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Ärende 9586541/2023

Årsredovisning

för

Caldic Ingredients Sweden AB

556594-2249

Räkenskapsåret

2022

Fastställelseintyg

Undertecknad verkställande direktör i Caldic Ingredients Sweden AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma . Årsstämman, 2023-09-11, beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Malmö 2023-09-11

Gustav Larsson

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Årsredovisning

för

Caldic Ingredients Sweden AB

556594-2249

Räkenskapsåret

2022

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Styrelsen för Caldic Ingredients Sweden AB avger följande årsredovisning för räkenskapsåret 2022.

Årsredovisningen är upprättad i svenska kronor, SEK.

Förvaltningsberättelse

Information om verksamheten

Caldic Ingredients Sweden AB ingår sedan september 2010 i Caldic koncernen, som är baserad i Holland och är en av de ledande europeiska distributörerna av specialkemikalier och livsmedelsingredienser. Caldic koncernen omsätter ungefär 2 700 MEUR och är verksam i ett tjugotal länder i Europa samt i Nordamerika, Sydamerika och Asien.

Caldic Ingredients Sweden AB importerar, lagerhåller, marknadsför och säljer ingredienser och råvaror till livsmedelsindustrin, främst i Sverige. Bolaget arbetar med ett stort antal, oftast ledande, leverantörer i främst Europa och Nordamerika. Bolagets fakturering utgörs primärt av funktionella ingredienser.

I Caldic Ingredients Swedens produkterbjudande är en kostnadseffektiv fysisk hantering av varorna självfallet ett viktigt verktyg i ambitionen att skapa värde för kunderna. I en allt mer föränderlig värld har emellertid försäljningen av kunskap om produkter, applikationer, marknader, system, receptutveckling och förpackningslösningar blivit än mer betydelsefull. Caldic Ingredients Sweden AB har som resultat av medvetna satsningar utvecklats till ett kunskapsföretag vars verksamhet bygger på lång erfarenhet och ett gediget produkt-, marknads- och branschkunnande.

Produkter

Caldic Ingredients Sweden bedriver sin verksamhet inom i huvudsak produktområdet Ingredienser där man säljer förädlade produkter till främst livsmedelsindustrin. Produkterna är bl a stärkelse, stärkelsederivat, förtjockningsmedel, proteiner, organiska syror samt konserverings-, emulgerings- och stabiliseringsmedel.

Caldic Ingredients Sweden erbjuder även en komplett service i form av receptutveckling, blandning och förpackning till såväl industrikunder som detaljhandeln.

Företaget har sitt säte i Malmö.

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Väsentliga händelser under räkenskapsåret

Covid-19 har inte haft någon avgörande påverkan på bolaget. Försäljningen har haft en positiv utveckling jämfört med året innan.
Rysslands krig mot Ukraina har inte haft någon betydande direkt inverkan på vår verksamhet, men har medfört mer osäkerhet på världsmarknaden där vi redan sen tidigare hade vissa utmaningar. Vi har inte några större kunder eller leverantörer i Ryssland eller Ukraina, varför den direkta påverkan inte är betydelsefull.

Marknaden har delvis återhämtat sig efter en tidigare stor försiktighet. Tidigare ökande priser har delvis stabiliserats och i vissa fall även sjunkit. En hög inflation har dock haft en allmän press uppåt på priser under året. Dessa faktorer har sammantaget lett till stor prisvolatilitet och totalt sett ökade priser. Bolagets ökade försäljning har till stor del kommit från dessa prisökningar.

Blandningsverksamheten i Knislinge har fortsatt visa negativ lönsamhet. Volymerna har ökat jämfört mot tidigare år, men ökade kostnader har inte kunnat föras ut i sin helhet på produkterna.

Väsentliga händelser efter räkenskapsårets slut

Inga väsentliga händelser har inträffat efter räkenskapsårets slut.

Förväntad framtida utveckling samt väsentliga risker och osäkerhetsfaktorer

Livsmedelsbranschen har haft en förhållandevis stabil, men långsam uppgång, som förväntas fortsätta framåt. Den högre inflationen under året har fortsatt under det nya året, och kan komma att leda till påtvingade omförhandlingar av avtal där tidigare satta priser inte kan fortsätta gälla. I de allra flesta fall ser vi att detta går bra då samtliga inblandade parter är fullt medvetna om den turbulens som råder på marknaden. Det finns dock en risk att bolagets höjda inköpspriser inte kan föras vidare mot kund inom innevarande avtalsperiod.

Caldic Ingredients Sweden AB utsätts för risker i form av fluktuation i såväl råvarupriser som i valutakursen. Bolaget hanterar dessa risker genom en kortsiktighet i prissättningen mot kund där inga inköp sker i spekulation utan att försäljning mot kund först är säkrad. Detta innebär att bolaget kan säkra valutakursen genom användning av valutaterminer och på detta sätt säkerställa bruttoresultatet och marginaler för enskilda affärer. För ytterligare detaljer avseende användning av finansiella instrument samt exponering av valutarisk hänvisar vi till not 1 samt not 19. Som beskrivet i ovanstående stycke så kan säkringen via kortsiktigheten i prissättning och frånvaro av spekulation komma att sättas ur spel när det råder brist på råvaror och leverantörer höjer priser trots pågående prisavtal.

Risk i kundfordringar hanteras genom en kreditprövningsprocess av samtliga kunder där externa kreditinstitut nyttjas för kreditbedömningar. Kreditlimits till kunder sätts utifrån dessa rapporter tillsammans med mer utförliga bedömningar från bolagets sida. Förfallna kundfordringar gås igenom löpande och regelbundet och åtföljs av påminnelser och räntefakturor. Caldic Ingredients Sweden AB har historiskt sett haft mycket låga kundförluster.

Förutsatt rimligt stabila marknadsbetingelser bedöms resultatet för 2023 kunna bli bättre än 2022 års utfall.

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Användande av finansiella instrument

Caldic Ingredients Sweden AB innehar derivat för vilka bolaget tillämpar säkringsredovisning enligt reglerna för säkringsredovisning i K3 kap 11. Inga derivat innehas per bokslutet 2022-12-31 eller 2021-12-31 som inte ingår i en säkringsrelation enligt K3.

Med säkringsredovisning enligt K3 följer att upplysningar skall lämnas enligt punkt 11:66 i K3. Dessa upplysningskrav sammanfaller med texten bland redovisningsprinciper i Not 1.

Hållbarhetsrapport

Företaget upprättar enligt ÅRL 7 kap 31 a§ inte någon lagstadgad hållbarhetsrapport. Caldic B.V. (registeringsnummer 24248451) med säte i Rotterdam upprättar hållbarhetsrapport för koncernen där företaget ingår. Koncernens hållbarhetsrapport finns tillgänglig på https://www.caldic.com/Caldic-Annual-Reports.

Tillstånds- eller anmälningspliktig verksamhet enligt miljöbalken

Bolaget bedriver anmälningspliktig men ej tillståndspliktig verksamhet enligt miljöbalken.

Ägarförhållanden

Caldic Ingredients Sweden AB är helägt dotterföretag till PEARLS (Netherlands) Topco B.V. (registreringsnummer 85388270) med säte i Rotterdam, Holland.

Flerårsöversikt (Mkr)	**2022**	**2021**	**2020**	**2019**
Nettoomsättning	496	366	389	479
Resultat efter finansiella poster	32	20	10	4
Soliditet (%)	46,4	44,9	43,0	43,7

För definitioner av nyckeltal, se Redovisnings- och värderingsprinciper.

UA

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Förändringar i eget kapital

	Aktie-kapital	Reserv-fond	Balanserat resultat	Årets resultat	Totalt
Belopp vid årets ingång	10 000 000	1 151 000	89 828 516	12 343 631	**113 323 147**
Disposition av föregående års resultat			12 343 631	-12 343 631	**0**
Årets resultat				11 391 026	**11 391 026**
Belopp vid årets utgång	**10 000 000**	**1 151 000**	**102 172 147**	**11 391 026**	**124 714 173**

Förslag till vinstdisposition

Styrelsen föreslår att till förfogande stående vinstmedel (kronor):

balanserad vinst	102 172 146
årets vinst	11 391 026
	113 563 172
disponeras så att	
i ny räkning överföres	113 563 172

Företagets resultat och ställning i övrigt framgår av efterföljande resultat- och balansräkning samt kassaflödesanalys med noter.

ÖHR

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Resultaträkning
Tkr

	Not	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Nettoomsättning	2	496 179	366 280
Kostnad för sålda varor		-423 013	-310 034
		73 166	**56 246**
Bruttoresultat		**73 166**	**56 246**
Försäljningskostnader		-33 319	-28 258
Administrationskostnader		-32 815	-24 721
Övriga rörelseintäkter		22 528	13 996
Rörelseresultat	3, 4, 5, 6, 7	**29 560**	**17 263**
Resultat från finansiella poster			
Övriga ränteintäkter och liknande resultatposter	8	3 998	4 574
Räntekostnader och liknande resultatposter	9	-1 802	-2 283
		2 196	**2 291**
Resultat efter finansiella poster		**31 756**	**19 554**
Bokslutsdispositioner	10	-17 811	-4 654
Resultat före skatt		**13 945**	**14 900**
Skatt på årets resultat	11	-2 554	-2 556
Årets resultat		**11 391**	**12 344**

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Balansräkning

Tkr

	Not	2022-12-31	2021-12-31
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Koncessioner, patent, licenser, varumärken samt liknande rättigheter	12	14	48
Goodwill	13	0	440
		14	**488**
Materiella anläggningstillgångar			
Byggnader och mark	14	4 814	4 924
Maskiner och Inventarier	15	4 829	6 284
Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar	16	829	0
		10 472	**11 208**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	17, 18	50	50
Fordringar hos koncernföretag	19	8 144	61 005
Uppskjuten skattefordran	20	80	97
		8 274	**61 152**
Summa anläggningstillgångar		**18 760**	**72 848**
Omsättningstillgångar			
Varulager m m			
Färdiga varor och handelsvaror		68 102	44 837
		68 102	**44 837**
Kortfristiga fordringar			
Kundfordringar	21	52 542	41 069
Fordringar hos koncernföretag		61 808	29 191
Aktuella skattefordringar		4 624	4 619
Övriga fordringar		1 346	6 009
Förutbetalda kostnader och upplupna intäkter	22	5 943	6 147
		126 263	**87 035**
Kassa och bank	23	61 027	55 386
Summa omsättningstillgångar		**255 392**	**187 258**
SUMMA TILLGÅNGAR		**274 152**	**260 106**

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Balansräkning

Tkr

	Not	2022-12-31	2021-12-31
EGET KAPITAL OCH SKULDER			
Eget kapital	24, 25		
Bundet eget kapital			
Aktiekapital		10 000	10 000
Reservfond		1 151	1 151
		11 151	**11 151**
Fritt eget kapital			
Balanserad vinst eller förlust		102 172	89 829
Årets resultat		11 391	12 344
		113 563	**102 173**
Summa eget kapital		**124 714**	**113 324**
Obeskattade reserver	26	3 134	4 406
Avsättningar	27		
Avsatt för pensioner och likande förpliktelser enligt tryggandelagen		12 892	12 003
Summa avsättningar		**12 892**	**12 003**
Långfristiga skulder	28		
Skulder till kreditinstitut		0	63 729
Skulder till koncernföretag		31 665	0
Summa långfristiga skulder		**31 665**	**63 729**
Kortfristiga skulder			
Leverantörsskulder	21	71 075	48 788
Skulder till koncernföretag		11 090	46
Övriga skulder		4 822	2 560
Upplupna kostnader och förutbetalda intäkter	29	14 760	15 250
Summa kortfristiga skulder		**101 747**	**66 644**
SUMMA EGET KAPITAL OCH SKULDER		**274 152**	**260 106**

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Kassaflödesanalys

Tkr

	Not	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Den löpande verksamheten			
Rörelseresultat	35	29 560	17 263
Justeringar för poster som inte ingår i kassaflödet	30	3 504	2 770
Erhållen ränta	8	3 998	4 574
Erlagd ränta	9	-1 802	-2 283
Betald skatt		-2 554	0
Kassaflöde från den löpande verksamheten före förändring av rörelsekapital		**32 706**	**22 324**
Kassaflöde från förändring av rörelsekapitalet			
Förändring av varulager och pågående arbete		-23 264	928
Förändring av kortfristiga rörelsefordringar		-39 229	-35 019
Förändring av kortfristiga rörelseskulder		35 101	7 064
Kassaflöde från den löpande verksamheten		**5 314**	**-4 703**
Investeringsverksamheten			
Investeringar i materiella anläggningstillgångar	14, 15	-1 405	-2 190
Försäljning av materiella anläggningstillgångar	14, 15	0	1 031
Kassaflöde från investeringsverksamheten		**-1 405**	**-1 159**
Finansieringsverksamheten			
Upptagna lån		84 543	0
Förändring räntebärande skulder		-63 729	1 295
Erhållna (lämnade) koncernbidrag		-19 082	-6 737
Kassaflöde från finansieringsverksamheten		**1 732**	**-5 442**
Årets kassaflöde		**5 641**	**-11 304**
Likvida medel vid årets början		55 386	66 690
Likvida medel vid årets slut		**61 027**	**55 386**

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Noter
Tkr

Not 1 Redovisnings- och värderingsprinciper

Allmänna upplysningar
Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Fordringar och skulder i utländsk valuta har värderats till balansdagens kurs. Kursvinster och kursförluster på rörelsefordringar och rörelseskulder redovisas i rörelseresultatet medan kursvinster och kursförluster på finansiella fordringar och skulder redovisas som finansiella poster.

För säkring av tillgång eller skuld mot valutakursrisk används valutaterminer.

Redovisningsprinciperna är oförändrade jämfört med föregående år.

Intäktsredovisning
Intäkter har tagits upp till verkligt värde av vad som erhållits eller kommer att erhållas och redovisas i den omfattning det är sannolikt att de ekonomiska fördelarna kommer att tillgodogöras bolaget och intäkterna kan beräknas på ett tillförlitligt sätt.

Vid försäljning av varor redovisas normalt inkomsten som intäkt när de väsentliga förmåner och risker som är förknippade med ägandet av varan har överförts från företaget till köparen. Försäljning redovisas netto efter moms, rabatter och kursdifferenser vid försäljning i utländsk valuta.

Anläggningstillgångar
Immateriella och materiella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar enligt plan och eventuella nedskrivningar.

Avskrivning sker linjärt över den förväntade nyttjandeperioden med hänsyn till väsentligt restvärde. Följande avskrivningsprocent tillämpas:

Immateriella anläggningstillgångar

Goodwill	5 år

Avskrivningsperiod för goodwill är beräknad utifrån den period som posten bedöms generera ekonomiska fördelar.

Materiella anläggningstillgångar

Byggnader	20-25 år
Stommar	20-25 år
Fasader, tak, fönster	20-25 år
Maskiner och inventarier	5-10 år
Övrigt	3-25 år

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Komponentindelning
Materiella anläggningstillgångar har delats upp på komponenter när komponenterna är betydande och när komponenterna har väsentligt olika nyttjandeperioder. När en komponent i en anläggningstillgång byts ut, utrangeras eventuell kvarvarande del av den gamla komponenten och den nya komponentens anskaffningsvärde aktiveras. Utgifter för löpande reparationer och underhåll redovisas som kostnader.

Finansiella instrument

Finansiella instrument värderas utifrån anskaffningsvärdet. Instrumentet redovisas i balansräkningen när bolaget blir part i instrumentets avtalsmässiga villkor. Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten. Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

Andelar i dotterföretag
Andelar i dotterföretag redovisas till anskaffningsvärde efter avdrag för eventuella nedskrivningar. I anskaffningsvärdet ingår köpeskillingen som erlagts för aktierna samt förvärvskostnader. Eventuella kapitaltillskott läggs till anskaffningsvärdet när de uppkommer.

Derivatinstrument
Caldic Ingredients Sweden utnyttjar valutaterminer för att hantera valutarisken som uppstår vid inköp och försäljning av råmaterial till tillverkningen. För dessa transaktioner tillämpas normalt säkringsredovisning. När transaktionen ingås, dokumenteras förhållandet mellan säkringsinstrumentet och den säkrade posten, liksom även bolagets mål för riskhanteringen och riskhanteringsstrategin avseende säkringen. Caldic dokumenterar också företagets bedömning, både när säkringen ingås och fortlöpande, av huruvida de derivatinstrument som används i säkringstransaktioner i hög utsträckning är effektiva när det gäller att motverka förändringar i kassaflöden som är hänförliga till de säkrade posterna.

Dokumenterade säkringar av finansiella tillgångar och skulder i utländsk valuta (säkringsredovisning)
Caldic Ingredients Sweden valutasäkrar mycket sannolika prognosticerade inköp och försäljning av råmaterial som används i produktionen. Valutaterminskontrakten skyddar bolaget mot förändringar i valutakurser genom att kontrakten fastställer den kurs till vilken skulden i utländsk valuta kommer att realiseras. När valutasäkring av dessa mycket sannolika inköp sker, omvärderas inte säkringsinstrumenten vid förändrade valutakurser och valutaterminen redovisas inte i balansräkningen. Hela effekten av förändringar i valutakurserna justerar anskaffningsvärdet på det lager som säkringen avsåg. Skillnaden mellan terminskurs och avistakurs (ränteelementet) i ett kontrakt periodiseras över kontraktets löptid som ränta om skillnaden är väsentlig. Tillgången/Skulden värderas till den säkrade kursen.

Säkringsredovisningens upphörande
Säkringsredovisningen avbryts om säkringsinstrumentet förfaller, säljs, avvecklas eller löses in, eller säkringsrelationen inte längre uppfyller villkoren för säkringsredovisning.
Eventuellt resultat från en säkringsrelation som avbryts i förtid redovisas omedelbart i resultaträkningen.

Kundfordringar/kortfristiga fordringar
Kundfordringar och kortfristiga fordringar redovisas som omsättningstillgångar till det belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra fordringar.

Osäkra kundfordringar
En kundfordran skrivs bort och redovisas som konstaterad förlust när information erhållits om att kunden

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sannolikt inte kommer att kunna betala en faktura, tex. pga konkurs eller resultatlösa utmätningsförsök.

Låneskulder och leverantörsskulder
Låneskulder och leverantörsskulder redovisas initialt till anskaffningsvärde efter avdrag för transaktionskostnader. Skiljer sig det redovisade beloppet från det belopp som ska återbetalas vid förfallotidpunkten periodiseras mellanskillnaden som räntekostnad över lånets löptid med hjälp av instrumentets effektivränta. Härigenom överensstämmer vid förfallotidpunkten det redovisade beloppet och det belopp som ska återbetalas.

Kvittning av finansiell fordran och finansiell skuld
En finansiell tillgång och en finansiell skuld kvittas och redovisas med ett nettobelopp i balansräkningen endast då legal kvittningsrätt föreligger samt då en reglering med ett nettobelopp avses ske eller då en samtida avyttring av tillgången och reglering av skulden avses ske.

Nedskrivningsprövning av finansiella anläggningstillgångar
Vid varje balansdag bedöms om det finns indikationer på nedskrivningsbehov av någon av de finansiella anläggningstillgångarna. Nedskrivning sker om värdenedgången bedöms vara bestående och prövas individuellt.

Leasingavtal
Företaget redovisar samtliga leasingavtal, såväl finansiella som operationella, som operationella leasingavtal. Operationella leasingavtal redovisas som en kostnad linjärt över leasingperioden.

