

**Sealed Air Denmark A/S**

**Annual Report 2021**

**To the Danish Business Authority**

The annual report has been presented and approved  
at the company's annual general meeting

29 June 2022

Torben Lebeck

Chairman

DocuSigned by:

*Lebeck, Torben*

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CVR-nr./CVR no. 64 92 53 18

Tuborg Boulevard 12  
DK-2900 Hellerup

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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 of Sealed Air Denmark A/S for the financial year 1 January – 31 December 2021.

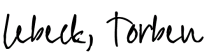
The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021.


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

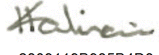
Hellerup, 29 June 2022


Executive Board:

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Torben Lebeck

Board of Directors:

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Emmanuelle Bayol  
Chairman

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Karenjit Kalirai

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Torben Lebeck

## **Independent auditors' report**

### **To the shareholders of Sealed Air Denmark A/S**

#### **Opinion**

We have audited the financial statements of Sealed Air Denmark A/S for the financial year 1 January – 31 December 2021, which comprise income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January – 31 December 2021 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 our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. 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 financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance as to whether the 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and 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 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

## **Independent auditors' report**

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 Company'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 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 Company'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 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 Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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.

København, 29 June 2022

**RSM DENMARK**

Statsautoriseret Revisionspartnerselskab  
CVR-nr. 25 49 21 45

Peter Arent Benkjer  
State Authorised Public Accountant  
mne 35785

*Sealed Air Denmark A/S*

*Annual report 2021  
CVR no. 64 92 53 18*

## **Company Information**

### **Company details**

Sealed Air Denmark A/S  
c/o Lundgrens Advokatpartnerselskab  
Tuborg Boulevard 12  
DK-2900 Hellerup

*CVR no.:* 64 92 53 18  
*Registered office:* Gentofte

### **Board of Directors**

Emmanuelle Bayol  
Karenjit Kalirai  
Torben Lebeck

### **Executive Board**

Torben Lebeck

### **Auditors**

RSM Denmark Statsautoriseret Revisionspartnerselskab  
Ved Vesterport 6, 5.sal  
1612 København V

### **Annual general meeting**

The annual general meeting is to be held on 29 June 2022.

## **Financial statements for the period 1 January – 31 December**

### **Accounting policies**

The annual report of Sealed Air Denmark A/S for 2021 has been prepared in accordance with the provisions applying to class B enterprises under the Danish Financial Statements Act. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are consistent with last year and the annual report is presented in DKK.

### **Recognition and measurement**

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the Company and the value of the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

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 and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

### **Foreign currency translation**

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as interest income or expense and similar items.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable

## **Financial statements for the period 1 January – 31 December**

### **Accounting policies**

arose or was recognised in the latest financial statements is recognised in the income statement as interest income or expense and similar items.

### **Consolidated financial statements**

In accordance with section 110 of the Danish Financial Statements Act, no consolidated financial statements for 2021 have been prepared because the group complies with the regulations set out in section 110.

### **Income statement**

#### **Net turnover**

Net turnover comprises commission earned in connection with sales during the year. Revenue is measured at the fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

#### **Other operating income and charges**

Other operating income and charges comprise secondary items in relation to the primary activities including cost refund from affiliated companies.

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

Financial income and expenses comprise interest income and expense, realised and unrealised market gains and losses in respect of 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**

Tax for the year comprises current tax and changes in deferred tax for the year. 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 directly in equity.

## **Financial statements for the period 1 January – 31 December**

### **Accounting policies**

#### **Balance sheet**

##### **Equity – dividends**

Proposed dividends are recognised as a liability at the date when 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**

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 base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carryforwards, 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. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured according to the tax rules and at the tax rates at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

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

Investments in subsidiaries are measured at cost. If cost exceeds the net realisable value, it is written down to this lower value.

##### **Receivables**

Receivables are measured at amortised cost. Provision is made for anticipated losses.

##### **Prepayments**

Prepayments comprise costs incurred concerning subsequent financial years.

## Financial statements for the period 1 January – 31 December

### Income statement

	Note	2021 DKK	2020 DKK
Net turnover		7,522,407	6,004,845
Other operating income		6,166,821	6,997,266
Other external expenses		-3,500,764	-3,250,034
<b>Gross profit</b>		10,188,464	9,752,077
Staff costs	2	-7,810,901	-9,668,649
<b>Operating profit</b>		2,377,563	83,428
Financial income		503,488	1,671
Financial expenses	3	-59,835	10,576
<b>Profit from ordinary activities before tax</b>		2,821,216	74,523
Tax for the year	4	-602,693	37,394
<b>Profit for the year</b>		<u>2,218,523</u>	<u>111,917</u>
<b>Proposed profit appropriation</b>			
Retained earnings		<u>2,218,523</u>	<u>111,917</u>
		<u>2,218,523</u>	<u>111,917</u>

