

Annual Financial Statements

2023

Thrace Polybulk AS

Statement of Profit and Loss
Statement of financial position
Statement of Changes in Equity
Statement of Cash Flows
Notes to Financial Statements
Audit Report

Statement of Profit and Loss

Thrace Polybulk AS

Figures are stated in NOK 1 000

	Note	Year ended 31 December	
		2023	2022
Revenue	2	140 329	158 263
Cost of sales		-96 089	-97 973
Gross profit		44 239	60 290
Personnel expenses	3, 5, 7	-18 813	-15 029
Depreciation and amortization	8, 10, 11	-1 171	-1 029
Other operating expenses	3, 4	-17 494	-35 691
Personnel expenses and other operating expenses/income reimbursed by related parties	5	12 066	9 510
Other gains/losses (net)	6	1 813	1 786
Total Operating Expenses		-23 600	-40 453
Operating profit		20 640	19 837
Financial income		97	0
Profit before income tax		20 737	19 837
Income tax expense	9	-4 567	-4 366
Profit after tax		16 170	15 471
Statement of comprehensive income			
<u>Items that will not be reclassified to profit or loss</u>			
Actuarial gains and losses on defined benefit	7	-457	-1 313
Tax recognised on income and expenses	9	101	289
Total Other Income and Expense		-357	-1 024
Total comprehensive income for the year attributable to owners		15 813	14 447

Brevik, 02.04.2024

Notes 1 to 19 are an integral part of the Annual Financial Statements

Thrace Polybulk AS

Figures are stated in NOK 1 000

ASSETS

Non-current assets	Note	31.12.2023	31.12.2022
Property, plant and equipment	10	1 218	1 431
Right-of-use asset	8	1 340	1 579
Intangible assets	11	7 641	7 641
Post Employment benefits	7	1 189	689
Total Non-current Assets		11 388	11 341
Current assets			
Inventories	14	25 397	26 957
Trade and other receivables	15, 19	51 766	49 203
Cash and equivalents	16, 19	589	551
Total Current Assets		77 752	76 711
Total Assets		89 140	88 051

Notes 1 to 19 are an integral part of the Annual Financial Statements

Statement of financial position

Thrace Polybulk AS

Figures are stated in NOK 1 000

EQUITY AND LIABILITIES	Note	31.12.2023	31.12.2022
Equity attributable to owners			
Ordinary shares	12	100	100
Share premium	12	2	2
Retained earnings		52 012	46 709
Total Equity		52 114	46 811
LIABILITIES			
Non-current liabilities			
Post-employment benefits	7	0	0
Deferred tax liabilities	9	1 649	1 558
Long-term debt	8	941	1 213
Total Non-current liabilities		2 590	2 771
Current liabilities			
Trade and other payables	13, 19	27 306	28 240
Interest bearing debt	13, 19	2 754	5 626
Current income tax liabilities	9	4 376	4 341
Current lease liabilities	8	0	262
Total Current liabilities		34 436	38 469
Total Liabilities		37 026	41 240
Total Equity and Liabilities		89 140	88 051

Brevik, 02.04.2024

Konstantinos Chalioris
Chairman of the Board

Ståle Horntvedt
Managing Director

Per Skjellaug
Board member

Dimitros Malamos
Board member

Olaf Lauge Jørgensen
Board member

Notes 1 to 19 are an integral part of the Annual Financial Statements

Statement of Cash Flows

Thrace Polybulk AS

Figures are stated in NOK 1 000

	Note	2023	2022
Cash flows from operating Activities			
Profit before income tax		20 737	19 837
<i>Adjustments for:</i>			
Tax payable		-4 341	-2 364
Depreciation tangible/intangible assets	10, 11	1 171	1 029
Lease payments	8	-330	-307
Lease interest	8	49	36
<i>Changes in working capital:</i>			
Changes in inventory		1 559	-2 821
Changes in accounts receivable		-2 563	-9 541
Changes in accounts payable		-934	-7 461
Difference between pension cost and pension premium	7	-209	-773
Effect of changes in exchanges rates		-1 194	0
Changes in other assets and liabilities		512	1 396
Net cash generated from operating activities		14 457	-970
Cash flows from investing activities			
Proceeds from sales of assets	10	236	
Acquisition of property, plant and equipment	10	-718	-325
Interest received		76	
Net cash flows from investing activities		-406	-325
Cash flows from financing activities			
Dividends paid to owners	12	-10 510	-4 946
Finance leases		-262	0
Payments of debt with group company		0	690
Payments on short term loans		-3 143	3 374
Net cash generated from financing activities		-13 914	-882
Net (decrease)/increase in cash and cash equivalents		136	-2 177
Cash and cash equivalents at start of period		550	2 727
Exchange gains on cash and cash equivalents		-97	0
Cash and Cash Equivalents at end of period	16	589	550