Varulager
Varulagret har värderats till det lägsta av dess anskaffningsvärde och dess nettoförsäljningsvärde på balansdagen. Anskaffningsvärdet fastställs med användning av metoden vägda genomsnittspriser (WAC). Med nettoförsäljningsvärde avses varornas beräknade försäljningspris minskat med försäljningskostnader. Den valda värderingsmetoden innebär att inkurans i varulagret har beaktats.

Inkomstskatter
Total skatt utgörs av aktuell skatt och uppskjuten skatt. Skatter redovisas i resultaträkningen, utom då underliggande transaktion redovisas direkt mot eget kapital varvid tillhörande skatteeffekter redovisas i eget kapital.

Aktuell skatt
Aktuell skatt avser inkomstskatt för innevarande räkenskapsår samt den del av tidigare räkenskapsårs inkomstskatt som ännu inte redovisats. Aktuell skatt beräknas utifrån den skattesats som gäller per balansdagen.

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Uppskjuten skatt
Uppskjuten skatt är inkomstskatt som avser framtida räkenskapsår till följd av tidigare händelser. Redovisning sker enligt balansräkningsmetoden. Enligt denna metod redovisas uppskjutna skatteskulder och uppskjutna skattefordringar på temporära skillnader som uppstår mellan bokförda respektive skattemässiga värden för tillgångar och skulder samt för övriga skattemässiga avdrag eller underskott.

Uppskjutna skattefordringar nettoredovisas mot uppskjutna skatteskulder endast om de kan betalas med ett nettobelopp. Uppskjuten skatt beräknas utifrån gällande skattesats på balansdagen. Effekter av förändringar i gällande skattesatser resultatförs i den period förändringen lagstadgats. Uppskjuten skattefordran redovisas som finansiell anläggningstillgång och uppskjuten skatteskuld som avsättning.

Uppskjuten skattefordran avseende underskottsavdrag eller andra framtida skattemässiga avdrag redovisas i den omfattning det är sannolikt att avdragen kan avräknas mot framtida skattemässiga överskott.

På grund av sambandet mellan redovisning och beskattning särredovisas inte den uppskjutna skatteskulden som är hänförlig till obeskattade reserver.

Avsättningar
Som avsättning har redovisats förpliktelser gentemot tredje man som är hänförliga till räkenskapsåret eller tidigare räkenskapsår och som på balansdagen antingen är säkra eller sannolika till sin förekomst men oviss till belopp eller till den tidpunkt då de ska infrias.

Ersättningar till anställda
Ersättningar till anställda avser alla former av ersättningar som företaget lämnar till de anställda. Kortfristiga ersättningar utgörs av bland annat löner, betald semester, betald frånvaro, bonus och ersättning efter avslutad anställning (pension). Kortfristiga ersättningar redovisas som kostnad och en skuld då det finns en legal eller informell förpliktelse att betala ut en ersättning till följd av en tidigare händelse och en tillförlitlig uppskattning av beloppet kan göras.

Ersättningar till anställda efter avslutad anställning

I företaget finns såväl avgiftsbestämda som förmånsbestämda pensionsplaner. Utgifter för avgiftsbestämda planer redovisas som en kostnad under den period de anställda utför de tjänster som ligger till grund för förpliktelsen. Företagets övriga planer klassificeras som förmånsbestämda och beräknas enligt Tryggandelagen och redovisas i enlighet med förenklingsreglerna i BFNAR 2012:1 Årsredovisning och koncernredovising (K3).

Företaget har förmånsbestämda pensionsplaner som finansieras via Alecta vilka redovisas som avgiftsbestämda planer då det inte finns tillräcklig information för att redovisa planen som förmånsbestämd.

Företaget har förmånsbestämda pensionsplaner som finansieras i egen regi. Uppgift om pensionsskuldens storlek erhålls från ett oberoende företag (t.ex. PRI Pensionsgaranti) och redovisas enligt den erhållna uppgiften.

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Koncernbidrag
Erhållna och lämnade koncernbidrag redovisas som bokslutsdispositioner.

Koncernförhållanden
Företaget är moderföretag men med hänvisning till undantagsreglerna i årsredovisningslagen 7 kap 2§ upprättas ingen egen koncernredovisning. Det överordnade moderföretaget Caldic Topco BV, organisationsnummer 85388270 med säte i Rotterdam, Holland upprättar koncernredovisning.

Kassaflödesanalys
Kassaflödesanalysen upprättas enligt indirekt metod. Det redovisade kassaflödet omfattar endast transaktioner som medfört in- eller utbetalningar.

Som likvida medel klassificerar företaget, förutom kassamedel, disponibla tillgodohavanden hos banker och andra kreditinstitut samt kortfristiga likvida placeringar som är noterade på en marknadsplats och har en kortare löptid än tre månader från anskaffningstidpunkten. Förändringar i spärrade medel redovisas i investeringsverksamheten.

Nyckeltalsdefinitioner
Nettoomsättning
Rörelsens huvudintäkter, fakturerade kostnader, sidointäkter samt intäktskorrigeringar.

Resultat efter finansiella poster
Resultat efter finansiella intäkter och kostnader men före bokslutsdispositioner och skatter.

Soliditet (%)
Justerat eget kapital (eget kapital och obeskattade reserver med avdrag för uppskjuten skatt) i procent av balansomslutning.

Uppskattningar och bedömningar
Uppskattningar och bedömningar baseras på historisk erfarenhet och andra faktorer som under rådande omständigheter anses vara rimliga. Bortsett från värderingen av varulager samt pensionsavsättningar har några uppskattningar och bedömningar av väsentlig karaktär inte gjorts.

Pensionsavsättningar
I koncernen finns såväl avgiftsbestämda som förmånsbestämda pensionsplaner. Utgifter för avgiftsbestämda planer redovisas som en kostnad under den period de anställda utför de tjänster som ligger till grund för förpliktelsen.

Koncernen har förmånsbestämda pensionsplaner som finansieras i egen regi. Uppgift om pensionsskuldens storlek erhålls från ett oberoende företag (tex. PRI Pensionsgaranti) och redovisas enligt den erhållna uppgiften.

Varulager
I stort sett alla varor som tas in i lager har ett motsvarande kundkontrakt och därför gör Caldic Ingredients Sweden AB bedömningen att lagervärdet är upptaget i balansen till ett korrekt värde.

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Not 2 Nettoomsättningens fördelning

Med nettoomsättning avses summan av varuförsäljning i egen räkning.

Den övervägande delen av bolagets nettoomsättning avser försäljning till kunder i Sverige och övriga Skandinavien.

	2022	2021
Nettoomsättningen per geografisk marknad		
Sverige	385 900	298 775
Danmark	13 050	5 785
Norge	1 469	956
Övriga världen	34 364	22 727
Försäljning inom koncernen	61 396	38 037
	496 179	**366 280**

Not 3 Inköp och försäljning mellan koncernföretag

	2022	2021
Andel av årets totala inköp som skett från andra företag i koncernen	7,08 %	9,45 %
Andel av årets totala försäljningar som skett till andra företag i koncernen	12,38 %	10,38 %

Not 4 Leasingavtal

Årets leasingkostnader avseende leasingavtal, uppgår till 2 612 tkr (2 110) tkr.

I denna not inkluderas även uppgifter för finansiella leasingavtal, vilka redovisas som operationella. Förutom hyra av lokaler, avser avtalen leasing av maskiner för tillverkning, truckar, inventarier och bil för tranportändamål. Maskiner, truckar och inventarier leasas normalt på fem år med möjlighet till förlängning eller utköp. Bilar leasas normalt på fyra år med möjlighet till förlängning eller utköp.

Framtida leasingavgifter, för icke uppsägningsbara leasingavtal, förfaller till betalning enligt följande:

	2022	2021
Inom ett år	2 879	2 224
Senare än ett år men inom fem år	7 326	6 790
Senare än fem år		0
	10 205	**9 014**

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Not 5 Anställda och personalkostnader

	2022	2021
Medelantalet anställda		
Kvinnor	23	20
Män	24	29
	47	**49**
Löner och andra ersättningar		
Styrelse och verkställande direktör	2 379	1 397
Tantiem och liknande ersättning till styrelse och verkställande direktör	367	206
Övriga anställda	27 285	24 170
	30 031	**25 773**
Sociala kostnader		
Pensionskostnader för styrelse och verkställande direktör	747	384
Pensionskostnader för övriga anställda	5 348	4 190
Övriga sociala avgifter enligt lag och avtal	11 464	9 448
	17 559	**14 022**
Totala löner, ersättningar, sociala kostnader och pensionskostnader	**47 590**	**39 795**
Könsfördelning bland ledande befattningshavare		
Andel män i styrelsen	100 %	100 %
Andel män bland övriga ledande befattningshavare	100 %	100 %

Not 6 Arvode till revisorer

Med revisionsuppdrag avses granskning av årsredovisningen och bokföringen samt styrelsens förvaltning, övriga arbetsuppgifter som det ankommer på bolagets revisor att utföra samt rådgivning eller annat biträde som föranleds av iakttagelser vid sådan granskning eller genomförandet av sådana övriga arbetsuppgifter.

	2022	2021
Ernst & Young AB		
Revisionsuppdrag	445	736
	445	**736**

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Not 7 Avskrivningarnas fördelning på funktion

	2022	2021
Kostnad för sålda varor	2 125	2 830
Försäljningskostnader	451	584
Administrationskostnader	38	33
	2 614	**3 447**

Not 8 Övriga ränteintäkter och liknande resultatposter

	2022	2021
Ränteintäkter från koncernföretag	1 900	3 500
Övriga ränteintäkter	2 098	1 074
	3 998	**4 574**

Not 9 Räntekostnader och liknande resultatposter

	2022	2021
Räntekostnader till koncernföretag	-1 254	0
Övriga räntekostnader	-548	-2 283
	-1 802	**-2 283**

Not 10 Bokslutsdispositioner

	2022	2021
Skillnad mellan bokförd avskrivning och avskrivning enligt plan	1 271	2 083
Lämnat koncernbidrag	-19 082	-6 737
	-17 811	**-4 654**

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Not 11 Aktuell och uppskjuten skatt

	2022	2021
Skatt på årets resultat		
Aktuell skatt	-2 537	-2 542
Förändring av uppskjuten skatt avseende temporära skillnader	-17	-14
Totalt redovisad skatt	**-2 554**	**-2 556**

Avstämning av effektiv skatt

		2022		2021
	Procent	**Belopp**	**Procent**	**Belopp**
Redovisat resultat före skatt		13 945		14 900
Skatt enligt gällande skattesats	20,6	-2 873	20,6	-3 069
Ej avdragsgilla kostnader		-152		-48
Effekt från ränteavdragsbegränsning		209		575
Skatteeffekt ej bokförda kostnader		279		
Uppskjuten skatt avseende temporära skillnader		-17		-14
Redovisad effektiv skatt	**18,3**	**-2 554**	**17,2**	**-2 556**

Not 12 Koncessioner, patent, licenser, varumärken samt liknande rättigheter

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	102	102
Utgående ackumulerade anskaffningsvärden	**102**	**102**
Ingående avskrivningar	-54	-20
Årets avskrivningar	-34	-34
Utgående ackumulerade avskrivningar	**-88**	**-54**
Utgående redovisat värde	**14**	**48**

Not 13 Goodwill

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	17 173	17 173
Utgående ackumulerade anskaffningsvärden	**17 173**	**17 173**
Ingående avskrivningar	-16 733	-16 044
Årets avskrivningar	-440	-689
Utgående ackumulerade avskrivningar	**-17 173**	**-16 733**
Utgående redovisat värde	**0**	**440**

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Not 14 Byggnader och mark

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	7 252	7 284
Inköp	136	367
Försäljningar/utrangeringar		-399
Utgående ackumulerade anskaffningsvärden	**7 388**	**7 252**
Ingående avskrivningar	-2 328	-2 497
Försäljningar/utrangeringar		399
Årets avskrivningar	-246	-230
Utgående ackumulerade avskrivningar	**-2 574**	**-2 328**
Utgående redovisat värde	**4 814**	**4 924**

Not 15 Maskiner och inventarier

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	30 548	29 356
Inköp	440	1 824
Försäljningar/utrangeringar		-632
Utgående ackumulerade anskaffningsvärden	**30 988**	**30 548**
Ingående avskrivningar	-24 264	-22 402
Försäljningar/utrangeringar		632
Årets avskrivningar	-1 895	-2 494
Utgående ackumulerade avskrivningar	**-26 159**	**-24 264**
Utgående redovisat värde	**4 829**	**6 284**

Not 16 Pågående nyanläggningar och förskott avseende materiella anläggningar

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	0	0
Inköp	829	
Utgående ackumulerade anskaffningsvärden	**829**	**0**
Utgående redovisat värde	**829**	**0**

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Not 17 Andelar i koncernföretag

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	12 050	12 050
Utgående ackumulerade anskaffningsvärden	**12 050**	**12 050**
Ingående nedskrivningar	-12 000	-12 000
Utgående ackumulerade nedskrivningar	**-12 000**	**-12 000**
Utgående redovisat värde	**50**	**50**

Not 18 Specifikation andelar i koncernföretag

Namn	Kapital-andel	Rösträtts-andel	Antal andelar	Bokfört värde
Caldic Food Service & Retail Sweden AB	100%	100%	100	50
				50

	Org.nr	Säte
Caldic Food Service & Retail Sweden AB	559133-4304	Malmö

Not 19 Fordringar hos koncernföretag

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	61 005	67 741
Avgående fordringar	-52 861	-6 736
Utgående ackumulerade anskaffningsvärden	**8 144**	**61 005**
Utgående redovisat värde	**8 144**	**61 005**

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Not 20 Uppskjuten skatt på temporära skillnader

2022-12-31

Temporära skillnader	Uppskjuten skattefordran	Netto
Skattepliktiga temporära skillnader	80	80
	80	**80**

2021-12-31

Temporära skillnader	Uppskjuten skattefordran	Netto
Skattepliktiga temporära skillnader	97	97
	97	**97**

Den temporära skillnaden uppkommer till följd av skillnaden mellan planenliga och skattemässiga avskrivningar.

Förändring av uppskjuten skatt

Skattepliktiga temporära skillnader	Belopp vid årets ingång	Belopp vid årets utgång
Skattepliktiga temporära skillnader	97	80
	97	**80**

Not 21 Verkligt värde på derivatinstrument som används för säkringsändamål

Verkliga värden på derivatinstrument uppgick på balansdagen till följande belopp:

	2022-12-31	2021-12-31
Kontrakt med positiva verkliga värden		
Valutaterminskontrakt	384	174
	384	**174**
Kontrakt med negativa verkliga värden		
Valutaterminskontrakt	-1 024	-877
	-1 024	**-877**

Ytterligare information beträffande säkringsredovisningen återfinns i avsnittet användning av finansiella instrument i förvaltningsberättelsen.

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Not 22 Förutbetalda kostnader och upplupna intäkter

	2022-12-31	2021-12-31
Provisioner	190	100
Varurelaterade periodiseringsposter	4 050	4 720
Hyror	618	508
Övrigt	1 084	819
	5 942	**6 147**

Not 23 Likvida medel

	2022-12-31	2021-12-31
Likvida medel		
Banktillgodohavanden	61 027	55 386
	61 027	**55 386**

Not 24 Antal aktier och kvotvärde

Namn	**Antal aktier**	**Kvot-värde**
Antal A-Aktier	100 000	100
	100 000	

Not 25 Disposition av vinst eller förlust

	2022-12-31
Förslag till vinstdisposition	
Styrelsen föreslår att till förfogande stående vinstmedel (kronor):	
balanserad vinst	102 172 146
årets vinst	11 391 026
	113 563 172
disponeras så att	
i ny räkning överföres	113 563 172

Not 26 Obeskattade reserver

	2022-12-31	2021-12-31
Avskrivningar över plan	3 134	4 406
	3 134	**4 406**

Not 27 Avsättningar

	2022-12-31	2021-12-31
Pensioner och liknande förpliktelser		
Belopp vid årets ingång	12 003	12 812
Under året ianspråktagna belopp	-1 095	-1 116
Under året återförda belopp	1 984	307
	12 892	**12 003**

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Not 28 Långfristiga skulder

	2022-12-31	2021-12-31
Förfaller senare än fem år efter balansdagen	31 665	63 729
	31 665	**63 729**

Not 29 Upplupna kostnader och förutbetalda intäkter

	2022-12-31	2021-12-31
Varuperiodiseringsposter	317	2 375
Lönerelaterade kostnader	13 195	8 148
Upplupen ränta	0	489
Övrigt	1 247	4 238
	14 759	**15 250**

Not 30 Justering för poster som inte ingår i kassaflödet

	2022-12-31	2021-12-31
Avskrivningar	2 614	3 447
Vinst vid försäljning av anläggningstillgångar	0	132
Förändring avsättningar	889	-809
	3 503	**2 770**

Not 31 Ställda säkerheter

	2022-12-31	2021-12-31
För skulder till kreditinstitut:		
Tullgaranti	1 168	1 168
	1 168	**1 168**

Not 32 Uppgifter om moderföretag

Caldic Ingredients Sweden AB är helägt dotterföretag till Caldic BV (registreringsnummer 24248451) med säte i Rotterdam, Holland.

Moderföretag i den största koncern där företaget ingår och som upprättar koncernredovisning är PEARLS (Netherlands) Holdco B.V. med organisationsnummer 85388270 med säte i Rotterdam, Holland

Ytterligare information om Caldickoncernen kan inhämtas via hemsidan: www.caldic.com.

Not 33 Väsentliga händelser efter räkenskapsårets slut

Inga väsentliga händelser har inträffat efter räkenskapsårets slut.

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Not 34 Eventualförpliktelser

	2022-12-31	2021-12-31
PRI. Pension egen regi	258	240
	258	**240**

Not 35 Räntor och utdelningar

Resultat- och balansräkningen kommer att föreläggas på årsstämma för fastställelse.

Malmö 2023-09-08

Laurent Pasqualini
Ordförande

Johan Sundell

Martin Zemp

Gustav Larsson
Verkställande direktör

Vår revisionsberättelse har lämnats 2023-09-11

Ernst & Young AB

Hanna Fehland
Auktoriserad Revisor

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Building a better working world

Revisionsberättelse

Till bolagsstämman i Caldic Ingredients Sweden AB, org.nr 556594-2249

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för Caldic Ingredients Sweden AB för år 2022.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av Caldic Ingredients Sweden ABs finansiella ställning per den 31 december 2022 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Caldic Ingredients Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om att årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

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Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning av Caldic Ingredients Sweden AB för år 2022 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet *Revisorns ansvar*. Vi är oberoende i förhållande till Caldic Ingredients Sweden AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt. Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och förslaget till dispositioner av bolagets vinst eller förlust grundar sig främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Anmärkning

Årsredovisningen avgavs inte i sådan tid att det, enligt 7 kap. 10 § aktiebolagslagen, varit möjligt att hålla årsstämma inom sex månader efter räkenskapsårets utgång.