## Financial statements for the period 1 January – 31 December

### Balance sheet

	Note	2021 DKK	2020 DKK
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Investments</b>			
Investment in subsidiary	6	6,379	6,379
<b>Total non-current assets</b>		<u>6,379</u>	<u>6,379</u>
<b>Current assets</b>			
<b>Receivables</b>			
Amounts owed by group enterprises		13,594,153	14,099,736
Other receivables		462,847	311,624
Capitalised deferred tax	7	227,235	857,033
Prepayments		<u>17,154</u>	<u>344,704</u>
<b>Total receivables</b>		<u>14,301,389</u>	<u>15,613,097</u>
<b>Total current assets</b>		<u>14,301,389</u>	<u>15,613,097</u>
<b>TOTAL ASSETS</b>		<u>14,307,768</u>	<u>15,619,476</u>

## Financial statements for the period 1 January – 31 December

### Balance sheet

	Note	2021	2020
		DKK	DKK
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
Share capital		1,000,000	1,000,000
Retained earnings		8,555,980	6,337,458
<b>Total equity</b>		<u>9,555,980</u>	<u>7,337,458</u>
<b>Liabilities other than provisions</b>			
<b>Long-term liabilities</b>			
Other payables		-	269,142
<b>Short-term liabilities</b>			
Trade payables		229,523	803,139
Amounts owed to Group enterprises		2,010,200	4,501,201
Other payables		2,512,065	2,708,536
Corporation tax		0	0
<b>Total liabilities other than provisions</b>		<u>4,751,788</u>	<u>8,012,876</u>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<u>14,307,768</u>	<u>15,619,476</u>
Key activities	1		
Special items	5		
Contractual obligations and contingencies, etc.	8		
Related parties disclosures	9		

## Financial statements for the period 1 January – 31 December

### Notes

#### 1 Key activities

Sales of flexible plastic packaging materials and packing machinery to the food and non-food industry.

The Company's revenue is related to invoicing of services in connection with customer service.

#### 2 Staff costs

	2021	2020
	DKK	DKK
Wages and salaries	7,298,767	8,891,064
Pensions	441,921	744,924
Social security costs	70,213	32,661
	<u>7,810,901</u>	<u>9,668,649</u>

The average number of full-time employees during the year was 10. No emoluments have been paid to the Executive Board and the Board of Directors during the year.

There is expense related to restructuring included in wages and salaries according to note 7.

## Financial statements for the period 1 January – 31 December

### Notes

#### 3 Financial expenses

	2021	2020
	DKK	DKK
Interest expense to group enterprises	23,139	10,437
Other financial expenses	36,696	139
	<u>59,835</u>	<u>10,576</u>

#### 4 Income tax and deferred income tax

	2021	2020
	DKK	DKK
<b>Tax on profit for the year</b>		
Current tax for the year	0	0
Deferred tax adjustment for the year	-629,798	-21,748
Deferred tax adjustment from prior period	27,105	59,142
	<u>-602,693</u>	<u>37,394</u>

## Financial statements for the period 1 January – 31 December

### Notes

#### 5 Special Items

	<u>2021</u>	<u>2020</u>
<b>Expenses</b>	<b>DKK</b>	<b>DKK</b>
Restructuring	281,358	915,123
	<u>281,358</u>	<u>915,123</u>

Special items for the year are specified below, including the line items in which they are recognised.

Staff costs	<u>281,358</u>	<u>915,123</u>
	281,358	915,123
Net loss from special items	<u><u>281,358</u></u>	<u><u>915,123</u></u>

## Financial statements for the period 1 January – 31 December

### Notes

#### 6 Investment in subsidiary

The Company owns the entire share capital of nom. NOK 800,000 in Cryovac Norway AS, Oslo. The subsidiary had a profit of NOK 30 thousand and total equity of NOK 10,484 thousand according to the financial statements at 31 December 2021.

#### 7 Capitalised deferred tax

	2021	2020
	DKK	DKK
Capitalised deferred tax at 1 January	857,033	878,781
Changes during the year	-629,798	-21,748
<b>Capitalised deferred tax at 31 December</b>	<b>227,235</b>	<b>857,033</b>

Deferred tax relates to property, plant and equipment, liabilities and tax losses.

#### 8 Contractual obligations and contingencies, etc.

##### Operating leases

The Company has entered into lease agreements with an obligation in the amount of DKK 0.1 million.

#### 9 Related parties disclosures

##### Consolidated Financial Statements

The consolidated financial statements of Sealed Air are available on the Company's website [www.sealedair.com](http://www.sealedair.com) or at the Company's address:

Sealed Air Corporation  
2415 Cascade Point Boulevard  
Charlotte, NC 28273, USA