Notes 1 to 19 are an integral part of the Annual Financial Statements

Statement of Changes in Equity

Thrace Polybulk AS

Figures are stated in NOK 1 000

	Ordinary	Share	Retained earnings	Total Equity
Balance as at 1 January 2022	100	2	39 762	39 864
Profit/loss for the year 2022	0	0	15 471	15 471
Other items in comprehensive income (Foreign currency rate changes)	0	0	-1 024	-1 024
Total comprehensive income for the year 2022	0	0	14 447	14 447
Dividends	0	0	-7 500	-7 500
Balance as at 31 December 2022	100	2	46 709	46 811
Profit/loss for the year 2023	0	0	16 170	16 170
Other comprehensive income	0	0	-357	-357
Total comprehensive income for the year 2023	0	0	15 813	15 813
Dividends paid out	0	0	-10 510	-10 510
Balance as at 31 December 2023	100	2	52 012	52 114

Notes 1 to 19 are an integral part of the Annual Financial Statements

Equity in the financial statement 2022 Norwegian GAAP	30 259
Dividend as 31.12.2022	10 510
Goodwill	7 641
Net right of use assets/liabilities	104
Tax effect of right of use and goodwill	-1 704
IFRS Equity as at 31.12.2022	46 811

Notes to Financial Statements

Thrace Polybulk AS

Note 1 Accounting Principles

General information

Thrace Polybulk AS is a company incorporated and domiciled in Norway. The address of the Company's registered office is Strømtangvegen 15, 3950 Brevik.

The Company comprises the following main business segments:

- FIBC products – the sale of polypropylene FIBCs
- Other polypropylene products

Basis of preparation

The financial statement of Thrace Polybulk AS have been prepared in accordance with simplified International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRIC), as adopted by the European Union.

The 2022 profit and loss statement and balance sheet has been converted from NGAAP to simplified IFRS, the equity effect is shown in Statement of Equity.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these consolidated financial statements.

The Financial Statements have been prepared in accordance with the historical cost convention:

- Non-current assets are stated at the lower of previous carrying amount and fair value less costs to sell.
- The defined benefit liability is recognised as the net total of the plan assets less the present value of the defined benefit obligation.

The Financial Statements are presented in NOK, which is the Company's functional currency. All financial information presented in NOK has been rounded to the nearest thousand.

The current global economic conditions continue to create widespread uncertainty, particularly in relation to the level of demand for the company's products.

The company's forecasts and projections, taking account of reasonable, possible changes in trading performance show that the company should be able to operate within the level of its current facilities and meet repayments as they become due.

The director has a reasonable expectation that the company have adequate resources to continue their operations for the foreseeable future, and the preparation of Director's report and financial statements is based on going concern.

Classification

Assets and liabilities related to the normal operating cycle are classified as current assets and current liabilities. Receivables and liabilities not related to the normal operating cycle are classified as current if they are of a short-term nature, normally due within one year. Other assets and liabilities are classified as non-current.

Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement as other gains/losses (net). Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Property, plant and equipment and intangible assets (except goodwill)

Property, plant and equipment and intangible assets are stated at cost less accumulated depreciation and impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment or intangible assets.

The useful lives are as follows:

- | | |
|-------------------------------------|-----------|
| • Equipment, computers and software | 3-5 years |
| • Cars | 5 years |

Goodwill

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash generating units and is not amortised but is tested annually for impairment.

Note 1 Accounting Principles continued

Leases

When entering into a contract, the company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease agreement if the contract conveys the right to use an asset for a period of time in exchange of consideration.