Malmö den 11 september 2023

Ernst & Young AB

Hanna Fehland
Auktoriserad revisor

A member firm of Ernst & Young Global Limited

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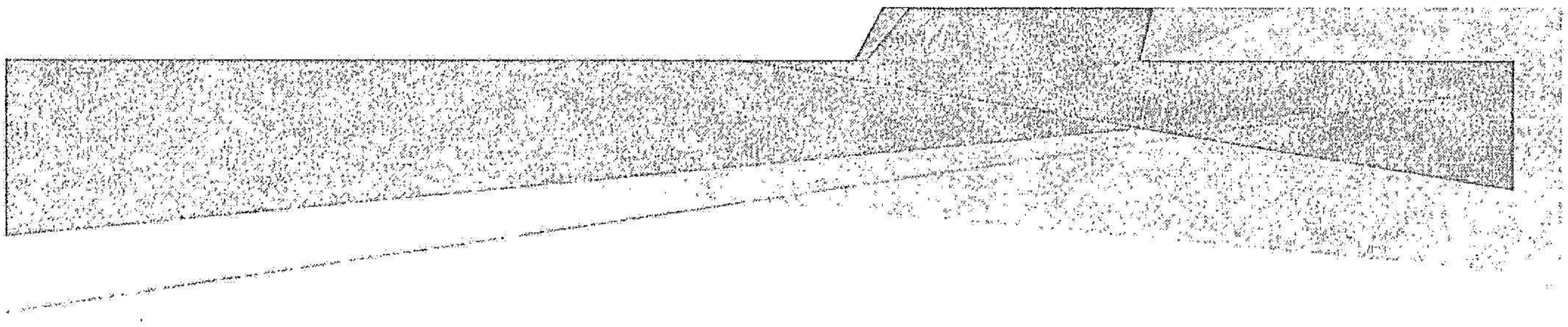

ANNUAL REPORT
CALDIC HOLDINGS B.V
2022

At Amsterdam
Register Number 85388270

Director's report

2022 Highlights

The Caldic Group ("Caldic") provides a comprehensive offering of added-value distribution solutions for the life and material science markets. With a vast global network of supply partners Caldic, is well-positioned to source an extensive portfolio of ingredients and specialty chemicals for the food, (bio)pharma, personal care, and industrial product formulations market; complemented by technical, application, and regulatory support, as well as manufacturing and (re)packing services. This enables the expert teams, working across 32 countries, to deliver added-value solutions tailored to customer needs.

On November 21, 2022, a conditional agreement was signed announcing the sale of Caldic Holdco B.V. 100% of the share capital of Caldic Holdco B.V. to an entity controlled by Advent International ("Advent"). This transaction was formally closed on March 1, 2022, marking the start for Caldic as a new portfolio company of Advent, following the announcement of the proposed acquisition of the company from Goldman Sachs Asset Management in November 2021. Immediately upon the acquisition, Advent merged Caldic with its existing portfolio company, GTM Holdings, the leading independent specialty chemicals distributor in Latin America. The main area of focus in 2022 was the integration of both organizations and laying the foundation for future growth.

In 2022, Caldic realized unparalleled growth and significant expansion of its global footprint in an exceptionally volatile external environment with market tailwinds due to a constrained supply environment and steep inflation. The geopolitical crisis and subsequent regrettable human suffering, triggered by the Ukraine-Russia situation, the aftermath of COVID-19, persistent disruptions in the global supply chains, surging energy costs, and steep inflation, resulted in an unpredictable external environment. From the beginning of the year, Caldic's teams handled the challenges with agility and resourcefulness, adapting to the evolving realities to meet customer demands.

Building a strong global platform is key to enabling Caldic's business partners – principals and customers alike – to unlock value in the life and material sciences markets. Advent supported the company in further accelerating its growth trajectory by announcing a long-term partnership with Wilbur-Ellis in October 2022, which paved the way for Caldic to merge with the Wilbur-Ellis owned Asia-Pacific based distribution business Connell.

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Regional review

Europe

The year 2022 has been a very successful year for Caldic Europe despite various macro-economic challenges that impacted Caldic, its suppliers as well as its customers. Product scarcity at the beginning of the year combined with continued shortage in sea transport required pro-active management and persistent flexibility and agility from the organization to provide the best possible results to all involved stakeholders. Along the year, the European organization experienced significant growth while also managing to increase efficiency and is well positioned to achieve its strategic objectives.

From a commercial perspective, several new regional agreements were successfully concluded with key principals such as Ingredion (pharma & health care), KLK (excipients pharma), and Valtris (HPC - Benzyl alcohol EP/USP and perfume grade material). To further strengthen the value-add offering in alignment with the strategy, Caldic branded products such as Caltherm, Calsil and Furex were brought into the spotlight through marketing campaigns. The Caldic Sales Academy, a learning path for the European Sales organization successfully concluded its first cycle. The continuous investment in people is a commitment rooted in its purpose "Because we care."

Along the year, three companies were acquired and integrated in the European organization with the aim of further strengthening the footprint, bringing additional value, and better serving our customers. In July, Food Industry Technology Ltd (FIT), a value-add distributor of food ingredients and functional blends, was acquired, expanding Caldic's footprint in the UK food industry. In September, Mr. Malt – P.A.B. S.r.l., the leading value add distributor of brew ingredients for the Italian market was added to Caldic's portfolio, to strengthen the offering for the brewing market and enable further expansion in southern Europe. The third acquisition in 2022 was Betaquímica S.A., a Spanish distributor renowned for its outstanding solution offering for the industrial markets, providing a product and services portfolio that will increase the footprint in Iberica and beyond within the specialty chemicals business.

The year began with the successful rollout of the regional ERP (AX) to the biggest organization in Europe – Caldic Benelux: a key milestone for the services offering of the company. While the final piece of the puzzle is to be laid in Italy, with a rollout scheduled for Q3 2023, the ERP landscape for our main markets will be in place.

Latin America

Caldic LATAM started 2022 with a strong sales performance though the volatility of the industrial market resulted in a challenging second half of the year. Despite this, Caldic LATAM realized a good performance in line with the annual budget.

From a commercial perspective, 2022 was successful in terms of agreements with key principals, signing up regional contracts in different markets, such as Klabin (Rubber & Agro), GALE (Home and Personal Care), Roquette (Agro), Minifibers (CASC), and Nouryon (Home Care). In addition to the promotion of our principals' portfolio, there was a strong focus on Caldic brands, in particular Rubilene 22, Flex NBS 100, Adjuvoil, Banole, Permax, Calsil, and Caltherm. These activities are fully aligned with the strategic focus on value-add solutions. The dedication to the Caldic brands delivered excellent results throughout the year. The outstanding performance of specialties, primarily from our strategic principals, including Vanderbilt (Agrochemicals) and Chevron Oronite (Lubricants), was particularly noteworthy.

All commercial teams were trained on commercial capabilities and professional skills, equipping them with tools, techniques, and knowledge to better capitalize on business partners' opportunities.

The two acquisitions realized in 2022 contributed to expanding the footprint in the life science market in alignment with the strategy. Active Pharmaceutica, a major independent player, was acquired to establish a platform for the compounding pharma distribution market. Bring Solutions was added to the fold to establish a foothold in the food market in Brazil; the solutions blend portfolio being particularly relevant for the beverage industry.

North America

2022 was a very successful year for Caldic North America both operationally and financially. The year was also a tale of two halves. The first half of the year was impacted by supply chain challenges combined with increasing demand, driving historic cost inflation with multiple price increases from principals, suppliers, and both overseas and local logistics. This required significant agility and leverage of the region's expertise in finding new sources of supply and freight and ensuring timely pass-through of cost increases to customers to maintain margins. Strategic pricing actions also allowed the region to benefit from carrying low-cost inventory positions from 2021 into 2022 that had an exceptional impact on margins in the early part of the year. Strong profitability continued into the second half of the year, but at a more modest rate than the first half as the cost position in inventory normalized to the new inflationary environment. The second half of the year also included a renewed focus on managing working capital as supply chain constraints began to ease.

The labour market within North America was likely one of the most challenging in history with limited availability of candidates also driving a high inflationary wage environment. Even with these challenges, in order to set up the business to scale, the region was able to source new talent to make several foundational investments in people within supply chain, regulatory, finance, and IT.

The North American region undertook a thorough strategic review to ensure focus on the right markets and to create a more effective go-to-market strategy and commercial organization. The strategy also focused on the acceleration of organic growth in the US and the setup of a scalable regional commercial organization that aligned on establishing a product management organization to complement the existing sales team. The year also included continued success in increasing share of value-added solutions sales and success with VCPs in consumer packaging with opportunistically acquiring the popping and topping oil business for a prominent US cinema chain and achieving procurement savings.

Commercially, the year was particularly successful for our key principals where organic growth was recognized with Kerry, Ingredion, Briess and several others. This, combined with US expansion, has enabled wider discussions to support new opportunities across the US market. Our market segment focus has created opportunities to support US development by building deeper relationships with Ingredion and Kerry at senior level. Furthermore, the launch of Dynamics CE has enabled the commercial team to improve the effectiveness of existing resources with a strategic focus. The team will continue to refine our data to ensure a focused approach across the market.

During the year, two acquisitions were closed in the US including Avatar Corporation (now Caldic UP) and Concentrated Active Ingredients & Flavors, Inc (CAIF). Caldic UP closed at the end of August 2022 and represents a very complementary food ingredient business from both a customer and supplier/product perspective to the existing North American portfolio. In addition, the operations bring

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significant opportunities for synergy and efficiency with a large distribution and liquid blending facility as well as direct access to rail transport in the important Chicago-land food & beverage industry. CAIF is a focused nutritional ingredient business acquired in late November 2022, which is a market segment aligned with the region's strategy and introduces strong principal relationships and a significant opportunity for cross-sell across the region.

Asia Pacific

Caldic APAC had a successful year in 2022. The Asia-Pacific business realized growth despite the challenging environment we operated in last year. The impact from the Ukraine-Russia crisis was reflected in continuous price increases of the raw materials and ingredients provided by principals, shortages of supplies and increases in interest and exchange rates. Furthermore, the persistence of the COVID-19 lockdowns in China during the first half of the year, and the subsequent sluggish economic recovery following the government's announcement of the end of pandemic, affected Caldic APAC's performance.

2022 marked an important milestone in Caldic APAC's history: the acquisition of Scott Chemicals in February 2022. This was a major achievement that will help shape the region's future. This was by far the largest acquisition in APAC. This new addition to the Caldic family will double the APAC footprint and further expand the geographic reach through the strong presence in Australia, New Zealand, and the Philippines.

As a result of effective collaboration on marketing and cross-selling across the regions Caldic APAC successfully launched Caldic-branded products in the region. For instance, Damin-Aide V&M premixes were included in three new organic formulations of spray-dried dairy powders. Our partnership with Kerry Nutritional Ingredients, the newly acquired principal in Australia, progressed well over the year. Our technical application experts' focus on the automotive market resulted in our blending facility in Thailand successful introduction of new formulations for brake fluid.

The agreement between Advent and Willbur-Ellis that was announced in October 2022 will pave the way for Caldic APAC to merge with Connell, a value-add distributor with presence in 18 countries in Asia-Pacific. This merger will create a strong platform to accelerate further growth in the region and importantly it will create plenty of opportunities for our business partners to benefit from.

Working Capital

Net working capital is defined as inventories, trade, and other receivables, less trade, and other payables. Net working capital is € 279 million as of 31 December 2022. Monitoring working capital positions is a permanent focus of management and Caldic has various processes and tools in place to optimise working capital.

Financing

Caldic aims to maintain a capital structure that offers flexibility and enables it to cover potential financial requirements and execute its growth and acquisition strategy. The corporate treasury team in the headquarters in Rotterdam manages liquidity and interest risks. At the end of 2022, net debt (defined as Loans and borrowings less Cash and cash equivalents) was € 1.354 million. On December 31, 2022, the leverage ratio (defined in the Caldic loan documentation as Senior Net Debt in relation to the

companies LTM adjusted EBITDA including full-year impact of acquisitions) was with 2.91x, well below the applicable maximum leverage ratio of 9.45x. Cash flow from operating activities was € 167 million driven by good operating results in the year.

Investments

As part of its strategic growth journey, Caldic continues to invest in its facilities, in order to ensure compliance with the latest QHSE standards, but, more importantly, to provide its business partners with a range of services that enable them to further unlock value in the supply chain. These investments are generally financed through operating cash flows and current credit facilities. In 2022, Caldic invested, among others, in state-of-the-art GMP pharma facilities in the USA and Ireland to support the development of the biotech business. Furthermore, investments were done in a technical expertise center in Melbourne (Australia), which is fitted with state-of-the-art lab equipment to assist customers with new product development and formulation improvements for applications in the CASE and Rubber & Plastics markets. The total investment in property, plant, and equipment for the year 2022 was € 28.5million. We will continue to invest in additional facilities in order to further strengthen our added-value services proposition.

Risk Management

The governance structure is strengthened by the implementation of risk management, internal control, and internal audit functions. For risk management, the company's top risks are determined by the Executive Leadership Team (ELT). Risk owners have been appointed and responsible for effective risk mitigation. The ELT evaluates the company's top risks periodically. The effectiveness of risk mitigation is assessed twice a year by the Risk Management function.

The Internal Control framework is designed to cover financial and IT processes and key mitigating controls. Control execution is evaluated on a continuous basis and areas for improvement are identified and implemented. For the Internal Audit function, a top down, risk-based audit plan and approach has been developed to address the major risks that might hamper Caldic from achieving its strategic objectives.

20231115025 93

Objective	Risk	Likelihood	Impact
Strategic	Decline in customer demand	Moderate	Moderate
	Supplier and customer dependency	Moderate	Moderate
	Competitive pressure	Moderate	Moderate
	Acquisitions and integration	Moderate	Moderate
	Inflation	Moderate	Moderate
Operational	Continuity and disaster recovery	Moderate	Moderate
	Product claims and recalls	Moderate	Moderate
	IT, data security and cybercrime	Moderate	High
Financial	Credit risk	Moderate	Low
	Currency risk	Moderate	Moderate
	Liquidity risk	Low	Moderate
	Interest rate risk	Low	Moderate
	Reliable and accurate financial reporting	Moderate	Moderate
Compliance	Non-compliance with Caldic Code	Moderate	Moderate
	Legal non-compliance	Moderate	High
	Regulatory developments	Moderate	High

QHSE risks

Marketing, sales, and distribution of chemicals and food ingredients entails exposure to health, safety, and environmental risks. In order to mitigate these risks, Caldic has developed requirements and guidelines (safety awareness training, internal audits, etc.) for health, safety, and environment.

Financial risks

Caldic's business is exposed to currency, liquidity, credit, and interest rate risk.

Currency risk

Caldic is exposed to currency risk on sales, purchases, and borrowings that are denominated in a currency other than the respective functional currencies of the Company. Caldic uses forward exchange contracts to hedge currency risks with a maturity of less than one year. Interest on borrowings is denominated in the currency of the borrowing. Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations, providing an economic hedge without derivatives being entered into. In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Liquidity risk

The Company's approach to managing liquidity is ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Caldic's reputation. Typically, the Company ensures that it generally has sufficient cash on demand and sufficient credit lines to meet expected operational expenses for the next few months, including the servicing of financial obligations.

Credit risk

Caldic's exposure to credit risk is influenced mainly by the individual characteristics of each customer. There is no significant concentration of credit risk at individual customer level. Caldic has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Caldic's review includes the use of external ratings, when available. Purchase limits are established for each customer, which represents the maximum open amount. These limits are reviewed periodically. Customers that fail to meet the Company's benchmark creditworthiness may transact with Caldic only on a prepayment basis.

Interest rate risk

Caldic has adopted a policy of ensuring that at least a large element of its exposure to changes in interest rates on long-term senior bank loans is on a fixed-rate basis, accounting for assets with exposure to changes in interest rates. This is achieved by entering into interest rate swap contracts.

Tax and transfer pricing risk

Caldic is exposed to tax risks that could result in double taxation, additional tax payments, penalties, and interest payments. The source of these risks could originate from local tax rules and regulations as well as international and EU regulatory frameworks. These include transfer pricing risks on internal cross-border sale of products, rental services, tax risks relating to tax losses, interest and tax credits carried forward, and potential changes in tax law that could result in higher tax expenses and payments. To manage its tax risks, Caldic cooperates with all internal and external stakeholders to ensure it complies with the regulations with the general objective of mitigating these risks while at the same time aiming to be tax-efficient and, by this means, cost-effective.

Ukraine war

Caldic is closely monitoring the current situation in Eastern Europe. The current Russia/Belarus sanctions as issued by the Western governments mainly target individuals in positions of power, state-owned companies, banks, and financial institutions. In addition, the US, UK, and EU all have issued sanctions when it comes to products and technology that can be used for military purposes. Caldic's usual business dealings would not fall into any of these categories. However, as the situation in Eastern Europe remains unstable and sanctions can become more comprehensive, we remain strongly focused on ensuring we comply with any sanctions that might arise. The Caldic organization does not have any subsidiaries in Eastern Europe. However, the current situation might have an indirect impact on industries and countries across the globe, for example, due to increased oil, gas, grain and barley prices, supply chain

20231115025594

disturbances and/or transportation concerns. Although we do not anticipate a material impact at this stage, we will continue to be alert and will take measures, as and when required.

Non-compliance with laws and regulations

With presence in various countries across the globe, Caldic is exposed to local and international legal and compliance risks. We are committed to comply with all applicable national and international laws and regulations (including local tax laws and regulations).

Caldic has set up an internal compliance framework and trains its employees by means of an onboarding and annual training program. By doing so, Caldic makes its employees aware of potential risks and actively helps them avoid any potentially adverse consequences.

Code of Conduct

The Caldic Code of Conduct is the backbone of the Compliance Program. It is the key document that summarizes our group policies and business principles. The Code of Conduct sets out the ground rules of what we expect from our employees and outlines the ethics and values by which Caldic engages in business activities. Acceptance of the Code of Conduct is mandatory for all employees entering into service at Caldic.

IT

Caldic relies upon its information technology infrastructure and upon certain critical information and communication technology systems for operating and managing its business. Caldic's IT infrastructure and systems are subject to damage and interruption from different sources, including natural disasters, software viruses, malware, and power failures. Caldic continuously invests in hardware and software in order to cope with the needs and requirements of its business. Coordinated and monitored by its central IT team, Caldic maintains and continuously enhances a wide range of security measures including access and authorization controls, data back up, and system recovery mechanisms.

QHSE

In the field of QHSE, Caldic has laid down strict policies for the relevant disciplines. All food production locations have a GFSI-certified food safety system, which guarantees food safety, while ensuring products are traceable from the source to the end customer. With respect to Health, Safety, and Environment, workplaces, equipment, and substances are assessed to minimize risk, and employees are trained to be constantly vigilant against abnormal circumstances so that incidents can be prevented. Through the HSE reporting system, management is directly informed on every event in the company.

Sustainability

The very core of Caldic's organization and daily operations is driven by its purpose, 'Because we care.' It is what drives the team to create value in the life and material science markets every day. Furthermore, it goes hand-in-hand with its commitment to its stakeholders while also helping the organization to define its relationship with them. Sustainability, thus, is an intrinsic part of this purpose and is embedded in Caldic's organizational values, functioning and growth journey.

In 2022, a thorough survey was conducted on the Environmental, Social and Corporate Governance (ESG) topics. A large group of key stakeholders from Caldic's senior leadership across the regions participated in the survey and subsequent in-depth discussions of the topics that were identified as those that have the most material impact on its business. These sessions resulted in a clear prioritization of topics and a Materiality Matrix to be confirmed in 2024 under the new CSRD reporting requirements. The main topics singled out in the matrix demonstrate Caldic's 'care' for its sustainability commitments in the three key areas of (i) improving people's fulfilment, health, and wellbeing, (ii) improving the health of our planet, and (iii) creating responsible business fundamentals.

