisation) is defined as operating profit plus the year's amortisation of goodwill. The year's impairment losses on goodwill are not added.

Invested capital including goodwill is defined as net working capital plus the carrying amount of property, plant and equipment and intangible assets as well as accumulated amortisation of goodwill, and minus other provisions and other long-term operating liabilities. Accumulated impairment losses on goodwill are not added.

Net working capital is defined as inventories, receivables and other operating current assets net of trade payables and other short-term operating liabilities. Income tax receivable and payable as well as cash are not included in net working capital.

## Notes

	Group	
	2022	2021
	DKK 1.000	DKK 1.000
24 Adjustments		
Depreciation and losses on tangible and intangible assets	227.844	222.789
Gain/losses on sale of tangible and intangible assets	6.907	-1.059
Changes in provision for pensions	-19.311	-8.344
Changes in other provisions	397	152
Income from investments in subsidiaries	-22.906	-23.677
Financial income received	-16.158	-10.943
Financial expenses paid	38.071	32.987
Taxes on profit/loss for the year	147.669	71.020
Group badwill	0	-205.601
Other adjustments	-2.869	11.377
	<u>359.644</u>	<u>88.701</u>
25 Working capital changes		
Changes in inventories	-301.356	-65.175
Changes in trade receivables	-49.853	-101.235
Changes in other receivables and prepayments	23.288	18.932
Changes in trade payables	174.232	96.242
Changes in other payables and deferred income	29.047	11.366
	<u>-124.642</u>	<u>-39.870</u>
26 Cash and equivalents		
Cash	314.169	212.555
Cash in discontinuing activities	208	1.326
	<u>314.377</u>	<u>213.881</u>