At the time of implementation of a lease agreement, the group recognizes a lease liability and a corresponding right-of-use for all its leases, with the company measuring the right-of-use assets at acquisition cost, minus accumulated depreciation and impairment losses, adjusted for any new measurements of the lease liability. Acquisition cost for the right-to-use assets includes:

- The initial amount of the lease liability
- Any lease payments made to the lessor at, or before, the commencement date of the lease, less any lease incentives received
- All direct expenses for entering into agreements incurred by the group

The company applies IAS 16 "Property, plant and equipment" when depreciating the right-of-use asset, the right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The company applies IAS 36 "Impairment of assets" to ensure that the right-to-use assets are not carried at more than their recoverable amount, and to assess the possibility for future events or changes in circumstances that might indicate impairment losses.

At the commencement date, the company measures the lease liability at the present value of the lease payments that have not been yet paid at that date. The lease period represents the non-cancellable lease term, in addition to periods included by an option to either extend or terminate the lease, in case the group is reasonably certain to exercise that option. The lease payments that are used to measure the lease liability at commencement date include the following:

- Fixed lease payments, less any lease incentives receivable
- Variable lease payments that depend on an index or rate, initially included in the lease liability using the index or rate at the commencement date of the lease
- Amounts expected to be payable by the group under residual value guarantees.
- The exercise price of a purchase option if the group is reasonably certain to exercise that option.

The lease liability is subsequently measured by increasing the carrying amount to reflect the interest on the lease liability, reducing the carrying amount to reflect leased payments and measuring the carrying amount again to reflect any revaluations or changes to the lease agreement, or to reflect adjustments in lease payments which follows from adjustments in indexes or rates.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Impairment

The carrying amounts of the company's assets, other than stocks and deferred tax assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Calculation of recoverable amount

The recoverable amount of assets is the greater of their fair value less costs to sell and value in use. 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. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently at amortised cost using the effective interest method, less provision for impairment.

Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

Defined benefit plans

The company's net obligation in respect of defined benefit pension plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) is deducted. The liability discount rate is the yield at the balance sheet date on AA credit rated bonds that have maturity dates approximating to the terms of the Company's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

Taxes

Income taxes are calculated from the profit (loss) before tax and comprise taxes payable and the change in deferred taxes.

Deferred tax assets and liabilities are calculated in accordance with the liability method without discounting and provided for all differences between the carrying amount in the balance sheet and the tax base of assets and liabilities, and for unused tax losses. Deferred tax assets are recognised only when it is expected that the benefit can be utilised through sufficient taxable profits from expected future earnings.

Note 1 Accounting Principles continued

Financial instruments

Financial instruments are classified into the following categories:

Fair value through profit or loss (FVTPL) and amortised costs. The classification of financial assets is determined in accordance with IFRS 9 *Financial Instruments* and is dependent on the business model for managing the financial assets and the characteristics of the cash flows as solely payments of principle and interest (SPPI) or not SPPI. Management determines the classification of all financial assets at initial recognition.

a) Financial assets at fair value over profit or loss

Financial assets at fair value through profit or loss do not meet the SPPI criteria. Derivatives are also always measured at fair value in the balance sheet and over the profit or loss if not designated in a cash flow hedge. Derivatives designated as hedging instruments are at FVOCI. Derivatives designated as hedge accounting instruments are accounted for in accordance with IFRS 9.

b) Amortised cost

Financial assets are initially recognised at fair value. Financial assets subsequently measured at amortised cost meet the SPPI criteria and are managed with a business model of Hold to collect. All financial assets, except derivatives, meet these criteria. The Group's financial assets at amortised cost include accounts receivable, other current receivables and cash and cash equivalents.

Recognition and Measurement

Financial assets carried at fair value through profit or loss are initially recognized at fair value, and transaction costs are expensed in the statement of profit or loss. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the entity has transferred substantially all risks and rewards of ownership.

Financial assets are measured at amortized cost using the effective interest method.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Impairment of financial assets

A financial asset or a group of financial assets is impaired using the practical expedient of lifetime ECL for accounts receivable in accordance with IFRS 9.

Revenue

Thrace Polybulk AS recognises revenue from customer in accordance with IFRS 15 Revenue from contracts with customers. The entity sells industry packaging. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customers acceptance of the products. Delivery occurs when the products have been shipped to the specific location, and the risks of obsolescence and loss have been transferred to the customer.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts, net of returns and volum rebates. The fixed transaction price, which represents the stand alone selling price of each product, is separately stated for each product or batch of products within the contract.