Care of its people is embedded in Caldic's culture through sustaining a safe and inspiring working environment that includes promoting high employee engagement levels, strengthening cross-cultural awareness, and attention to physical and mental wellbeing as well as developing one's skills and competences. Caldic's care for its communities and planet lies in ensuring the organization is cognizant of the impact its business has on the environment, and the translation into actions such as driving the efficient use of its resources through reusing and recycling, among others, while also taking care of the communities it operates in. Caldic uses the EcoVadis sustainability rating to assess and validate its sustainability performance against an external framework. In 2022, a total of 20 locations participated in the Ecovadis assessment. Eight locations were awarded the gold rating, seven have achieved silver rating and five bronze rating. Ultimately, the goal is for every Caldic location, including recent and upcoming acquisitions, to achieve the Platinum rating by 2026.

The care for Caldic's business partners is reflected in its culture and the legal framework and processes that are in place to ensure adherence to policies and guidelines, quality standards and beyond. The care for Caldic's financial stakeholders is expressed by working closely with them to build and establish the organization as a global player. This includes having a strong ESG agenda and the implementation of risk management, internal control, and internal audit functions.

REACH

The Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) regulation is fully effective, and we ensure compliance through automatic systems and documented processes. This is secured through registrations, correct notification, and classification as well as by providing actual and correct safety information to the user of our products. Requirements regarding restrictions are constantly evaluated and implemented in systems and processes.

PEOPLE

In 2022, Caldic's workforce increased substantially from 1,277 to 3,089 employees (full-time equivalents). This increase is, to a large extent, the result of employees joining Caldic following the merger with the former GTM Holdings and other companies that were acquired in the course of 2022.

During the year, Caldic provided its people a healthy, safe, and inspirational workplace where collaboration takes center stage. In the aftermath of COVID-19, most of Caldic's employees returned to its offices across all regions, which reopened after a period of several lockdowns and a hybrid way of working was gradually embedded into the organization.

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In the past year, several initiatives were organized and continued to ensure a safe working environment for all, cultivate and recognize employee talent, create cultural awareness among employees, generate employee engagement, and support their mental and physical well-being.

The first ever global Employee Engagement Survey was held across all locations. The 78% response rate showcased the high levels of employee engagement and provided insights on several crucial parameters fuelling new initiatives and action for improvement.

Several in-person trainings took place contributing to face-to-face networking opportunities and experience sharing. One of which is Sales Academy, a program is designed to enhance the capabilities and competencies of our commercial colleagues and help them advance their personal and professional development, while also giving them the opportunity to form connections with other colleagues globally.

As we value our people, we organized a pilot initiative that prioritizes the well-being of our colleagues. Titled the Vitality Program, it consists of online and offline workshops and sessions by professionals across different topics designed to look after one's mental and physical health.

The second edition of the Global Excellence Awards took place in 2022. The awards are a way to highlight the hard work of the people behind various successful projects around the globe while also exemplifying Caldic's core values and behaviours.

Board diversity

The Management Board of the Company comprises of A.R. Wessels (CEO) and R. Vas-Bhat (CFO). The Supervisory Board of the Company comprises of D. Yu (Chair), R.F. Ayles, M. Mantas, S.E. Holland, B.K. Spetsmann, A. Barton and J.L. Buckley.

The Dutch Act on Management and Supervision (as laid out in article 2:276 section 2 of the Dutch Civil Code) contains a guideline for more balanced gender diversity in management, supervisory boards and other leadership (as defined by the company) of large companies, whereby our goal is to have at least 30% of the positions in both boards to be held by females and at least 30% by males.

On December 31, 2022, the composition of both the management and supervisory board did not meet our gender diversity goals, as fewer than 30% of the positions on both boards are held by females. The Executive Leadership Team consists of 10 members, in which 30% of the positions are held by females. The Group's aim is to increase the share of female appointments to board and leadership positions over time; in the event that candidates are considered for new appointments in such positions the relevant diversity requirements will be duly considered when searching, selecting and evaluating candidates. However, we are of the opinion that gender is only one element of diversity, and that experience, background, knowledge, skills and insight are equally important and relevant criteria.

OUTLOOK

We are excited about the opportunities that 2023 will bring against the backdrop of the transformative global expansion we realized last year through numerous acquisitions and mergers. At the same time, we are cautious about the future perspective in light of the economic slowdown, continued geopolitical tensions and subsequent inflationary environments, and persistent supply chain issues.

Our primary focus in 2023 will be the seamless integration of the companies we merged with and which we acquired. This integration will help Caldic establish itself as a worldwide distribution platform. Our recently developed strategy will be instrumental to unlock further value creation in the life and material sciences markets. In this context, we are committed to execute our ambition to redefine the parameters of added value in the ingredients and specialty chemicals distribution, offering our customers and principles a new standard in customized solutions. While we focus on strategy execution, we will keep our care at the very heart of what we do, which will position us for the next step toward becoming a truly global leader in our sector.

Our strong leadership and their highly motivated teams are committed to collaborate smoothly and execute a cohesive approach to business operations so as to deliver sustainable value to our employees, business partners and society at large, on a bigger scale in 2023.

On 14 October 2022 Advent and Wilbur Ellis announced the merger of their life sciences and specialty chemicals solutions businesses (Connell) to form a leading global value-add distribution platform with unique positions in high-growth regions. The combination creates a leading global platform with a substantial presence in two high-growth regions: in Asia-Pacific with Connell and in Latin America with Caldic-GTM. Together, Caldic and Connell will have more than 3,800 employees across 43 countries, which provide solutions to over 35,000 customers by leveraging 75 formulation centres and application labs and deep application know-how. The combination will generate sales of about € 3 billion. The transaction closed on 1 March 2023.

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Director's report

Rotterdam, 25 August 2023

Management Board,

A.R. Wessels

R. Vas Bhat

São Paulo, 30 August 2023

Supervisory Board,

D. Yu (Chair)

R.F. Ayles

M. Mantas

S.E. Holland

B.M. Spetsmann

A. Barton

J.L. Buckley

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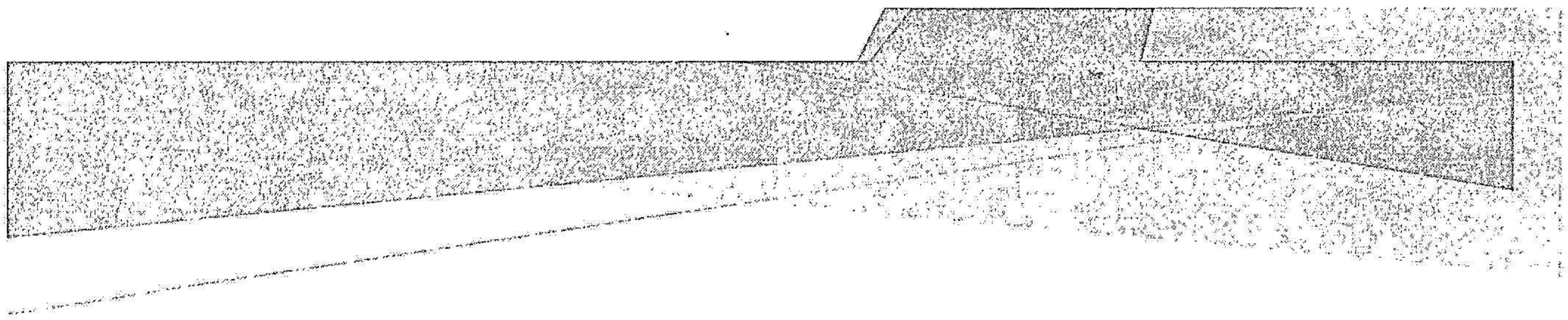

Consolidated financial statements CALDIC HOLDINGS B.V 2022

CONSOLIDATED STATEMENT OF PROFIT OR LOSS[1]

in thousands of €	Note	2022
Revenue	3	1,847,640
Cost of sales		(1,501,056)
Gross margin		**346,584**
Personnel expenses	4	(128,192)
Other operating income		**711**
Other operating expenses	5	(65,777)
Depreciation of property, plant and equipment and right-of-use assets	11,12	(17,106)
Amortisation of intangible assets	10	(66,929)
Operating Result		**69,291**
Finance income	6	10,571
Finance expense	6	(147,609)
Net financial expense		**(137,038)**
Loss before tax		**(67,747)**
Income tax expense	7	(12,507)
Loss for the period		**(80,254)**
Loss for the period attributable to:		
Owners of the parent		**(80,254)**

[1] The figures presented comprise the period started at the date of incorporation of Caldic Holdings B.V. at 3 February 2022 until 31 December of 2022.

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CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME[1]

in thousands of €	Note	2022
Loss from continuing operations		**(80,254)**
Items that will not be reclassified to profit or (loss):		
Remeasurements of defined benefit pension schemes	20	2,547
Tax relating to items that will not be reclassified		(523)
		2,024
Items that will or may be reclassified to profit or (loss):		
Exchange gains arising on translation of foreign operations		3,521
		3,521
Other comprehensive income for the year, net of tax		**5,545**
Total comprehensive loss for the period		**(74,709)**
Total comprehensive loss attributable to:		
Owners of the parent		**(74,709)**

[1] The figures presented comprise the period started at the date of incorporation of Caldic Holdings B.V. at 3 February 2022 until 31 December of 2022.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

in thousands of €	Note	31-12-2022
ASSETS		
Non-current assets		
Goodwill	9,10	1,341,455
Intangible assets	10	639,626
Property, plant and equipment	11	162,479
Right-of-use assets	12	52,067
Deferred tax assets	7	15,710
Other financial assets		1,907
		2,213,244
Current assets		
Inventories	13	275,916
Trade and other receivables	14	377,236
Derivative financial assets		144
Cash and cash equivalents	15	149,229
		802,525
TOTAL ASSETS		**3,015,769**
GROUP EQUITY	16	
Share capital		15,905
Share premium reserve		959,097
Other reserves		(24,655)
Foreign exchange reserve		3,521
Result for the year		(80,254)
Total group equity		**873,614**
LIABILITIES		
Non-current liabilities		
Loans and borrowings	17	1,329,500
Employee benefits	20	7,068
Lease liabilities	18	45,347
Provisions	21	27,225
Deferred tax liabilities	7	167,036
		1,576,176
Current liabilities		
Trade payables	19	214,591
Other payables	19	160,049
Derivative financial liabilities		552
Loans and borrowings	17	173,721
Lease liabilities	18	13,307
Corporate income tax payable	7	3,759
		565,979
TOTAL LIABILITIES		**2,142,155**
TOTAL EQUITY AND LIABILITIES		**3,015,769**

20231115025599

CONSOLIDATED STATEMENT OF CASH FLOWS[1]

in thousands of €	Note	2022
Operating Activities		
Loss for the year		**(80,254)**
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment and right-of-use assets	11,12	27,895
Amortization of intangible fixed assets	10	66,929
Finance income	6	(10,571)
Finance expense excluding interest on pensions	6	147,507
Tax expense	7	12,507
Loss on sale of property, plant and equipment		32
Movement in provisions and employee benefits	20,21	(9,476)
		234,823
Movement in working capital		
Decrease in trade and other receivables	14	47,050
Decrease in inventories	13	5,416
Decrease in trade and other payables	19	(13,926)
Cash generated by operating activities		**193,109**
Income taxes paid		(30,265)
Net cash flows from operating activities		**162,844**
Investing activities		
Acquisition of subsidiaries, net of cash acquired	8	(1,479,210)
Acquisition of NCI	8	(52,256)
Purchases of property, plant and equipment	11	(25,636)
Sale of property, plant and equipment	11	7,162
Purchase of intangibles	10	(1,167)
Acquisition of rights-of-use assets	12	(13,765)
Interest received		8,811
Net cash used in investing activities		**(1,556,061)**
Financing activities		
Issue of shares	16	832,317
Repayment of loans	17	(855,716)
Repayment of lease liability	18	(16,204)
Proceeds from loans	17	1,698,921
Increase in bank overdrafts		2,993
Interest paid on lease liabilities	18	(1,143)
Interest paid on loans and borrowings		(76,353)
Other financing expenses		(4,563)
Net cash generated by financing activities		**1,580,252**
Net increase in cash and cash equivalents		**187,035**
Cash and cash equivalents at beginning of year		-
Exchange gains on cash and cash equivalents		(37,806)
Cash and cash equivalents at end of year		**149,229**

[1] The figures presented comprise the period started at the date of incorporation of Caldic Holdings B.V. at 3 February 2022 until 31 December of 2022

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY[1]

	Attributable to the equity holders of the parent							
in thousands of €	Issued Share Capital	Share premium reserve	Other reserves	Translation reserve	Result for the year	Total	Non-controlling interest	Total equity
Balance as at 3 February 2022	-	-	-	-	-	-	-	-
Net result for the year	-	-	-	-	(80,254)	**(80,254)**	-	(80,254)
Other comprehensive income	-	-	2,024	3,521	-	**5,545**	-	5,545
Total comprehensive income for the period	**-**	**-**	**2,024**	**3,521**	**(80,254)**	**(74,709)**	**-**	**(74,709)**
Issue of shares	13,965	818,352	-	-	-	**832,317**	-	832,317
Contribution in kind Al Puravida (Luxembourg) S.a.r.l.	1,940	140,745	14,041	-	-	**156,726**	12,132	168,858
Acquisition of non-controlling interests	-	-	(40,124)	-	-	**(40,124)**	(12,132)	(52,256)
Other movements	-	-	(596)	-	-	**(596)**	-	(596)
Total contributions by and distributions to owners of the company	**15,905**	**959,097**	**(26,679)**	**-**	**-**	**948,323**	**-**	**948,323**
Balance as at 31 December 2022	**15,905**	**959,097**	**(24,655)**	**3,521**	**(80,254)**	**873,614**	**-**	**873,614**

[1] The figures presented comprise the period started at the date of incorporation of Caldic Holdings B.V. at 3 February 2022 until 31 December of 2022.

20231115026O0

1. Corporate information

1.1 Company activities

Caldic Holdings B.V. (Caldic or the "Company") is a holding company incorporated in the Netherlands. The primary activities of Caldic Holdings B.V. and its subsidiaries (collectively, the "Group") consist of manufacturing and distribution of chemical products and food ingredients, other raw materials and consumables. Information on the Group's structure is provided in Note 2.2 and information on other related party relationships of the Group is provided in Note 22.

1.2 Registered office

Caldic Holdings B.V. (the 'Company') is domiciled in The Netherlands. The address of the Company's registered office is Westerlaan 1, Rotterdam and its Chamber of Commerce number is 85388270.

1.3 Financial statements

The consolidated financial statements of Caldic for the period ended 31 December 2022 were authorised for issue in accordance with a resolution of the directors on 30 August 2023.

Subsequently to incorporation of Caldic Holdings B.V.(formerly named PEARLS (Netherlands) Topco B.V.), on 3 February, 2022, on 1 March 2022 following transactions occurred:

- The shares in Caldic Holdco B.V. group were acquired by PEARLS (Netherlands) Bidco B.V.[1]
- The shares in Al Puravida (Luxembourg) S.a.r.l. were transferred under common control transaction to Caldic Holdings B.V.
- As per shareholder's resolution dated 26 June 2023, the company name was changed from "PEARLS (Netherlands) Topco B.V." to Caldic Holdings B.V.

1.4 Reporting period

Since the Company is a newly incorporated entity, it prepares its consolidated financial statements for the first time for the period started on 3 February 2022 (date of incorporation) until 31 December 2022.

2. Significant accounting policies

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board (IASB) and as adopted by the EU and with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements have been prepared on a historical cost basis, except where otherwise stated in the accounting policies below.

2.1 Basis of preparation (continued)

The consolidated financial statements are presented in Euro (€), which is also the parent's functional currency. Amounts are rounded to the nearest thousand, unless otherwise stated. The consolidated cash flow statement is prepared based on the indirect method.

[1] PEARLS (Netherlands) Bidco B.V. is a 100% owned intermediary holding of the Company.

As part of the preparation of the financial statements, management is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework, management has prepared the financial statements using the going concern basis of accounting as management did not intend to liquidate the Company or to cease operations.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 December 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The consolidated financial statements present the results of the Company and its subsidiaries as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Information about subsidiaries

The subsidiaries as listed below are held by the Group and the proportion of ownership interests held equals the proportion of the voting rights held by the Group. The country of incorporation or registration is also their principal place of business. During 2022 the Group has acquired number of business in

20231115026O1

various locations, see Note 8 for further details.

As of the end of the reporting period, the consolidated financial statements of the Group include:

Name	Country of incorporation	% equity interest 31 December 2022
Avatar Corporation	USA	100
Betaquimica S.L.	Spain	100
Caldic Holdings B.V.	Netherlands	100
Pearls (Netherlands) Bidco B.V.	Netherlands	100
CBS Singapore Holdco Pte. Ltd	Singapore	100
CBS Singapore Merger Pte. Ltd	Singapore	100
Al Puravida S.a.r.l	Luxemburg	100
Caldic B.V.	Netherlands	100
Caldic Benelux N.V.	Belgium	100
Caldic Canada Inc.	Canada	100
Caldic Capital B.V.	Netherlands	100
Caldic Denmark A/S	Denmark	100
Caldic Ingredients Denmark A/S	Denmark	100
Caldic Deutschland GmbH	Germany	100
Caldic Ingredients Deutschland GmbH	Germany	100
Caldic Finland Oy	Finland	100
Caldic France S.A.S	France	100
Caldic Ingredients France S.A.S.	France	100
Caldic Hongkong Ltd.	Hong Kong	100
Caldic Ibérica S.L.	Spain	100
Caldic Ingredients Benelux B.V.	Netherlands	100
Caldic Italia S.r.l	Italy	100
Caldic Malaysia Sdn. Bhd.	Malaysia	100
Caldic New Zealand Ltd.	New Zealand	100
Caldic Norway AS	Norway	100
Caldic (Shanghai) Trading Co. Ltd.	China	100
Caldic (Shanghai) Commercial Co. Ltd.	China	100
Caldic Sweden AB	Sweden	100
Caldic Ingredients Sweden AB	Sweden	100
Caldic Food Service & Retail Sweden AB	Sweden	100
Caldic Techniek B.V.	Netherlands	100
Caldic Techniek Belgium N.V.	Belgium	100
Caldic Holding (Thailand) Ltd.	Thailand	100
Caldic (Thailand) Ltd.	Thailand	100
Caldic (UK) Ltd.	United Kingdom	100

Name	Country of incorporation	% equity interest 31 December 2022
Caldic USA Inc.	USA	100
Caldic Vietnam Co. Ltd.	Vietnam	100
Caldic Brew Ingredients Holding AB	Sweden	100
Concentrated Active Ingredients & Flavours, Inc.	USA	100
Humlegardens Ekolager AB	Sweden	100
Caldic Pharma USA Holding Inc.	USA	100
Brand-Nu Laboratories Inc.	USA	100
Caldic Pharma Ireland Holding Ltd.	Ireland	100
BNL Sciences Ltd.	Ireland	100
GTM Holdings S.A.	Panama	100
P.A.B. S.r.l	Italy	100
Food Industry Technology Ltd.	United Kingdom	100
Caldic Link Silica (Shadong) Co. Ltd.	China	100
Scott Chemicals (Quingdao) Ltd.	China	100
Scott Chemicals Hong Kong Ltd.	Hong Kong	100
Caldic Australia Pty Ltd.	Australia	100
Scott Chemicals Australia Pty Ltd.	Australia	100
Scott Chemicals International Ltd.	New Zealand	100
Scott Chemicals Holding Ltd.	New Zealand	100
Clark Products Ltd.	New Zealand	100
Scott Chemicals Phils Inc.	Philipines	100
Panamerican Chemical LLC	Nevis	100
Faria Commercial Corp Ltd.	Panama	100
Sotro Financial Inc.	Panama	100
Grupo Transmerquim Holdings Spain S.A.	Panama	100
GTM Panama S.A.	Panama	100
Summit Solutions Corp	Panama	100
Quimicos Basicos S.A.	Panama	100
Chemical Products International Corporation S.A	Panama	100
ARPROP S.A.	Argentina	100
GTM Argentina Comercio de Productos Quimicos S.A.	Argentina	100
Corporacion GTM del Peru S.A	Peru	100
Quimitrans S.R.L	Peru	100
quantiQ Distribuidora Ltda.	Brazil	100
Active Pharmaceutica Ltda.	Brazil	100
Bring Solutions	Brazil	100
IQAG Armazens Gerais Ltda.	Brazil	100
GTM Guatemala Comercio Productos Quimicos S.A	Guatemala	100
Nitroquimicos S.A	Guatemala	100
GTM Servicios CR S.A.	Costa Rica	100
GTM International LLC	USA	100
GTM Nicaragua S.A	Nicaragua	100
GTM Honduras S.A. de C.V.	Honduras	100
GTM Honduras Zona Libre S.A de C.V.	Honduras	100
GTM Asia Ltd.	China	100
GTM Chemicals Chile SpA	Chile	100

20231115026O2

2.3 Critical accounting judgements, estimates and assumptions

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Judgements

Information about judgments made in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements relates to:

Estimates and assumptions

Significant estimates and assumptions are applied in the following areas of financial statements that have a significant risk of resulting in a material adjustment in the period ending December 31, 2022:

- Income taxes – provisions for current and deferred income taxes in various jurisdictions (Note 7) and uncertain tax positions (Note 21)
- Impairment of goodwill and intangible assets with infinite lives – Estimate of future cash flows and determination of key variables (Note 9)
- Defined benefit schemes– actuarial assumptions (Note 20)
- Discount rate used for initial measurement of lease liability (Note 18)
- Environmental provision (Note 21)
- Estimated credit loss to determine the allowance for doubtful debts (Note 14).
- Fair value measurement of assets and liabilities, and initial fair value measurement of acquired assets and liabilities through business combinations (see note 8 Business combinations and below for fair value measurement)

Fair value measurement

The Group measures financial instruments such as derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

A number of assets and liabilities included in the Group's financial statements require measurement at, and/or disclosure of, fair value.

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value

measurement is unobservable.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

- The Group measures derivative financial instruments (Note 23) at fair value.
- The Group measures contingent considerations at fair value (Note 8).

For more detailed information in relation to the fair value measurement of the items above, please refer to note 23.

2.4 Summary of significant accounting policies

a) Business combinations and goodwill

Business combinations that are not under common control are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in other operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted for additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of IFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with IFRS 9. Other contingent consideration that is not within the scope of IFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Goodwill is initially measured at cost (being the excess of the aggregate of the fair value of consideration transferred and the amount recognised for non-controlling interests in the acquiree and any pre-existing equity interest in the acquiree over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed

20231115026O3

and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss. Direct costs of acquisition are recognised immediately as an expense.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

b) Business combinations under common control

Business combinations under common control transactions may happen in the context of reorganizations, spinoffs and initial public offerings, particularly when a transfer or exchange of a business or an asset that are under the control of the same parent occurs.

When a business combination under common control is identified the Group adopts the book value method of accounting. Please refer to Note 8.

c) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- expected to be realised or intended to be sold or consumed in the normal operating cycle;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

d) Foreign currencies

Transactions entered into by Group entities in a currency other than the currency of the primary economic environment in which they operate (their "functional currency") are recorded at the rates ruling (spot rates) when the transactions occur. Translation gains and losses are taken to the profit and loss account as expenditure and are included in the costs of raw materials.

Foreign currency monetary assets and liabilities are translated at the exchange rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognised immediately in profit or loss, except for foreign currency borrowings qualifying as a hedge of a net investment in a foreign operation, in which case exchange differences are recognised in other comprehensive income and accumulated in the foreign exchange reserve along with the exchange differences arising on the retranslation of the foreign operation.

On consolidation, the results of foreign operations are translated into Euro at an average rates for the month in which transactions occurred. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the exchange rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of foreign operations at actual rate are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are transferred to the consolidated profit and loss account as part of the profit or loss on disposal.

e) Taxation

Current tax

The taxation on the result includes current and deferred taxes and is calculated based on the result according to the profit and loss account and the applicable tax rates, taking into account permanent differences between the result according to the profit and loss account and the fiscal profit.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the

20231115026O4

statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated balance sheet differs from its tax base, except for differences arising on:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries and joint arrangements where the Group is able to control the timing of the reversal of the difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the temporary difference can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income (OCI) or directly in equity.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognised in profit or loss.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable group entity; or
- different taxable group entities that intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

f) Other intangible assets

Externally acquired intangible assets are initially recognised at cost and are subsequently amortised on

a straight-line basis over their useful economic lives. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as either finite or indefinite.

The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques (see section related to critical estimates and judgements).

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit and loss account when the asset is derecognised.

The significant intangibles recognised by the Group, their useful economic lives and the methods used to determine the cost of intangibles acquired in a business combination are as follows:

Customer relationships	4 - 13 years
Trademarks	indefinite/ 2 - 5 years
Other	2 - 5 years

Trademarks relate to brand names acquired in recent acquisitions. As no assumption can be made about the durability of the Caldic trademark, this trademark has an indefinite useful life.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

g) Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. Following initial recognition property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses, with the exception of land and assets under construction. Both land and assets under construction are carried at cost less accumulated impairments. Land has an indefinite life and assets under construction are assets that are not yet in the condition necessary for their intended use is therefore not depreciated. Depreciation on assets under construction does not commence until they are complete and available for use.

As well as the purchase price, the cost of an item of property, plant and equipment includes directly

20231111502605

attributable costs and the estimated present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions.

Depreciation is provided on all other items of property, plant and equipment to write off their carrying value over their expected useful economic lives. It is depreciated at the following rates:

Buildings	2.5-5% per annum straight line
Plant and equipment	10-20% per annum straight line
Other operating fixed assets	10-20% per annum straight line

The residual value is the estimated amount that the Group would receive from the disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and the condition expected at the end of its useful life. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate. The depreciation expense on items of property, plant and equipment is recognised in the statement of profit or loss from the date that they are available for their intended use. Where significant components of an item of property, plant and equipment have different useful lives they are depreciated separately.

Maintenance, repairs or alteration of tangible property are generally recognised as expenses during the period in which they are incurred. However, betterments, restorations or replacements of major components are capitalised when they meet the recognition criteria. These improvements are recognised as a separate component and depreciated over the useful life of the component, not exceeding the remaining useful life of the related asset.

An item of property, plant and equipment and any significant part initially recognized is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss when the asset is derecognized.

h) Right-of-use assets and lease liabilities

The Group's leasing activities as lessee primarily entails the rental office space, warehouses, equipment and vehicles for use by employees.

A lease is an agreement between a lessor (owner) and a lessee that conveys the rights to use specific asset for a stated period in exchange for a stated payment.
All leases are accounted for by recognising a right-of-use asset and a lease liability except for the following leases, which are accounted as cost through profit and loss.

- leases of low value assets (these are leases for which the cost are deemed non-material); and
- leases with a duration of 12 months or less (for leases that do not contain purchase options).

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial

measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.
The lease term determined by the Group comprises:

- non-cancellable period of lease contracts;
- periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option;
- periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right of use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the revised discount rate. The carrying value of lease liabilities is revised when the variable element of future lease payments dependent on a rate or index is revised, this is done by using an unrevised discount rate. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset.

When the group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the re-negotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- in all other cases where the re-negotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is re-measured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount up to zero, with any additional adjustments being taken to profit and loss;
- if the re-negotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments

20231115026O6

over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the group to use an identified asset and require services to be provided to the group by the lessor, the group has elected to account for the entire contract as a lease, i.e. it does not allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract. The Group does not act as a lessor.

i) Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Weighted average cost is used to determine the cost of ordinarily interchangeable items. The net realisable value is the estimated sales price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The carrying amount of inventories sold is recognised as an expense in the period in which the related revenue is recognised.

j) Impairment of non-financial assets

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year-end or when there is an indication that it may be impaired. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs of disposal), the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the smallest group of assets to which it belongs, for which there are separately identifiable cash flows; its cash generating units ('CGUs'). An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, see Note 5. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Goodwill is allocated on initial recognition to the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

An impairment loss recognised for goodwill is not reversed. Impairments are recognized in Depreciation and Amortization expenses.

k) Financial instruments - initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through OCI, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Equity instruments are measured at Fair Value through profit or loss. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined in accordance with IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss (derivative financial instruments)

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment testing. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost include trade receivables.

Financial assets at fair value through profit or loss (derivative financial instruments)

Financial assets at fair value through profit or loss include financial assets, financial assets designated

20231115026O7

upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Derivatives, including separated embedded derivatives, are classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with net changes in fair value recognised in the profit and loss account. This category includes derivative instruments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognised as other income in the profit and loss account when the right of payment has been established.

A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

A derivative embedded within a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated balance sheet) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that

the Group could be required to repay.

The Group's factoring agreements are assessed based on these requirements in order to conclude whether they lead to the de-recognition of factored accounts receivables.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings, and payables, net of directly attributable transaction costs.
The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.
Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

20231115026O8

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the profit and loss account.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to Note 17.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(iii) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(iv) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Hedge Accounting principles are not applied to the Foreign exchange forward contracts. Derivatives not designated as hedging instruments reflect the positive change in fair value of those foreign exchange forward contracts that are not designated in hedge relationships, but are, nevertheless, intended to reduce the level of foreign currency risk for expected sales and purchases.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the

following effectiveness requirements:

- there is 'an economic relationship' between the hedged item and the hedging instrument;
- the effect of credit risk does not 'dominate the value changes' that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Cash flow hedges that meet all the qualifying criteria for hedge accounting are accounted for as follows:

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

For any cash flow hedges, the amount accumulated in OCI is reclassified to profit or loss as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, any amount remaining in accumulated OCI must be accounted for depending on the nature of the underlying transaction as described above.

l) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value and therefore approximate fair value.

Cash and bank balances are freely disposable, unless stated otherwise.

m) Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured based on the best estimate of the amounts required to settle the obligations at the balance sheet date. Unless indicated otherwise, provisions are stated at the present value of the expenditure expected to be required to settle the obligations.

The Group has recognised provisions for liabilities of uncertain timing or amount including those for environmental claims, leasehold dilapidations, legal disputes and other provisions. The provision is measured at the best estimate of the expenditure required to settle the obligation at the reporting date, discounted at a pre-tax rate reflecting current market assessments of the time value of money and risks specific to the liability. The Company recognises a provision based on the estimated decommissioning costs.

20231115026O9

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset and not net of the recognized provision. The reimbursement is only recognized when it is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

n) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflect the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements, has pricing latitude, and is also exposed to inventory and credit risks.

The specific recognition criteria described below must also be met before revenue is recognised.

Performance obligations and timing of revenue recognition
Once Caldic has identified that there is a contract with a customer, Caldic assesses the goods or services promised in the contract. Each promise in the contract will be treated as a performance obligation to transfer to the customer if the good or service is distinct.

Generally, Caldic's customer contracts have only one performance obligation. The performance obligation for the trade revenue stream will be the delivery of the goods promised in the contract. The performance obligation for the service revenue stream will be the delivery of the services promised in the contract, for example tolling services.

Determining the transaction price
The transaction price shall be the amount Caldic expects to receive in return for fulfilling its performance obligations. This amount shall include the most likely effect of discounts and rebates to be realised when the customer provides consideration.

Variable consideration occurs in the form of volume rebates to customers. These rebates are not material in relation to the total revenue and therefore significant reversals of revenue will not occur.

Allocating amounts to performance obligations
The nature of Caldic business is to provide goods based on order. Therefore, the transaction price for the contract will be allocated to a single performance obligation.

Control is transferred at a point in time due to the general sales conditions of Caldic and the applicable incoterms.

Costs of obtaining long-term contracts and costs of fulfilling contracts
Caldic does not incur incremental costs per customer in order to obtain contracts. Such costs are treated as intangible assets seeing, as the costs cannot be attributed to one customer.

o) Pensions and other long-term service benefits

The Group operates defined benefit pension plans in The Netherlands, Belgium, Italy, Sweden, United Kingdom, Germany, France, Thailand and Mexico, which in some cases require contributions to be made to an insurance company or separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.
Past service costs are recognised in profit or loss on the earlier of:

- the date of the plan amendment or curtailment; and
- the date that the Group recognises related restructuring costs.

Service costs are recognised in profit or loss, and include current and past service costs as well as gains and losses on curtailments. Past service costs are recognised in profit or loss on the earlier of (a) The date of the plan amendment or curtailment, and (b) The date that the Group recognises related restructuring costs.
Net interest expense (income) is recognised in profit or loss, and is calculated by applying the discount rate used to measure the defined benefit obligation (asset) at the beginning of the annual period to the balance of the net defined benefit obligation (asset), considering the effects of contributions and benefit payments during the period. Gains or losses arising from changes to scheme benefits or scheme curtailment are recognised immediately in profit or loss.

Settlements of defined benefit schemes are recognised in the period in which the settlement occurs.

Contributions to defined contribution pension schemes are charged to the consolidated profit and loss account in the year to which they relate.

Other long-term service benefits
Other employee benefits that are expected to be settled wholly within 12 months after the end of the reporting period are presented as current liabilities.

Other employee benefits that are not expected to be settled wholly within 12 months after the end of the reporting period are presented as non-current liabilities and calculated using the projected unit credit method and then discounted using yields available on high quality corporate bonds that have maturity dates approximating to the expected remaining period to settlement and are denominated in the same currency as the post-employment benefit obligations.

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2.5 Standards issued but not yet effective

There are a number of standards, amendments to standards, and interpretations, which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early. The following amendments are effective for periods beginning on or after 1 January 2023:

Standards, amendments and interpretations	Effective for annual periods beginning on or	EU endorsed
IFRS 17 Insurance Contracts/Initial Application of IFRS 17 and IFRS 9	1 January 2023	Yes
Amendments to IAS 1 - Disclosure of Accounting policies	1 January 2023	Yes
Amendments to IAS 8 - Definition of Accounting Estimates	1 January 2023	Yes
Amendments to IAS 12 - Deferred Tax rel. to Assets & Liabilities arising from a Single Transaction	1 January 2023	Yes
Amendments to IAS 1 - Classification of Liabilities as Current or Non-current incl. Deferral date)	1 January 2024	No
Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback	1 January 2024	No

IFRS 17 Insurance Contracts

In May 2017, the IASB issued IFRS 17 Insurance Contracts, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. This standard is not applicable to the Group.

Amendments to IAS 1 - Presentation of Financial Statements: Disclosure of Accounting policies

The amendments provide guidance on the application of materiality judgements to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose 'significant' accounting policies with a requirement to disclose 'material' accounting policies. Guidance and illustrative examples are added in the Practice Statement to assist in the application of the materiality concept when making judgements about accounting policy disclosures.
The Group will revisit its accounting policy information disclosures for 2023 financial statements to ensure consistency with the amended requirements. No major changes to information disclosed is expected.

Amendments to IAS 8 - Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates

The amendments introduce a new definition of accounting estimates. Accounting estimates are defined as "monetary amounts in financial statements that are subject to measurement uncertainty". The amendments clarify what changes in accounting estimates are and how these differ from changes in accounting policies and corrections of errors.
The amendments are not expected to have a material impact on the Group's financial statements.

Amendments to IAS 12 - Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

This amendment narrows the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations.
The Group is currently assessing the impact of the amendments.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

In January 2020, the IASB Board issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification

Right to defer settlement: The Board decided that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date.

Existence at the end of the reporting period: The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or at a later date.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Group currently has no arrangements to which the clarifications of Amendments IAS 1 apply, therefore the Group does not expect any significant impact upon implementation of the amendment.

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

On 22 September 2022, the International Accounting Standards Board (the IASB or Board) issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) (the amendment). The amendment to IFRS 16 Leases specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is intended to improve the requirements for sale and leaseback transactions in IFRS 16. It does not change the accounting for leases unrelated to sale and leaseback transactions.

The amendment applies retrospectively to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. The Group does not enter into sale and leaseback transaction in ordinary course of business. The Group will assess the impact of the amendment for the effective financial reporting period.

2.6 Standards issued and effective

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Standards, amendments and interpretations	Effective for annual periods beginning on or	EU endorsed
Amendments to IFRS 3 - Reference to the Conceptual Framework	1 January 2022	Yes
Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022	Yes
Amendments to IAS 37 - Onerous Contracts – Costs of Fulfilling a Contract	1 January 2022	Yes
ANNUAL IMPROVEMENTS TO IFRS STANDARDS 2018–2020 cycle:	1 January 2022	Yes
IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter		
IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities		
IAS 41 Agriculture – Taxation in fair value measurements		

20231115026l1

Amendments to IFRS 3 - Reference to the Conceptual Framework

In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations - Reference to the Conceptual Framework. The amendments are intended to replace a reference to a previous version of the IASB's Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing its requirements. The amendments add an exception to the recognition principle of IFRS 3 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets or IFRIC 21 Levies, if incurred separately. The exception requires entities to apply the criteria in IAS 37 or IFRIC 21, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

The amendments to IFRS 3 are required to be applied to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022.

The Group had conducted number of business acquisitions during 2022 financial year (see Note 4). The Group took into account the requirements of IFRS 3 amendments in the accounting for these transactions, which had no significant impact for business combinations occurred in 2022.

Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use

The amendment prohibits entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendments are effective for annual periods beginning on or after 1 January 2022. An entity applies the amendments retrospectively only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The amendments had no significant impact on the transactions presented in the 2022 financial statements of the Group.

Amendments to IAS 37 - Onerous Contracts – Costs of Fulfilling a Contract

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Application of this amendment had no impact on the financial statements of the Group.

3 Revenue

The revenues comprise the period between the date of incorporation of Caldic Holdings B.V. at 3 February 2022 until 31 December of 2022 and have been disaggregated into various categories as follows:

in thousands of €	**2022**
Primary Geographic Markets	
Europe	712,033
LATAM	714,961
North America	300,410
Asia-Pacific	117,972
Other	2,264
	1,847,640
Product type	
Industrial	975,063
Food	560,740
Health & Personal care	104,662
Pharma	191,338
Technical	15,837
	1,847,640

The Group recognizes revenue for all its transactions at point in time as there are no service type contracts provided by business. The Group did not record significant returns, finance components or guaranties as these type of arrangements are not applicable for business. Revenue is generated almost entirely from business to business activities.