A receivable is recognised when the goods are delivered as this is the point in time when the entity transfer a sold product to the customer. Control of the good transfers immediately at the point of delivery. A receivable is recognised for the delayed payment terms, which is included in the line item Accounts receivable in the balance sheet. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

Net financing costs

Net financing costs comprise interest payable and interest receivable on funds invested. Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

Trade receivables

Trade receivables are measured at fair value including expected credit loss.

Dividend distribution

Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the period in which the dividends are approved by the company's shareholders.

Changes in accounting policies

New and amended standards adopted by the Company

They have not identified other standards or interpretations that will take effect after January 1st, 2024 and will have a significant impact on Thrace Polybulk's consolidated financial statements.

Significant management judgment in applying accounting policies

When preparing the Financial Statements, management undertakes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Note 2 **Specification of Revenue**

Thrace Polybulk AS recognises revenue from customer in accordance with IFRS 15 Revenue from contracts with customers. The entity has one revenue stream from sale of industry packaging, and there is no disaggregation of revenue other than to geographical areas.

Geographical distribution

	2023	2022
Norway	140 179	157 812
Other countries	149	451
Total	140 329	158 263

Note 3 **Employee remuneration**

(Amounts in NOK 1.000)

	2023	2022
Employee benefit expenses		
Wages, salaries	14 264	10 950
Social security costs	2 686	1 883
Pension expenses	1 419	1 480
Other benefits	445	715
Total	18 813	15 029

Average number of employees

Selling	7	7
Administration	4	4

The following benefits were provided to the Managing Director:

	2023	2022
Salary	2 027	1 652
Other remuneration	94	91
Pension	217	202
Total remuneration	2 339	1 945

There were no loans or guarantees given to the Managing Director, Chairman of the Board or other related parties.

The Managing Director and the Board do not have any agreement for compensation upon termination or change of employment / directorship.

The Managing Director is a part of the companys bonus program.

Board of directors remuneration

The other directors received no remuneration during the year or in the previous year in respect of services provided to the Company.

Pension

The company is required to have a compulsory pension in accordance with the Mandatory occupational pension scheme §7-30a.

The company has a pension plan that fulfills this requirement, which covers all employees and is a defined contribution plan.

Note 4 **Expenses and auditors' remuneration**

(Amounts in NOK 1.000)

	2023	2022
Other operating expence		
Office cost	300	0
Rental cost	625	767
External services	1 107	1 512
Maintenance, repair, vehicle cost, office supplies	184	148
Internal cost	1 788	2 154
Travel cost	700	1 060
Insurance cost	632	582
Freight cost	9 041	27 735
Other cost	3 118	1 733
Total other operating expences	17 494	35 691

Audit Fees

	2023	2022
Divided by type of service (exclusive of VAT)		
Statutory audit (incl. preparation of financial statements)	245	467
Other attestation services	0	0
Tax related services (incl. technical assistanse with tax returns)	50	0
Other services	145	42
Total fees	440	509

Note 5 **Related parties**

(Amounts in NOK 1.000)

The Company is controlled by Synthetic Holdings Ltd (incorporated in Ireland) as parent and Thrace Plastics Co SA (listed on the Athen Stock Exchange) as the ultimate controlling party. The company also trades with other group subsidiaries and jointly controlled entities of Thrace Plastics Co SA. The related party transactions during the year and the balances as at the year end with these related parties are shown below:

	2023	2022
(a) Sales of goods and services		
Sale of goods:		
- Associates of Thrace Pastics Co SA	0	8
Sale of services:		
- Associates of Thrace Pastics Co SA	12 066	9 510
Total	12 066	9 518

	2023	2022
(b) Purchases of goods and services		
Purchase of goods:		
- Associates of Thrace Pastics Co SA	0	0
Purchase of services:		
- Ultimate parent	2 673	2 154
Total	2 673	2 154

	2023	2022
(c) Year-end balances arising from sales/purchase of goods/services		
Other receivables from related parties (note 15):		
- Associates of Thrace Pastics Co SA	-1 023	-690
Payables to related parties (note 13):		
- Associates of Thrace Pastics Co SA	-22	263