20231115026l2

4 Personnel expenses

Below is the breakdown of the personnel expenses for the period ended 31 December 2022:

in thousands of €	2022
Wages and salaries	90,920
Social security contributions	15,490
Pension expenses	5,304
Temporary personnel	3,553
Other personnel expenses	12,925
Total	**128,192**

Average number of employees

During the 2022 financial period, the average number of employees in the Group, converted into full-time equivalents, amounted to 3.089 employees of which 3.021 were employed outside the Netherlands.

The breakdown of full time equivalents by category is as follows:

	2022 *Number of FTE*
Industrial	1,251
Food	844
Health & Personal care	165
Pharma	109
Technical	81
Overhead	639
Total	**3,089**

5 Other operating expenses

in thousands of €	2022
Accomodation and other rental costs	1,331
Business travel and representation	6,683
Maintenance and repair	4,166
Marketing expenses	2,410
Insurance costs	5,018
Professional services fees	34,581
Other operating expenses	11,588
Total other operating expenses	**65,777**

6 Net financial expense

in thousands of €	2022
Interest income	10,571
Total finance income	**10,571**

	2022
Interest on debts and borrowings	94,147
Interest lease liabilites	2,579
Foreign exchange losses	37,879
Other	13,004
Total finance expense	**147,609**
Net finance result	**137,038**

7 Income taxes

7.1 Income tax expense

The major components of income tax expense are:

in thousands of €	2022
Current income tax	
Current income tax charge	(26,625)
Deferred tax	
Relating to origination and reversal of temporary differences	14,118
Income tax expense reported in the profit and loss account	**(12,507)**

	2022
Consolidated other comprehensive income	
Deferred tax related to items recognised in OCI during the year	
Net loss/ (gain) on actuarial gains and losses	(1,051)
Deferred Tax charged through OCI	**(1,051)**

	%
Effective tax rate	-18.46%

20231115026l3

in thousands of €	2022
Accounting (loss) from cont. operations before income tax	**(67,747)**
Netherlands statutory income tax rate of 25.8%	17,525
Adjustments due to international operations	482
True-up adjustments	(396)
Non-deductible costs associated with the sale of the Group	(480)
Other non-deductible items	(2,207)
Unrecognized DTA's	(29,592)
Tax losses recognized	41
Other reconciling items	2,120
Income tax expense reported in the statement of profit or loss	**(12,507)**

7.2 Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method. Tax rates used are the best estimate available for corporate tax rates in future periods. In The Netherlands, a tax rate of 25.8% is applied.

Deferred tax assets

The movement on the deferred tax assets is as shown below:

in thousands of €	2022
At 3 February	-
Acquired through business combination	26,557
Recognised in profit and loss	
Tax (expense) / benefit	355
Recognised in other comprehensive income	
Actuarial loss/(gain) on defined benefit pension schemes	(478)
Reclassifications and other movements	
Other movements	221
Foreign exchange rate differences	(1,324)
Netting Reclassification	(9,621)
At 31 December	**15,710**

Deferred tax assets have been recognised in respect of all tax losses and temporary differences giving rise to deferred tax assets where the directors believe it is probable that these assets will be recovered, including for pension liabilities. Deferred tax assets relating to loss carry forwards are supported by management forecasts of future profitability.

Deferred tax liabilities

The movement on the deferred tax liabilities is as shown below:

in thousands of €	2022
At 3 February	-
Acquired through business combination	(192,314)
Recognised in profit and loss	-
Tax expense / (benefit)	13,764
Recognised in other comprehensive income	
Actuarial gain on defined benefit pension schemes	(573)
Reclassifications and other movements	
Other movements	1,901
Foreign exchange rate differences	565
Netting Reclassification	9,621
At 31 December	**(167,036)**

No deferred tax is recognised on the unremitted earnings of foreign subsidiaries and joint ventures. As the earnings are continually reinvested by the Group and there is no intention for these entities to pay dividends, no tax is expected to be payable on them in the foreseeable future.

Tax losses

The Company recognizes deferred tax assets on interest and loss carry forwards to the extent future interest deduction headroom and taxable profits are expected and can be offset with these available interest and losses carried forward. The total carry forwards (both interest and losses) amount to € 215 million as at balance sheet date, for which a deferred tax asset is recognized for € 8 million.

The deferred tax assets relating to interest and loss carry forwards expire in the following years:

	2022	
in thousands of €	Recognized	Unrecognized
Unlimited	7,998	41,469
	7,998	**41,469**

The unrecognized amount relates to non-deductible interest expenses that are not expected to be utilized in the foreseen future.

The following table shows the types of temporary differences that lead to deferred tax assets / liabilities:

in thousands of €	Asset	Liability	Net
PPA Intangibles	-	(165,098)	(165,098)

20231115026614

Fixed assets - depreciations	-	(509)	(509)
Lease accounting	52	(167)	(115)
Employee benefits	-	(377)	(377)
Unrealized changes in FX contracts	-	35	35
Deductible goodwill expense	120	(640)	(520)
Tax losses recognized	7,816	182	7,998
Other temporary differences	17,343	(10,083)	7,260
	25,331	(176,656)	(151,326)
Netting	(9,621)	9,621	-
Deferred tax asset			**15,710**
Deferred tax liability			**(167,035)**
Net tax assets / (liabilities)			**(151,326)**

Deferred tax assets and liabilities have been netted to the extent they can be offset by the same tax paying entities.

8 Business combinations

In November 2021 Advent announced the intention to acquire the Caldic group from Goldman Sachs and this transaction was completed on 1 March 2022. In relation to this acquisition Advent transferred its existing business in the chemical distribution industry in Latin America i.e. Grupo Transmerquim (GTM) to the Caldic group and this transaction was completed on 28 February 2022.

GTM Holding transfer under common control

Advent transferred its shareholding (86.3%) in the existing chemical distribution business (GTM), held by its subsidiary Al Puravida (Luxembourg) S.à.r.l., to Caldic Holdings B.V. This transfer was assessed under IFRS requirements and concluded to be a transaction under common control since both before and after this transaction the same shareholders have the same interest in the net assets of the old and the new company. In addition it was assessed that Caldic Holdings B.V. constituted a business as it already included the Caldic business at the time of this transfer. Consequently the pooling of interest method was applied to this transaction instead of acquisition accounting as required per IFRS 3 standard. Based on business combination under common control accounting, the Company:

- applied book values of assets and liabilities that were transferred to Caldic Holdings B.V. rather than IFRS 3 acquisition accounting;
- the transferee did not have an IFRS balance sheet available. Instead, the consolidated balance sheet of its trading subsidiary, GTM Holdings SA was used in order to determine book values of transferred assets and liabilities;
- the carrying values of the assets and liabilities held by GTM Holdings SA group became their deemed cost for transferee.
- the implied goodwill for the acquisition of GTM by Advent in 2014 was determined as difference between the cost of the initial purchase of investment in GTM by Advent and the consolidated IFRS book values of the net assets. This was determined based on exemption of IFRS 1.C1 that allows to not apply

IFRS 3 retrospectively to past business combinations.

On 1 March 2022 the Company purchased the 13.7% minority share in GTM Holdings S.A. increasing its ownership to 100%. The consideration was paid in cash to the non-controlling shareholders. The schedule of the additional interest acquired in GTM is as follows:

in thousands of €	**2022**
Cash consideration paid to non-controlling shareholders	52,256
Carrying value of minority interest	12,132
Difference recognized in other reserves	**40,124**

Caldic Holdco B.V. acquisition from Goldman Sachs

Caldic Holdings B.V.'s subsidiary Pearls (Netherlands) Bidco B.V. acquired 100% of the shares of Caldic Holdco B.V., a life sciences and specialty chemicals firm, from Goldman Sachs Asset Management with the effective date 1 March 2022. The acquisition of the Caldic group by Caldic Holdings B.V. triggered purchase price accounting under IFRS 3 requirements. The overview of determined fair values for acquired assets and liabilities is presented in the table below. In 2022 this acquisition contributed € 1.1 billion of revenue and € 76 million of operating result to the Group's results in 2022.

Other acquisitions in 2022

In addition to the above, the Group completed seven acquisitions in 2022, as described below:

Food Industry Technology Ltd

On 25 May 2022, the Group acquired UK-based Food Industry Technology Ltd (FIT), a value-add distributor of food ingredients and functional blends. FIT will help accelerate the Group's strategy to increase its focus on life science solutions and growth in this attractive market. In 2021, FIT generated a revenue of € 7 million.

Active Pharmaceutica Ltda.

On 31 August 2022, the Group acquired Brazil based Active Pharmaceutica Ltda., a value-add pharma distribution company specialized in providing innovative products and solutions to the Brazilian pharmaceutical market. The acquisition of Active Pharmaceutica will help the Group increase its focus on life science and accelerate growth in Latin America. In 2021, Active Pharmaceutical generated a revenue of € 21 million.

Avatar Corporation

On 31 August 2022, the Group acquired the United States based Avatar Corporation, a value-add distributor of specialty food ingredients and custom solutions based in University Park (Illinois, US). In 2021, Avatar Corporation generated a revenue of € 30 million.

Mr. Malt - P.A.B. S.r.l

On 31 August 2022, the Group acquired the Italian based Mr. Malt – P.A.B. S.r.l., the leading distributor of brew ingredients for the Italian market. In 2021, Mr. Malt generated a revenue of € 17 million.

Betaquímica S.A.

On 7 October 2022, the Group acquired the Spanish based Betaquímica S.A., a solution provider of

20231115026l5

premium raw materials for industrial applications. In 2021, Betaquímica generated a revenue of € 15 million.

Concentrated Active Ingredients & Flavors, Inc

On 15 November 2022, the Group acquired another US based company - Concentrated Active Ingredients & Flavors, Inc (CAIF), a supplier of premium, naturally sourced ingredient solutions based in West Columbia, SC. The unique portfolio and distribution and manufacturing capabilities from CAIF will significantly strengthen Caldic's value-add product and services range for the dietary supplements and nutrition industry and enable further expansion in North America, specifically in the US. In 2021, CAIF generated a revenue of € 16 million.

Bring Solutions

On 30 November 2022, the Group acquired Bring Solutions, which is a Brazil-based value add distributor of customized ingredient solutions for the food, supplements and pharmaceutical markets. In 2021, Bring Solutions generated a revenue of € 4 million.

In all the above mentioned acquisitions the company acquired 100% of the outstanding shares. In 2022 these other acquisitions together contributed € 33 million of revenue and € 3 million of operating result to the Group's results in 2022.

If all of the above acquisitions would have occurred at the start of 2022, management estimates that, for 2022, the total consolidated revenue would have been € 2.3 billion and the operating result for the year would have been € 114 million.

On 14 October 2022 Advent and Wilbur Ellis announced the merger of their life sciences and specialty chemicals solutions businesses (Connell) to form a leading global value-add distribution platform with unique positions in high-growth regions. The combination creates a leading global platform with a substantial presence in two high-growth regions: in Asia-Pacific with Connell and in Latin America with Caldic-GTM. Together, Caldic and Connell will have more than 3,800 employees across 43 countries, which provide solutions to over 35,000 customers by leveraging 75 formulation centers and application labs and deep application know-how. The combination will generate sales of about € 3 billion. The transaction closed on 1 March 2023.

Identifiable assets recognized and liabilities assumed

The combined fair value of the identifiable assets and liabilities of combined acquired businesses at the date of acquisition were:

in thousands of €	Note	*Caldic Holdco B.V.*	*Other acquistions*	Fair value recognized on acquisition	*GTM (against book value)*	Total
Assets						
Property, plant and equipment	11	111,540	8,363	**119,903**	40,462	**160,365**
Right of use assets	12	34,482	-	**34,482**	17,221	**51,703**
Cash and cash equivalents		84,512	11,493	**96,005**	41,631	**137,636**
Trade receivables		184,496	20,152	**204,648**	143,178	**347,826**
Inventories		156,993	18,826	**175,818**	105,514	**281,332**
Intangible assets	10	629,408	61,898	**691,305**	14,743	**706,048**
Deferred tax assets	7	8,869	-	**8,869**	17,688	**26,557**
Other assets		14,695	4,130	**18,825**	58,440	**77,265**
Liabilities						
Loans and borrowings	17	458,400	5,434	**463,835**	149,986	**613,821**
Lease liabilities	18	38,925	-	**38,925**	19,145	**58,070**
Trade and other payables		107,654	12,282	**119,935**	145,910	**265,845**
Employee benefits		12,127	282	**12,409**	-	**12,409**
Provisions		10,164	2	**10,166**	22,613	**32,779**
Other liabilities and other expenses		62,375	5,243	**67,618**	45,296	**112,914**
Deferred taxes	7	174,821	10,724	**185,545**	6,769	**192,314**
Total identifiable net assets at fair value		**360,529**	**90,895**	**451,422**	**49,158**	**500,580**
Goodwill arising on acquisition		1,132,459	83,990	**1,216,452**	119,704	**1,336,156**
Purchase consideration transferred		**1,492,988**	**174,885**	**1,667,874**	**168,862**	**1,836,736**
Estimated earnout liability		-	9,667	9,667	-	9,667
Deferred payment		12,274	29,087	41,361	-	41,361
Shares issued		-	-	-	168,862	168,862
Cash		1,480,715	136,131	1,616,846	-	1,616,846

The fair value of the acquired receivables approximates the book value as per acquisition. The intangible assets recognized primarily relate to customer relationships and trademarks.

The difference between the fair value of assets acquired and liabilities assumed and the considerations transferred for the aforementioned acquisitions is presented as goodwill. Goodwill related to acquisitions of Active Pharma and Bring Solutions is tax deductible. The goodwill represents the unidentified and inseparable assets within businesses acquired which will be recovered through future profits generated by the acquired Companies and this mainly represents the business knowledge, qualified staff and the synergies expected to be achieved from integrating the acquired companies. Total goodwill of Caldic Holdings B.V. increased by € 1.341 million, of which € 1.336 million is attributable to the above mentioned acquisitions. The remainder is attributable to currency translation and reflected in other comprehensive income.

The considerations are primarily paid for in cash and, depending on the acquisition, deferred payments

20231115026l6

and earnout liabilities, recognized as part of the consideration paid, total € 51 million. Earnout payments for a total amount of € 10 million are all contingent on the future profitability of the acquired company and have been estimated on the business plan of the acquired company. Shares were issued for the transfer of GTM.

Transaction costs incurred in the current reporting period related to external legal fees and due diligence costs for the above mentioned acquisitions amount to € 6 million and are recognized directly in P&L.

Analysis of cash flows on acquisition

in thousands of €	2022
Transaction costs of the acquisition (included in cash flows from operating activities)	5,599
Net cash acquired with the subsidiary (included in cash flows from investing activities)	(137,637)
Cash consideration transferred (included in cash flows from investing activities)	1,616,846
Net cash used in acquisitions	**1,484,808**

9 Impairment assessment

For impairment testing purposes, goodwill acquired through business combinations and trademarks with indefinite useful lives are allocated to CGUs as presented in the table below. A cash generating unit (CGU) represents the lowest level within the Company at which goodwill is monitored for internal management purposes.

Allocation of Assets to CGU's

in thousands of €	Europe	North America	Asia Pacific	Latin America	Total
Goodwill	643,082	440,452	110,443	147,478	1,341,455
Trademark	58,019	24,658	9,283	-	91,960
Total	**701,101**	**465,110**	**119,726**	**147,478**	**1,433,415**

Trademarks relates to the Caldic brand. As no assumption can be made about the durability of its economic use, the brand has an indefinite useful life. These assets do not generate cash inflows independently and qualify as corporate assets and their carrying amount are allocated to the CGU's on a reasonable and consistent basis.

Impairment Assessment

The recoverable amounts have been determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The projected cash flows per CGU reflect the market growth assumptions for products and services in the respective region and on some general economic indicators (inflation, GDP). It also reflects the future strategy of the regional CGU's and changes to the latest government legislation in relation to climate related matters. Terminal growth rates were used for cash flows projections beyond the five year

period.

The key assumptions for 2022 for each CGU are as follows:

Cash Generating Unit	WACC	Terminal Growth Rate	EBITDA % 2023-2027
Europe	9.5%	2.5%	10.9%
North America	9.0%	2.5%	17.5%
Asia Pacific	10.5%	3.5%	9.5%
Latin America	13.0%	3.5%	10.3%

The weighted average cost of capital (WACC) is estimated per region, based on external sources of information and varies mainly due to differences in risk free rates. The growth rate for the period after 2027 is based on industry benchmarks by region and are also based on external sources of information.

The Group performed its annual impairment test in December 2022 and the recoverable amount of each CGU showed sufficient headroom on the carrying amount hence, no impairment losses were recognized.

Sensitivity

In order to test the resilience of the headroom against changes in a key assumption are assessed while keeping all other assumptions unchanged:

- Decrease of EBITDA margins by 0.5%
- Decrease of terminal growth rate by 0.5%
- Increase of the WACC by 0.5%

The conclusion based on the sensitivity analysis performed is that any reasonable change in the key assumptions would not result in impairment.

20231115026617

10 Intangible assets

The movement for the intangible assets for the period is as follows:

(i) Cost

in thousands of €	Note	Goodwill	Customer relationships	Trademarks	Other Intangibles	Total
At 3 February 2022		-	-	-	-	-
Business combinations	8	1,336,156	594,570	90,460	21,018	2,042,204
Additions		-	-	-	1,167	1,167
Reclassifications		-	-	-	193	193
Foreign exchange rate movements		5,299	1,002	1,559	(5,837)	2,023
At 31 December 2022		1,341,455	595,572	92,019	16,541	2,045,587

(ii) Accumulated amortisation and impairment

in thousands of €	Goodwill	Customer relationships	Trademarks	Other Intangibles	Total
At 3 February 2022	-	-	-	-	-
Amortisation charge	-	57,114	59	9,756	66,929
Foreign exchange rate movements	-	(2,027)	-	(396)	(2,423)
At 31 December 2022	-	55,087	59	9,360	64,506

(iii) Net book value

	Goodwill	Customer relationships	Trademarks	Other Intangibles	Total
At 31 December 2022	1,341,455	540,485	91,960	7,181	1,981,081

11 Property, plant and equipment

The movement for property, plant and equipment for the period is as follows:

(i) Cost

in thousands of €	Land and buildings	Plant, machinery	Assets under construction	Other tangible assets	Total
At 3 February 2022	-	-	-	-	-
Acquired through business combinations	93,528	42,517	5,327	18,993	**160,365**
Additions	7,399	5,081	8,668	4,488	**25,636**
Disposals	(5,558)	(2,104)	(5)	(1,662)	**(9,329)**
Other movements	2,694	3,574	(10,447)	3,230	**(949)**
Foreign exchange movements	924	(49)	1,374	(623)	**1,626**
At 31 December 2022	**98,987**	**49,019**	**4,917**	**24,426**	**177,349**

(ii) Accumulated depreciation and impairment

in thousands of €	Land and buildings	Plant, machinery	Assets under construction	Other tangible assets	Total
At 3 February 2022	-	-	-	-	-
Depreciation	3,971	4,501	-	7,100	**15,572**
Disposals	(811)	(918)	-	(406)	**(2,135)**
Other movements	0	1,459	-	-	**1,459**
Foreign exchange Movements	(26)	-	-	-	**(26)**
At 31 December 2022	**3,134**	**5,042**	**-**	**6,694**	**14,870**

(iii) Net book value

in thousands of €	Land and buildings	Plant, machinery	Assets under construction	Other tangible assets	Total
At 31 December 2022	**95,853**	**43,977**	**4,917**	**17,732**	**162,479**

For the period ending 31 December 2022, €10.8 million of the depreciation expense was included in cost of sales.

20231115026618

12 Rights-of-use assets

The movement for rights-of-use assets for the period is as follows:

(i) Cost

in thousands of €	Note	Real estate	Vehicles	Machinery and Equipment	Other	Total
At 3 February 2022		-	-	-		-
Acquired through business combinations	8	44,547	3,040	4,030	86	**51,703**
Additions		11,757	873	856	279	**13,765**
Disposals		(5,281)	(77)	(1,887)	-	**(7,245)**
Reclassifications		-	-	-	-	-
Foreign exchange movements		1,261	161	54	2	**1,478**
At 31 December 2022		**52,284**	**3,997**	**3,053**	**367**	**59,701**

(ii) Accumulated depreciation and impairment

in thousands of €	Buildings	Vehicles	Machinery and Equipment	Other	Total
At 3 February 2022	-	-	-	-	-
Depreciation	9,082	1,668	1,421	152	12,323
Disposals	(2,274)	(821)	(2,060)	-	(5,155)
Impairment	-	-	-	-	-
Reclassifications	-	(7)	7	-	-
Foreign exchange movements	505	62	(101)	-	466
At 31 December 2022	**7,313**	**902**	**(733)**	**152**	**7,634**

(iii) Net book value

in thousands of €	Buildings	Vehicles	Machinery and Equipment	Other	Total
At 31 December 2022	**44,971**	**3,095**	**3,786**	**215**	**52,067**

13 Inventories

Inventories consisted of the following:

in thousands of €	**31-12-2022**
Raw materials and consumables	40,046
Finished products and goods for resale	226,638
Stock in transit	20,390
Other materials	291
Provision for obsolete stock	(11,449)
Total inventory	**275,916**

The cost price of inventories sold are recognized in cost of sales.

14 Trade and other receivables

in thousands of €	31-12-2022
Trade receivables[1]	295,105
Value added tax	19,877
Other recoverable taxes	15,567
Prepaid expenses	10,331
Prepaid corporate tax	6,995
Other receivables (Braskem S.A)	13,459
Other receivables	15,902
Total trade and other receivables	**377,236**

[1]Trade receivables is presented net of the allowance for expected credit losses of EUR10 million and factoring of EUR43 million.

Factoring

In the course of 2022, Caldic has established a new factoring facility with Credit Agricole Leasing & Factoring (CALeF) for an overall notional amount up to EUR 125 million, on a non-recourse basis. CALeF offers a non-recourse facility with an embedded credit risk assurance for the portfolio purchased. Participants of this facility are domiciled in either Europe or North America. Implementation has started since end of 2022 and will be further enrolled in 2023. Caldic LATAM has established factoring agreements bearing interest of 5% discount +SOFR+2,1% per annum.

Other receivables (Braskem S.A).

Other receivables are mainly related to reimbursement of judicial complaint established in SPA between GTM and Braskem S.A., in which Braskem S.A. is responsible for all evolutions on contingencies occurring prior to March 1st, 2017, that require payment after that date. When it is necessary to pay those contingencies, there will be a refund by Braskem S.A. The refundable value will be accrued, when necessary, in an asset account (other receivables), as a countermeasure for the provision account.

Allowance for expected credit losses

The movement in the allowance for expected credit losses for the period ended in 31 December 2022 was as follows:

in thousands of €	2022
Balance as at 3 February 2022	-
Acquired through business combination	(9,414)
Additions	(4,248)
Written off during the year as uncollectible	(246)
Utilised	20
Unused amounts reversed	3,818
Exchange differences	(367)
Balance as at 31 December 2022	**(10,437)**

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The carrying value of trade and other receivables classified as loans and receivables approximates fair value. Other classes of financial assets included within trade and other receivables do not contain impaired assets.

The expected loss rates are based on the payment profiles of customers and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information affecting the ability of the customers to settle the receivables. The Company has identified the historical loss rates of individual customers to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor.

The Group does not hold any collateral as security.

The ageing of trade receivables is as follows:

in thousands of €	0-30 days	31-60 days	61-90 days	>91 days	>180 days	Total
31 December 2022	201,466	93,779	25,720	24,163	3,843	348,971

15 Cash and cash equivalents

All cash and equivalents balance are available for use by the Group.

16 Capital and reserves

Movements in shares outstanding were as follows:

Ordinary and preference shares issued and fully paid	Number of shares	€ per share	€ Total
Opening balance	-	-	-
Ordinary shares A	7,940,565	1.00	7,940,565
Preference shares 0%	10	1.00	10
Preference shares A	796,448,712	0.01	7,964,487
Closing balance	804,389,287		15,905,062

The total ordinary and preference shares issued equal the authorized capital of the company.

Ordinary shares

During the year 6.000.003 ordinary shares A were issued in relation to the incorporation of the company and the acquisition of Caldic Holdco B.V. and 1.940.562 ordinary shares A were issued in exchange for the contribution in kind of all shares in Al Puravida (Luxembourg) S.à.r.l. to the company.

Reference is made to Note 8 Business Combinations for further information. The issued shares have been fully paid.

Preference shares

During the year 10 preference shares 0% were issued related to the conversion of a shareholder loan and 796.448.712 preference shares A were issued at the expense of the ordinary shares A share premium reserve.

Share premium

The share premium contribution of € 959 million during the year was made entirely in cash except for the non-cash contribution of Al Puravida (Luxembourg) S.à.r.l. to the Company of € 169 million.

Changes in other comprehensive income

The disaggregation of changes of OCI by each type of reserve in equity is shown below:

in thousands of €	Foreign currency translation reserve	Other reserves	Total
Foreign exchange translation differences	3,521	-	3,521
Remeasurement on defined benefit plan, net of tax	-	2,024	2,024
Total	**3,521**	**2,024**	**5,545**

Foreign currency translation reserve

The foreign currency translation reserve comprises all exchange rate differences arising from the translation of the financial statements of foreign operations.

Other reserves

The movements in other reserves relate to re-measurement gains on the defined benefit plans of the Company.

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17 Loans and borrowings

in thousands of €	Carrying value 31 December 2022
Non-Current	
Bank loans	
- Secured	1,044,949
- Unsecured	271,955
Other non-current financial liabilities	12,596
Total non-current	**1,329,500**
Current	
Overdrafts	7,992
Bank loans	
- Secured	4,382
- Unsecured	91,950
Other current financial liabilities	69,397
Total current	**173,721**
Total loans and borrowings	**1,503,221**

The bank loans comprise the loans as presented below:

in thousands of €	Currency	Nominal interest in %*	Fixed/ Floating	Year of maturity	Face value	Carrying amount
Term Loan B	EUR	EURIBOR + 3,50	Floating	2029	580,000	566,010
Term Loan B	USD	SFOR + 3,75	Floating	2029	434,861	425,035
Term Loan B	CAD	CDOR + 4,50	Floating	2029	59,338	58,286
Second Lien	USD	SFOR + 7,25	Floating	2030	279,668	271,955
RCF	USD	SFOR + 2,50	Floating	2028	41,950	41,950
RCF	EUR	EURIBOR + 2,50	Floating	2028	50,000	50,000
				Total	1,445,817	1,413,236

The fair value for the loans and borrowings equal to the carrying amount as of 31 of December 2022.

Senior facilities agreement

The Senior Facilities Agreement (SFA) has been established in February 2022 and consists of several tranches of debt. The different tranches of the SFA refer to different tenors, but all have in common that the notional amounts only have to be repaid at final due date. The SFA term loans mature in 2029 and consists of a notional of EUR 580 million, USD 470 million and a CAD 86 million.

Next to the SFA the Second Lien Facility (2LN) has been arranged. The 2LN is also a bullet loan, maturing in 2030, of USD 300 million. Whilst the SFA is secured, the 2LN is not. The leverage ratio (max 9,45x) applies to the Senior Net Debt in relation to the companies LTM EBITDA (adjusted). Furthermore, the financing arrangement requires the Company to comply with common guidelines, such as change of

ownership, compliance with laws and regulations, negative pledge, and restricted financial indebtedness.

Revolving credit facility

The Group has the ability to use a Revolving Credit Facility (RCF) of € 150 million, which matures in 2028. The RCF provides for flexible amounts, in flexible (repeating) tenors and in various currencies.

Other financial liabilities

The other financial liabilities include the following:

in thousands of €	Carrying value 31 December 2022
Other loans and borrowings	67,730
Loans to related parties	13,652
Other financial liabilities	611
Total other financial liabilities	**81,993**
Non-Current	**12,596**
Current	**69,397**

Other loans and borrowings

Other loans and borrowings mainly include an import loan facility in Brazil with an outstanding balance of € 26 million bearing an interest rate that ranges between 5,31% and 7,5% per year and loan facility with an outstanding balance of € 19 million bearing an interest rate of SOFR + 2,95% - 3,50% per year.

The movement in financing liabilities during the reporting period is as follows:

	Note	2022
Balance as at 3 February		-
Acquired through business combination[1]	8	603,392
Additions		1,698,921
Principal payment		(855,716)
Other movements		5,297
Foreign exchange movements		43,335
Balance as at 31 December		**1,495,229**

[1]The loan and borrowings balance acquired through business combination includes bank overdraft of EUR5 million and pre-acquisition payable of EUR5 million to a Group entity which is not part of the movement schedule in this note.

20231115026621

18 Lease liabilities

in thousands of €	2022
Long-term lease liabilities	45,347
Short-term lease liabilities	13,307
Total Lease liabilities	**58,654**

As at the acquisition date, which is the date of initial application, a lease liability is measured as the present value of the remaining lease payments, discounted using the relevant incremental borrowing rate. The incremental borrowing rate applied by the Group for determination of present value of the remaining lease payments ranges from 5% to 13%.

The movement in the lease liabilities for the period is as follows:

At 3 February	Note	2022
Acquired through business combinations	8	58,070
Additions		10,486
Interest expense		2,579
Interest payment		(1,143)
Lease payments		(16,204)
Other movements		3,130
Foreign exchange movements		1,736
At 31 December		**58,654**

19 Trade and other payables

in thousands of €	31-12-2022
Trade payables[1]	214,591
Total Trade payables	**214,591**
Liabilities to personnel	27,868
Accrued interest expenses	18,766
Taxes and social securities	16,999
Other payables (Braskem S.A)[2]	29,792
Advances from customers	10,276
Acquisition related (deferred) costs	23,712
Transportation, Freight and Haulage	6,051
Other payables and accrued liabilities	26,585
Total other payables	**160,049**

[1] Trade payables include EUR36 million related to trade financing arrangements.

[2] Refer to note 14 Trade receivables.

Trade payables typically have maturities up to 43 days.

20 Employee benefits

The liabilities associated with employee benefits consist of defined benefit schemes.

in thousands of €	2022
Defined benefit schemes	6,713
Jubilee provision	355
	7,068

The Group support defined benefit plans in the Netherlands, Belgium, Italy, Germany, France, Sweden and Thailand.

20231115026622

Movement in net defined benefit liability (assets):

in thousands of €	Defined benefit obligation	Fair value of plan assets	Benefit (asset) liability
At 3 February 2022	-	-	-
Included in P&L			
Current service cost	1,018	-	1,018
Curtailments	(3,592)	-	(3,592)
Interest cost/(income)	637	(751)	(114)
	(1,937)	**(751)**	**(2,688)**
Included in OCI			
Remeasurement loss/(gain):			
Actuarial loss/(gain) arising from changes in:			
- Demographic assumptions	604	-	604
- Financial assumptions	(22,649)	-	(22,649)
- Experience	806	-	806
Return on plan assets excluding interest income	-	18,821	18,821
Exchange rate differences	(129)	-	(129)
	(21,368)	**18,821**	**(2,547)**
Acquired through business combinations	79,791	(66,106)	13,685
Contributions paid by employer	-	(1,410)	(1,410)
Contributions paid by plan members	41	(41)	-
Benefits paid	(2,022)	2,050	28
Other movements	**77,810**	**(65,507)**	**12,303**
31 December 2022	**54,505**	**(47,437)**	**7,068**

The plan assets consist of insurance contracts.

Net benefit expense (recognised in profit or loss):

in thousands of €	**2022**
Current service cost	1,017
Past service cost	(3,591)
Interest cost on benefit obligation	(114)
Net benefit expense	**(2,688)**

Actuarial assumptions

Principal actuarial assumptions at the reporting date, expressed as weighted average:

	2022
Discount rate	3.70%
Future salary increase	2.30%
Future pension increase	0.40%
Price inflation	2.20%

Assumptions regarding future mortality rates are based on published statistics and mortality tables. The following tables have been used:

- Netherlands: Prognosetafel AG 2022
- Belgium: MR and FR
- Italy: ISTAT 2021
- Germany: Heubeck 2018 G V3
- France: INSEE 2016-2018
- Sweden: DUS21 w-c-w
- Thailand TMO2017

The following material sensitivities were identified for the Defined Benefit Obligations:

	Increase/decrease in basis points	Effect on DBO
Discount rate	+50	(2,289)
	-50	1,744
Salary increase rate	+50	1,526
	-50	(981)
Pension increase	+50	491
	-50	(55)
Inflation rate	+50	1,472
	-50	(927)

20231115026623

21 Other provisions

The movement in other provisions for the period ended in 31 December 2022 is as follows:

In thousands of €	Note	Environmental	Other	Total
Balance as at 3 February 2022		**-**	**-**	**-**
Business combination	8	7,741	25,038	**32,779**
Additions		-	3,495	**3,495**
Utilisations		(394)	(9,805)	**(10,199)**
Unwinding of discount and changes in the discount rate		(455)	350	**(105)**
Exchange differences		-	1,255	**1,255**
Balance as at 31 December 2022		**6,892**	**20,333**	**27,225**

Environmental

The Group has recognised a provision for soil contamination on its location in Belgium. The recognition and measurement of the environmental provision is coordinated centrally by external independent experts. The provision amounts are determined on the basis of individual cost estimates and stated at their present value. The costs relate to the rehabilitation of soil and ground water for the Hemiksem site but also cover costs for further and accompanying measures such as necessary environmental inspections and observations.

Other provision

Provision value in December 31, 2022 includes uncertain tax positions of €5.6 million and legal provisions of €11.9 million related to other tax matters.

The provisions are non-current in nature. In measuring the provisions the group applied a discount rate of 3.3%.

22 Related parties

The following related parties of the Company can be distinguished: parent company (AI Pearls Luxembourg S.à.r.l. and funds managed by Advent International Corporation), subsidiaries, key management personnel and pension funds. Reference is made to notes 8 (business combinations) and 16 (capital and reserves) on the transactions with the parent company during the reporting period.
There have been no transactions with related parties that were not on a commercial basis. Group companies were involved into intra-group sales in 2022. These transactions were at arm's length and are comparable to similar transactions with third parties.

Transactions with key management personnel

The remuneration of key management personnel recognised in the consolidated statement of income comprises the below:

in thousands of €	**2022**
Short-term employee benefits	2,865
Post-employment pension and medical benefits	54
Total	**2,919**

In 2022 there have been no transactions between the Group and close family members of key management personnel.

Other related party transactions

In 2022, ordinary shares A were issued in exchange for the contribution in kind of all shares in AI Puravida (Luxembourg) S.à.r.l. to the company. Reference is made to Note 8 Business Combinations for further information.

23 Financial and Capital Risk Management

23.1 Financial risks

The Group is exposed through its operations to the following financial risks:

- credit risk;
- fair value or cash flow interest rate risk;
- foreign exchange risk;
- other market price risk; and
- liquidity risk.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those

20231115026624

risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

23.2 Financial assets

in thousands of €	Fair value through profit or loss	Fair value through OCI	Amortised cost
Cash and cash equivalents	-	-	149,229
Trade and other receivables	-	-	377,236
Other financial assets	-	-	1,907
Foreign exchange forward contracts	144	-	-
Total financial assets	**144**	**-**	**528,372**

23.3 Financial liabilities

in thousands of €	Fair value through profit or loss	Fair value through OCI	Amortised cost
Trade and other payables	-	-	374,640
Loans and borrowings	-	-	1,503,221
Lease liabilities	-	-	58,654
Interest rate swap	-	552	-
Total financial liabilities	**-**	**552**	**1,936,515**

Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, trade and other payables, and loans and borrowings.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value.

Financial instruments measured at fair value

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

in thousands of €	Level 1	Level 2	Level 3
Financial assets			
Foreign exchange forward contracts	-	144	-
Financial liabilities			
Interest rate swap	-	552	-

There were no transfers between levels during the period. The valuation techniques and significant unobservable inputs used in determining the fair value measurement of level 2 and level 3 financial

instruments, as well as the inter-relationship between key unobservable inputs and fair value, are set out in the table below:

Financial instrument	Valuation techniques used	Significant unobservable inputs (Level 3 only)	Inter-relationship between key unobservable inputs and fair value (Level 3 only)
Derivative financial assets and liabilities	Present value.	Not applicable.	Not applicable.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives monthly reports from the Group Financial Controller through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Caldic's exposure to credit risk is influenced mainly by the individual characteristics of each customer. There is no significant concentration of credit risk at individual customer level. Caldic has established a credit policy under which each new customer is analysed individually for creditworthiness before the Groups' standard payment and delivery terms and conditions are offered. Caldic's review includes the use of external ratings, when available. Purchase limits are established for each customer, which represents the maximum open amount. These limits are reviewed periodically. Customers that fail to meet the Group's benchmark creditworthiness may transact with Caldic only on a prepayment basis. Trading with banks are preferably performed on the basis of ISDA documentation, excluding the (mutual) Credit Support Annex nor any collateral obligations.

An impairment analysis is performed periodically on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed above in note 23.2. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

As part of the factoring programs in LATAM, Europe and North America , the Group benefits from the offerings including the non-recourse basis, which lowers the credit risk on the portfolio of the applicable participants.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The cash and cash

20231115026625

equivalents are held at banks with high credit rating and are callable on demand or within a short term. Therefore, the impairment provision on these balances is nil. The Group regularly monitors the credit rating of the banks.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments. Market risk arises from the Group's use of interest bearing, tradable and foreign currency financial instruments.

The sensitivity analyses performed in the sections below relate to the outstanding positions and applicable market rates as at 31 December 2022. The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant. The analyses exclude the impact of movements in market variables on the carrying values of pension and other post-retirement obligations, provisions, and the non-financial assets and liabilities of foreign operations.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Caldic has adopted a policy of striving that at least 50% of the senior net debt is hedged against changes in interest rates on a fixed-rate basis, taking into account assets and/or liabilities with exposure to changes in interest rates. The long-term senior borrowings do have embedded floors in the respective loan agreements, see Note 17 for further details, which disable the upside potential in case of a decline of the applicable interest rate below the floor.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

in thousands of €	Increase/decrease in basis points	Effect on profit before tax IFRS
EUR	+25	1,540
USD	+25	1,845
CAD	+25	148
EUR	-25	(1,540)
USD	-25	(1,845)
CAD	-25	(148)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Foreign exchange risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow group entities to purchase financial instruments to hedge any arising foreign exchange rate risks in favour of their functional currency.

In order to monitor the continuing effectiveness of this policy, the Board receives a monthly financial report, explaining any occurred foreign exchange rate gains or losses.