Transactions with related parties are on normal commercial terms and amounts due are unsecured. Directors of the Company and their immediate relatives hold no shares in the company. Transactions with the employee pension schemes involve the payment of employer's contributions as disclosed in note 7. Redistribution of costs to Thrace Polybulk AB is presented as Employee benefit expense and other operating expense reimbursed by related parties. The redistribution of costs is due to the fact that nearly all of The Company's employees are working for both the Company and Thrace Polybulk AB. The Companies has for 2023 agreed that Thrace Polybulk AB will be invoiced for 44 % of the staff costs that arise as a result of this collaboration and administrative costs related to Thrace Polybulk AS.

Note 6 **Other gains/losses**

(Amounts in NOK 1.000)

	2023	2022
Foreign exchange gain	7 835	6 188
Total other gains	7 835	6 188
Foreign exchange loss	-6 022	-3 993
Other losses	0	-409
Total other losses	-6 022	-4 402
Net other gains/losses	1 813	1 786

Note 7 Post-employment benefits

(Amounts in NOK 1.000)

The company has a closed collective pension scheme according to Act on company pensions and a Contribution pension for the other employees. Senior staff also have a supplementary pension scheme. The obligations linked to the collective scheme is covered through an insurance company. The supplementary pension scheme is financed through the company's operations. The defined contribution pension, including employer's contribution, is expensed on an ongoing basis.

The company's pension scheme meets the requirements of the Mandatory Occupational Pensions Act.

	2023	2022
Number of people in the scheme:		
Actives total	4	4
Pensioners	4	2
Pension cost:		
Present value of pensions earned during the period	849	1 000
Interest cost of the pension obligation	442	238
Return on pension funds	-430	-231
Administration costs and employer's tax	156	174
Change in pension plan	0	0
Net pension cost	1 017	1 182
Calculated pension liability (funds)		
Calculated gross pension obligations	15 594	14 682
Calculated gross pension funds	16 700	15 371
Net pension liability (funds)	-1 106	-689
The significant actuarial assumptions were as follows:		
Discount rate	3,10 %	3,00 %
Salary growth rate	3,50 %	3,50 %
Pension growth rate	1,80 %	1,50 %
Inflation rate	3,25 %	3,25 %
Expected return on assets	3 %	3,00 %
Actives total	9	9

As actuarial assumptions for demographic factors and departures have been laid based on commonly used assumptions in insurance.

Note 8 Leases

The Group implemented IFRS 16 1 January 2019. The implementation is further presented in note 1.

Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

(Amounts in NOK 1.000)	31.12.2023	01.01.2023
Right of use assets		
Properties	1 140	1 579
(Amounts in NOK 1.000)		
Lease liabilities		
Current	272	262
Non-Current	941	1 213
Total lease liabilities	1 213	1 475

Additions to the right-of-use assets in 2023 were NOK 0

Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

(Amounts in NOK 1.000)

	2023	2022
Depreciation charge of right-of-use assets		
Properties	259	256
	259	256
Interest expense	49	36
Total amounts recognised in the statement of profit or loss	49	36

The total cash outflow for leases in 2023 was NOK 330 448.

Note 9 Income tax expense and deferred income tax

(Amounts in NOK 1.000)

	2023	2022
Components of the income tax expense for the year		
Tax payable in Norway	4 477	4 341
Change in deferred tax/deferred tax benefit	91	25
Total income tax expense	4 567	4 366
	2023	2022
Profit before income taxes	20 737	19 837
22 % of profit before income taxes (tax rate in Norway)	4 562	4 364
Permanent differences in Norway 22%	5	-1 306
Other differences	0	1 308
Total Income tax expense	4 567	4 366
	2023	2022
Basis for income tax expense, changes in deferred tax/deferred tax benefit and tax payable		
Profit before taxes	20 715	19 837
IFRS differences	-22	-16
Pension directly against equity	-457	
Permanent differences	24	-1 306
Basis for the tax expense for the year	20 259	18 515
Change in temporary differences	-390	1 217
Basis for payable taxes in the income statement	19 869	19 732
Taxable income (basis for payable taxes in the balance sheet)	19 869	19 732
	2023	2022
Payable taxes in the balance sheet		
Tax payable in the tax charge in Norway	4 477	4 341
Tax payable in the balance sheet	4 477	4 341
Deferred income tax		
	2023	2022
Temporary differences		
Intangible assets	7 641	7 641
Fixed assets	-1 023	-995
Inventory	0	0
Accounts receivables	-356	-356
Pension funds	1 106	689
IFRS differences	127	105
Net temporary differences	7 496	7 084
Tax losses carried forward	0	0
Basis for deferred tax	7 496	7 084
Deferred tax	1 649	1 558
Deferred tax benefit not shown in the balance sheet	0	0
Deferred tax in the balance sheet	1 649	1 558
The analysis of deferred tax assets and deferred liabilities is as follows:	2023	2022
Deferred tax liabilities:		
- Deferred tax liabilities to be recovered after more than 12 months	1 649	1 558
- Deferred tax liabilities to be recovered within than 12 months	0	0
Deferred tax liabilities (net)	1 649	1 558
The gross movement on the deferred income tax account is as follows:	2023	2022
At 1 January	1 558	1 822
Income statement charge	191	25
Tax charged/(credited) directly to equity	-101	-289
At 31 December	1 649	1 558

Deferred tax assets (-) / liabilities are presented net for Norwegian entities.

Note 10 Property, plant and equipment

(Amounts in NOK 1.000)

	Vehicles and machinery	Furniture, fittings and equipment	Total
At 1 January 2022			
Acquisition cost	6 174	1 910	8 084
Accumulated depreciation	-4 759	-1 446	-6 205
Net book amount	1 415	464	1 879
Year ended 31 December 2022			
Opening net book amount	1 415	464	1 879
Additions	0	325	325
Disposals	0	0	0
Depreciation charge	-629	-144	-773
Other	0	0	0
Closing net book amount	786	645	1 431
At 31 December 2022			
Acquisition cost	6 174	1 910	8 084
Addition/disposals	0	325	325
Accumulated depreciation	-5 388	-1 590	-6 978
Net book amount	786	645	1 431
Reclassification at opening of new ERP system			
Acquisition cost	-1 688	-1 369	-3 057
Depreciation charge	1 952	1 430	3 382
Net book amount	265	61	325
Revised closing net book amount			
At 31 December 2022			
Acquisition cost	4 486	541	5 027
Addition/disposals	0	0	0
Accumulated depreciation	-3 436	-160	-3 596
Net book amount	1 051	381	1 431
Year ended 31 December 2023			
Opening net book amount	1 051	381	1 431
Additions	546	153	699
Disposals	0	0	0
Depreciation charge	-772	-140	-912
Other	0	0	0
Closing net book amount	824	394	1 218
At 31 December 2023			
Acquisition cost 01.01.2023	4 486	541	5 027
Addition/disposals	546	153	699
Accumulated depreciation	-4 208	-300	-4 508
Net book amount	824	394	1 218
Useful life	5 years	3-5 years	
Depreciation method	Straight-line	Straight-line	

Note 11 Intangible assets

(Amounts in NOK 1.000)

	Web page	Goodwill	Total
Cost			
At 1 January 2022	47	7 641	7 688
Additions	0	0	0
As at 31 December 2022	47	7 641	7 688
Additions	0	0	0
As at 31 December 2023	47	7 641	7 688
Accumulated amortisation and impairment			
At 1 January 2022	-47	0	-47
Amortisation charge	0	0	0
As at 31 December 2022	-47	0	-47
Impairment charge	0	0	0
Amortisation charge	0	0	0
As at 31 December 2023	-47	0	-47
Net book value			
Cost	47	7 641	7 688
Accumulated amortisation and impairment	-47	0	-47
As at 31 December 2022	0	7 641	7 641
Cost	47	7 641	7 688
Accumulated amortisation and impairment	-47	0	-47
As at 31 December 2023	0	7 641	7 641

Note 12 Share capital and shareholder information

At 31 December 2023 the share capital of NOK 100 000 consists of the following:

Classes of shares	Face value	Amount	
Ordinary shares		1	100 000
Sum			100 000

The number of shares outstanding at the beginning and end of the financial year was 100,000 shares. The holders of ordinary shares are entitled to receive dividends when declared and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Overview of the major shareholders of 31 December 2023:

	Amount of ordinary shares	Ownership	Voting right
Synthetic Holdings Ltd., Ireland	100 000	100 %	100 %
Sum	100 000	100 %	100 %

Ordinary shares have 1 vote.