Foreign currency sensitivity

Being an international company Caldic is exposed to changes in currencies vis-à-vis the EUR. The key risk is related to our borrowings in non-EUR currencies, specifically CAD and USD. The following tables demonstrate the sensitivity to a reasonably possible change in exchange rates, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material.

in thousands of €	Change in currency	Effect on profit before tax IFRS
USD	+5%	(37,301)
CAD	+5%	(2,826)
USD	-5%	41,227
CAD	-5%	3,123

Liquidity risk

The Group monitors its risk of a shortage of funds using a liquidity-planning tool. The Group's objective is to maintain a balance between continuity of funding and flexibility by making use of the committed Revolving Credit Facility (RCF) of € 155 million. The RCF provides a flexible funding source and enables drawdowns in the currency that the Group desires and for the tenor the Group needs the funding for.

Acquisitions are financed via the company's positive cash flows and if necessary via the RCF. In case of larger acquisitions, the company may tap the markets by issuing additional debt. In January 2023 the company has raised additional debt via the Incremental Facility of € 200 million (see Note 17).

As none of the Group's debt will mature in less than one year at 31 December 2022 the Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be minimal. The Group has access to sufficient sources of funding.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

20231115026626

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly. Selective hedging is used within the Group to manage risk concentrations at both the relationship and industry levels.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	Up to 3 months	Between 3 and 12 months	Between 1 and 2 year(s)	Between 2 and 5 years	Over 5 years	Total
Bank loans	93,045	1,095	1,095	1,095	1,316,906	**1,413,236**
Other financial liabilities	37,174	32,223	6,215	6,307	74	**81,993**
Overdrafts	7,992	-	-	-	-	**7,992**
Trade and other payables	374,640	-	-	-	-	**374,640**
Derivatives	696	-	-	-	-	**696**

23.4 Capital risk

In order to support its business, satisfy its financing covenant and maximise shareholders' value, the Group's policy is to satisfy the covenant imposed by the lenders for loans and borrowings and has managed to achieve this objective in 2022 (refer to Note 17).
Management is committed to maintaining a healthy balance sheet, while executing the Group's growth strategy. Through the acquisition process, management carefully evaluates the acquisition price and financing options available for every asset acquired.

The capital structure of the Group consists of debt, which includes the borrowings (note 17), cash and equity, comprising issued capital, reserves and retained earnings. Management reviews the capital structure on a regular basis.

24 Commitments and contingencies

Decommissioning
The Group is committed to restore the location in Canada in its original state when vacated.

Credit facilities

Caldic Holdings and its subsidiary companies have concluded a so-called Senior Facilities Arrangement (SFA) with a group of lenders. In connection with this facility the group has committed itself to:

- Joint and several liability of the certain Caldic group companies and related entities that are involved in the respective financing arrangement;
- Maintain a financial ratio regarding the maximum leverage, defined as the Senior Net Debt in relation to the LTM EBITDA (adjusted), tested on a quarterly basis.

Further a number of group companies and related parties have pledged bank accounts, intercompany receivables and shares held in other group companies, as per below schedule.

	Shares	Bank accounts	Intercompany receivables
Caldic Belgium N.V.	X	X	X
Caldic Canada Inc.	X		
Caldic Ingredients Benelux B.V.	X	X	X
Caldic Ingredients Denmark A/S	X	X	X
Caldic Ingredients Sweden AB	X	X	X
Caldic Italia S.r.l	X		
Caldic Nederland B.V.	X	X	X
Caldic Techniek B.V.	X	X	X
Caldic B.V.	X	X	X

Outside of the SFA, the group holds € 64.4 million local credit and bank guarantee facilities.

Guarantees

As at the end of the financial year, the nominal amount of guarantees outstanding is € 9.4 million. The guarantees mainly relate to bank guarantees and customs obligations.

25 Subsequent events

On 14 October 2022 Advent and Wilbur Ellis announced the merger of their life sciences and specialty chemicals solutions businesses (Connell) to form a leading global value-add distribution platform with unique positions in high-growth regions. The combination creates a leading global platform with a substantial presence in two high-growth regions: in Asia-Pacific with Connell and in Latin America with Caldic-GTM. Together, Caldic and Connell will have more than 3,800 employees across 43 countries, which provide solutions to over 35,000 customers by leveraging 75 formulation centers and application labs and deep application know-how. The combination will generate sales of about € 3 billion. The transaction closed on 1 March 2023.

The acquisition is financed with an extension of the existing term loan B for an amount of EUR 200 million.

On 6 April 2023 Connell closed the acquisition of Chemhouse marketing and Brink chemicals ("Chemhouse") in India. Chemhouse is a distributor of value-added solutions to the personal care and topical dermatology market, offering premium specialty and natural ingredients.

20231115026627

COMPANY STATEMENT OF FINANCIAL POSITION

in thousands of €	Note	2022
Assets		
Non-current assets		
Subsidiaries	2	873,569
Total non-current assets		**873,569**
Current assets		
Other receivables and prepaid expenses		5,508
Cash and cash equivalents		8,189
Total current assets		**13,697**
Total assets		**887,266**
Equity		
Share capital	3	15,905
Share premium reserve		959,097
Other reserves		(24,655)
Foreign exchange reserve		3,521
Result for the year		(80,254)
Total equity		**873,614**
Liabilities		
Loans and borrowings	4	13,652
Total non-current liabilities		
Total liabilities		**13,652**
Total equity and liabilities		**887,266**

COMPANY STATEMENT OF INCOME[1]

in thousands of €	2022
Share in results from participating interest	(80,254)
Loss for the period	**(80,254)**

[1] The figures presented comprise the period started at the date of incorporation of Caldic Holdings B.V. at 3 February 2022 until 31 December of 2022.

20231115026628

1. Significant accounting policies

1.1. Basis of Preparation

For the year ended 31 December 2022, the Company prepared its consolidated financial statements in accordance with IFRS as adopted by the EU. The Company elected to apply the option pursuant Article 362.8 of Part 9 of Book 2 of the Dutch Civil Code to prepare its company financial statements in accordance with Dutch GAAP using the same valuation principles as in the consolidated financial statements.

The Company financial statements are part of the consolidated financial statements of the group. For the Company income statement, use has been made of the exemption pursuant to Section 2:402 of the Dutch Civil Code. Insofar as no further explanation is provided of items in the Company statement of financial position and company income statement, please refer to the notes to the consolidated financial statements. Unless stated otherwise, all amounts are in thousands of EUR.

1.2. Accounting policies

The Company applies the same accounting policies as in the consolidated financial statements, except for investments, which are measured at equity value in the Company financial statements.

2. Subsidiaries

Movements in the subsidiaries balances for the period ended 31 December 2022 are as follows:

in thousands of €	2022
Balance as at 3 February	**-**
Business combination	948,278
Share in profit/loss of participating interests	(80,254)
Share in Other Comprehensive Income excl Exchange differences	2,024
Exchange differences	3,521
Balance as at 31 December	**873,569**

The Company's interests comprises the following:
-100% Pearls (Netherlands) BidCo B.V. at Rotterdam, the Netherlands.

3. Capital and reserves

in thousands of €	Issued Share Capital	Share premium reserve	Other reserves	Legal Translation reserve	Result for the year	Total	Non-controlling interest	Total equity
Balance as at 3 February 2022	-	-	-	-	-	-	-	-
Net result for the year	-	-	-	-	(80,254)	(80,254)	-	(80,254)
Other comprehensive income	-	-	2,024	3,521	-	5,545	-	5,545
Total comprehensive income for the period	-	-	2,024	3,521	(80,254)	(74,709)	-	(74,709)
Issue of shares	13,965	818,352	0	-	-	832,317		832,317
Contribution in kind Al Pura Vida (Luxembourg) S.a.r.l.	1,940	140,745	14,041	-	-	156,726	12,132	156,726
Acquisition of non-controlling interests	-	-	(40,124)	-	-	(40,124)	(12,132)	(40,124)
Other movements	-	-	(596)	-	-	(596)	-	(596)
Total contributions by and distributions to owners of the company	15,905	959,097	(26,679)	-	-	948,323	-	948,323
Balance as at 31 December 2022	15,905	959,097	(24,655)	3,521	(80,254)	873,614	0	873,614

Movements in shares outstanding were as follows:

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Ordinary and preference shares issued and fully paid	Number of shares	€ per share	€ Total
Opening balance	-	-	-
Ordinary shares A	7,940,565	1.00	7,940,565
Preference shares 0%	10	1.00	10
Preference shares A	796,448,712	0.01	7,964,487
Closing balance	**804,389,287**		**15,905,062**

The total ordinary and preference shares issued equal the authorized capital of the company.

Ordinary shares

During the year 6.000.003 ordinary shares A were issued in relation to the incorporation of the company and the acquisition of Caldic Holdco B.V. and 1.940.562 ordinary shares A were issued in exchange for the contribution in kind of all shares in Al Puravida (Luxembourg) S.à.r.l. to the company. Reference is made to Note 8 Business Combinations for further information. The issued shares have been fully paid.

Preference shares

During the year 10 preference shares 0% were issued related to the conversion of a shareholder loan and 796.448.712 preference shares A were issued at the expense of the ordinary shares A share premium reserve.

Share premium

The share premium contribution of € 959 million during the year was made entirely in cash except for the non-cash contribution of Al Puravida (Luxembourg) S.à.r.l. to the Company of € 169 million.

Changes in other comprehensive income

The disaggregation of changes of OCI by each type of reserve in equity is shown below:

in thousands of €	Foreign currency translation reserve	Other reserves	Total
Foreign exchange translation differences	3,521	-	3,521
Remeasurement on defined benefit plan, net of tax	-	2,024	2,024
Total	**3,521**	**2,024**	**5,545**

Foreign currency translation reserve

The foreign currency translation reserve comprises all exchange rate differences arising from the translation of the financial statements of foreign operations.

Other reserves

The movements in other reserves relate to re-measurement gains on the defined benefit plans of the Company.

4. Loans and borrowings

A 0% convertible loan converted into equity in 2023.

5. Appropriation of result

The management proposes to the Annual General Meeting of shareholders the following appropriation of the profit for the year:

To be retained and deducted from other reserves	€ (80.254)
Result for the period 2022	€ (80.254)

6. Auditor fees

The following amounts are paid as audit fees and included in other operating expenses.

in thousands of €	**2022**
Audit fees of EY	560
Audit fees of EY offices outside The Netherlands	1,165
	1,725

Costs for non-assurance work performed by the auditor amounted to € 615 thousand.

7. Average number of employees

For the period ended 31 December 2022, the average number of employees in Caldic Holdings B.V., converted into full time equivalents, amounted to 0 employees.

For the remuneration to key management, please refer to note 22 of the consolidated financial statements.

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8. Subsequent events

On 14 October 2022 Advent and Wilbur Ellis announced the merger of their life sciences and specialty chemicals solutions businesses (Connell) to form a leading global value-add distribution platform with unique positions in high-growth regions. The combination creates a leading global platform with a substantial presence in two high-growth regions: in Asia-Pacific with Connell and in Latin America with Caldic-GTM. Together, Caldic and Connell will have more than 3,800 employees across 43 countries, which provide solutions to over 35,000 customers by leveraging 75 formulation centers and application labs and deep application know-how. The combination will generate sales of about € 3 billion. The transaction closed on 1 March 2023.

The acquisition is financed with an extension of the existing term loan B for an amount of EUR 200 million.

On 6 April 2023 Connell closed the acquisition of Chemhouse marketing and Brink chemicals ("Chemhouse") in India. Chemhouse is a distributor of value-added solutions to the personal care and topical dermatology market, offering premium specialty and natural ingredients.

9. Approval

These financial statements have been approved at the Shareholders' meeting on 6 September 2023.

Rotterdam, 25 August 2023

Management Board,

A.R. Wessels

R. Vas Bhat

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São Paulo, 30 August 2023

Supervisory Board,

D. Yu (Chair)

R.F. Ayles

M. Mantas

S.E. Holland

B.K. Spetsmann

A. Barton

J.L. Buckley

Other information

Provision in the Articles of Association governing the appropriation of profits

Pursuant to article 25 of the Articles of Association the results are at the disposal of the Annual General Meeting of Shareholders.

- The Company shall maintain, next to the general share premium reserve (if maintained), a separate share premium reserve for the Ordinary Shares A (the Ordinary A Share Premium Reserve), the Ordinary Shares B (the Ordinary B Share Premium Reserve), the Preference Shares 0% (the Preference Share 0% Premium Reserve) and for the Preference Shares A (the Preference Share A Premium Reserve).
- The Company shall maintain, next to a general reserve and a general profit reserve (each if maintained), a separate profit reserve for the Ordinary Shares (the Ordinary Share Profit Reserve), the Preference Shares A (the Preference Share A Profit Reserve) and the Profit Rights (the Profit Rights Profit Reserve).
- The General Meeting is authorised to allocate the results accrued in a financial year as determined by the adoption of the annual accounts and to determine the distributions, all in accordance with the provisions of these Articles of Associations and with due observance of the limitations prescribed by law.

- Annually, the General Meeting resolves that the results earned in a financial year, as determined by the adoption of the annual accounts, are appropriated as follows (unless the General Meeting resolves to make a distribution with due observance of the provisions of Article 26):
  - a negative result:
    - (i) to the general reserve; or
    - (ii) the general profit reserve,
  - a positive result:
    - (iii) first, if the balance of the general reserve or general profit reserve is negative, to this reserve, up to the amount of the negative balance;
    - (iv) then, as much as possible, to the Preference Share A Profit Reserve a cumulative preferred dividend of eight percent (8%) on an annual basis, calculated over:
      - (A) the total nominal value of the issued Preference Shares A;
      - (B) the Preference Share A Premium Reserve;
      - (C) the Preference Share A Profit Reserve; and
      - (D) the cumulative preferred dividend not yet distributed or added to the Preference Share A Profit Reserve from preceding financial years (if any); and
    - (v) to the Profit Rights Profit Reserve a cumulative preferred dividend of eight percent (8%) on an annual basis, calculated over:
      - (A) the amount allocated to the Profit Rights;
      - (B) the Profit Rights Profit Reserve; and

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- the cumulated preferred dividend not yet distributed or added to the Profit Rights Profit Reserve from preceding financial years (if any).

If, in a financial year, no profit is made or the profits are insufficient to allow the reservation or distribution provided for under (b)(ii) and (b)(iii), the deficit will be paid at the expense of the profits earned in following financial years or, if possible, at the expense of any other free reserve of the Company.

- The positive result remaining after application of Article 25. will be added to the Ordinary Share Profit Reserve, unless the General Meeting decides otherwise with due observance of Article 26.

Building a better working world

Independent auditor's report

To: the shareholders and the supervisory board of Caldic Holdings B.V.

Report on the audit of the financial statements 2022 included in the annual report

Our opinion

We have audited the financial statements for the financial year ended 31 December 2022 of Caldic Holdings B.V. based in Rotterdam.

The financial statements comprise the consolidated and company financial statements.

In our opinion:

- The accompanying consolidated financial statements give a true and fair view of the financial position of Caldic Holdings B.V. as at 31 December 2022 and of its result and its cash flows for 2022 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code
- The accompanying company financial statements give a true and fair view of the financial position of Caldic Holdings B.V. as at 31 December 2022 and of its result for 2022 in accordance with Part 9 of Book 2 of the Dutch Civil Code

The consolidated financial statements comprise:

- The consolidated statement of financial position as at 31 December 2022
- The following statements for 2022: the consolidated statement of profit or loss, the consolidated statement of other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity
- The notes comprising a summary of the significant accounting policies and other explanatory information

The company financial statements comprise:

- The company statement of financial position as at 31 December 2022
- The company statement of income for 2022
- The notes comprising a summary of the accounting policies and other explanatory information

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the Our responsibilities for the audit of the financial statements section of our report.

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We are independent of Caldic Holdings B.V. (the company) in accordance with the "Wet toezicht accountantsorganisaties" (Wta, Audit firms supervision act), the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the "Verordening gedrags- en beroepsregels accountants" (VGBA, Dutch Code of Ethics).

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

Information in support of our opinion

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion and any findings were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Our focus on fraud and non-compliance with laws and regulations

Our responsibility

Although we are not responsible for preventing fraud or non-compliance and we cannot be expected to detect non-compliance with all laws and regulations, it is our responsibility to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error.

Our audit response related to fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of the company and its environment and the components of the system of internal control, including the risk assessment process and the board of directors' process for responding to the risks of fraud and monitoring the system of internal control, as well as the outcomes. We refer to section "Risk Management" of the directors' report for the board of directors' (fraud) risk assessment.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as the code of conduct and speak up policy. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.

As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.

As in all of our audits, we addressed the risks related to management override of controls. For these risks we have performed procedures among others to evaluate key accounting estimates for management bias that may represent a risk of material misstatement due to fraud, in particular relating to important judgment areas and significant accounting estimates as disclosed in Note 2.3 to the financial statements, including Income taxes, Impairment of goodwill and intangible assets with infinite lives and the initial fair value measurement of acquired assets and liabilities through business combinations.

We have also used data analysis to identify and address high-risk journal entries and evaluated the business rationale (or the lack thereof) of significant extraordinary transactions, including those with related parties.

When identifying and assessing fraud risks we presumed that there are risks of fraud in revenue recognition. We evaluated among others manual revenue entries or other adjustments. We designed and performed our audit procedures relating to revenue recognition responsive to this presumed fraud risk. These risks did however not require significant auditor's attention during our audit.

We considered available information and made enquiries of relevant executives, directors, audit risk management and internal control, legal, compliance, human resources and regional directors and the supervisory board.

The fraud risk we identified, enquiries and other available information did not lead to specific indications for fraud or suspected fraud potentially materially impacting the view of the financial statements.

Our audit response related to risks of non-compliance with laws and regulations
We performed appropriate audit procedures regarding compliance with the provisions of those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. Furthermore, we assessed factors related to the risks of non-compliance with laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general industry experience, through discussions with management, reading minutes and performing substantive tests of details of classes of transactions, account balances or disclosures.

We also inspected lawyers' letters and correspondence with regulatory authorities and remained alert to any indication of (suspected) non-compliance throughout the audit. Finally we obtained written representations that all known instances of non-compliance with laws and regulations have been disclosed to us.

Our audit response related to going concern
As disclosed in section "Basis of Preparation" in Note 2.1 to the consolidated financial statements, the financial statements have been prepared on a going concern basis. When preparing the financial statements, the board of directors made a specific assessment of the company's ability to continue as a going concern and to continue its operations for the foreseeable future.

We discussed and evaluated the specific assessment with the board of directors exercising professional judgment and maintaining professional skepticism. We considered whether the board of directors' going concern assessment, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, contains all relevant events or conditions that may cast significant doubt on the company's ability to continue as a going concern.

Based on our procedures performed, we did not identify material uncertainties about 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 a company to cease to continue as a going concern.

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Report on other information included in the annual report

The annual report contains other information in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- Is consistent with the financial statements and does not contain material misstatements
- Contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the director's report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements. By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The board of directors is responsible for the preparation of the other information, including the directors' report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of the board of directors and the supervisory board for the financial statements

The board of directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the board of directors is responsible for such internal control as the board of directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the board of directors is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board of directors should prepare the financial statements using the going concern basis of accounting unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. The board of directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

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 financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgment and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. The "Information in support of our opinion" section above includes an informative summary of our responsibilities and the work performed as the basis for our opinion. Our audit included among others:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and Performing audit procedures responsive to those risks, and obtaining 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
- Obtaining 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
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

Communication
We communicate with the management board and the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Rotterdam, 6 September 2023

Ernst & Young Accountants LLP

signed by O.A.M. Eberharter