	2023	2022
Dividends paid out to shareholders	10 510	4 946

Note 13 Trade and other payables

(Amounts in NOK 1.000)

	Note	2023	2022
Trade payables		16 076	9 585
Interest bearing debt		2 754	5 626
Trade payables due to related parties	5	-22	690
Social security and other taxes		6 903	6 256
Accrued benefit expense		4 738	11 261
Accrued expenses		-389	447
Total trade and other payables		30 060	33 866

Note 14 Inventories

	2023	2022
Finished goods	25 397	26 957
Provision for obsolescence	0	0
Net book amount	25 397	26 957

Note 15 Trade and other receivables*(Amounts in NOK 1.000)*

	2023	2022
Trade receivables third parties	49 651	48 990
Less: expected credit loss on trade receivables	-356	-356
Trade receivables - net	49 295	48 634
Prepayments	1 448	569
Receivables from related parties	1 023	
Total trade and other receivables	51 766	49 203

The table below shows the aging analysis of trade receivables per 31.12

Year	1 - 30 days	>30 days	>90 days	>180 days
2023		359	-6	0
2022		1927	0	0

The groups historical credit loss on trade receivables are insignificant, in 2023 and 2022 booked credit loss are TNOK 0 and TNOK 0. Expected credit losses is also insignificant, there are no forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables, booked expected credit loss are TNOK 356.

Note 16 Cash and cash equivalents*(Amounts in NOK 1.000)*

	2023	2022
Cash and equivalents include the following items:		
Bank deposits (restricted tax withholding account)	589	539
Bank deposits (unrestricted, available liquidity)	0	12
Total cash and cash equivalents	589	551

Note 17 Commitments

Capital commitments

There were no capital commitments outstanding as of the end of 2023 or 2022.

Note 18 Financial risk management

(Amounts in NOK 1.000)

The Company is exposed to interest rate risk, credit risk, foreign currency risk and market price risk associated with the price of polymer raw material arises in the normal course of the Company's business. No derivatives are used by the Company.

FINANCIAL RISK FACTORS

Interest rate risk

The Company does not have any interest bearing debt in either years or no covenants related to any debt.

Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers. Most of the credit risk is managed by an insurance arrangement.

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was:

	2023	2022
Trade and other receivables	51 766	49 203
Cash and cash equivalents	589	551
Total	52 355	49 754

The maximum exposure to credit risk for trade receivables from third parties at the reporting date by geographic region was:

	2023	2022
Norway	48 515	48 082
Total	48 515	48 082

The group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. For details about expected credit loss and the ageing of trade receivables see note 15.

The vast majority of the trade receivables are related to significant customers in Norway that have a good payment record with the company.

Of the trade receivables as of 31 December 2023, 87 % (2022: 84 %) referred to its three largest customers. All the customers are companies with limited liabilities. The three largest customers are entirely managed by the insurance arrangement, i.e. the company has no credit risk due to these three.

Liquidity risk

The maturities of financial liabilities were:

	2023	2022
Trade payables aging less than one year	16 076	9 585
Other payables aging less than one year	13 984	24 280
Total	30 060	33 865

The Company has no financial obligations other than from operating activities. The working capital in the Company is considered to be strong. Hence the liquidity risk from the Company's activities is considered to be low.

Foreign currency risk

The Company incurs foreign currency risk on purchases that are denominated in a currency other than NOK. The currencies giving rise to this are primarily EUR, THB and USD. The Company also receives Euros from sales to their largest customers. No formal hedging instruments are used.

The company's exposure to foreign currency risk was as follows based on notional terms:

(Amounts in foreign currency)	Trade receivables	Trade payables	Bank Accounts	
At 31 December 2022				
EUR	4 521	-707		0
USD	126	-48		1
GBP	0	-4		0
THB	0	-1 676		0
At 31 December 2023				
EUR	4 320	-1 254		3
USD	92	-107		1
GBP	0	-1		0
THB	0	0		0

The following significant exchange rates applied during the year:

	Average rate		Closing rate	
	2023	2022	2023	2022
EUR	11,42	10,10	11,24	10,51
USD	10,56	9,62	10,17	9,86
GBP	13,13	n/a	12,93	n/a
THB	0,30	0,27	0,30	0,29

Note 18 Financial risk management continued

Fair values

The fair values of financial instruments are not significantly different to the carrying amounts shown in the balance sheet.

Market price risk

The principal market risk relates to fluctuations in the price of polymer raw material. A clause in sales agreement enables the Company to pass on some of the market price risk to its larger customers.

Sensitivity analysis

In managing currency and market risks the Company aims to reduce the impact of short-term fluctuations on the Company's earnings. See above for more details concerning how this is managed.

It is estimated that a general increase of one percentage point in the value of the NOK against other foreign currencies would have an imaterial effect on the company's financial income in the income statement for both 2023 and 2022.

Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to the shareholder, return capital to the shareholder or sell assets to reduce debt. The Company does not have any interest bearing debt. The working capital of the Company is considered to be strong. The equity is also considered to be strong.

The gearing ratios at December 2023 and 2022 were as follows:

	2023	2022
Trade and other payables	27 306	28 240
Less: cash and cash equivalents	-589	-551
Net debt	26 717	27 689
Total equity	52 114	46 811
Total capital	78 831	74 500
Gearing ratio	34 %	37 %

Note 19 Categories of financial instruments

(Amounts in NOK 1.000)

	31 December 2023		
	At fair value	At amorized costs	Total
Assets as per balance sheet			
Trade and other receivables excluding pre-payments	0	50 319	50 319
Cash and cash equivalents	0	0	0
Total	0	50 319	50 319
	At fair value	At amorized costs	Total
Liabilities as per balance sheet			
Trade and other payables excluding non-financial liabilities	0	27 306	27 306
Lease liabilities	0	941	941
Short term debt to credit institutions	0	2 754	2 754
Total	0	31 001	31 001
	31 December 2022		
	At fair value	At amorized costs	Total
Assets as per balance sheet			
Trade and other receivables excluding pre-payments	0	47 944	47 944
Cash and cash equivalents	0	551	551
Total	0	48 494	48 494
	At fair value through profit or loss	At amorized costs	Total
Trade and other payables excluding non-financial liabilities	0	28 240	28 240
Lease liabilities	0	1 475	1 475
Short term debt to credit institutions	0	5 626	5 626
Total	0	35 341	35 341

The carrying amount of cash and a cash equivalents is fair value. The carrying amount of other current loans and receivables approximates fair value as the impact of discounting is not significant. There is no financial instruments categorized as FVTPL.

The group's exposure to various risks associated with the financial instruments is discussed in note 18. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

UAVHENGIG REVISORS BERETNING

Til generalforsamlingen i Thrace Polybulk AS

Konklusjon

Vi har revidert årsregnskapet for Thrace Polybulk AS som består av balanse per 31. desember 2023, resultatregnskap for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening oppfylder årsregnskapet gjeldende lovkrav og gir et rettviseende bilde av selskapets finansielle stilling per 31. desember 2023 og av dets resultater for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

Grunnlag for konklusjon

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og *International Code of Ethics for Professional Accountants* (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

Andre forhold

Årsregnskapet for perioden som ble avsluttet 31. desember 2022 ble revidert av en annen revisor som ga uttrykk for en ikke-modifisert konklusjon om årsregnskapet den 26. juni 2023.

Ledelsens ansvar for årsregnskapet

Styret (ledelsen) er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik intern kontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet med mindre ledelsen enten har til hensikt å avvike selskapet eller virksomheten, eller ikke har noe annet realistisk alternativ.

Revisors oppgaver og plikter ved revisjonen av årsregnskapet

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan skyldes misligheter eller feil og er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i årsregnskapet, enten det skyldes misligheter eller feil. Vi utformer og gjennomfører revisjonshandlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av intern kontroll.
- opparbeider vi oss en forståelse av den interne kontrollen som er relevant for revisjonen, for å utforme revisjonshandlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimatene og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape betydelig tvil om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte omfanget av og tidspunktet for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i den interne kontrollen som vi avdekker gjennom revisjonen.

Porsgrunn, 02. juli 2024
ERNST & YOUNG AS

Revisjonsberetningen er signert elektronisk

Bård Erik Pedersen
statsautorisert revisor