

ORIGIO a/s
Knardrupvej 2, 2760 Måløv

Central Business Registration No. 10 97 50 77

Annual report 01.11.2017 – 31.10.2018

The Annual General Meeting adopted the annual report on 16-04-2017

Chairman of the General Meeting


Flemming Glerup

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Company details

Company

ORIGIO a/s

Knardrupvej 2

2760 Måløv

Denmark

Central Business Registration No: 10 97 50 77

Registered in: Ballerup

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Supervisory Board

Robert Dave Auerbach (Chairman)

Randal Louis Golden

Agostino Ricupati

Brian George Andrews

Executive Board

David T. Hansen

Alan Tucker

Company auditors

KPMG Statsautoriseret Revisionspartnerselskab

Dampfærgevej 28

2100 København Ø

Management's statement

The Supervisory Board and the Executive Board have today discussed and approved the annual report for the financial year November 1, 2017 to October 31, 2018, for ORIGIO a/s.

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

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at October 31, 2018 and of result of the Company's operations for the financial year November 1, 2017–October 31, 2018.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's activities and financial matters; of the results for the year and of the Company's financial position.

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

Måløv, April 16, 2019

Executive Board



David T. Hansen

Alan Tucker

Supervisory Board

Robert Dave Auerbach (Chairman)

Randal Louis Golden

Agostino Ricupati

Brian George Andrews

Independent auditor's report

To the shareholders of ORIGIO a/s

Opinion

We have audited the financial statements of ORIGIO a/s for the financial year 1 November 2017 – 31 October 2018, comprising income statement, balance sheet and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 October 2018 and of the results of the Company's operations for the financial year 1 November 2017 – 31 October 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may 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 financial statement users made on the basis of these financial statements.

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

- identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control

Independent auditor's report

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management
- conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated. Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act. Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Violation of the regulation in the Danish Financial Statements Act related to filing of financial statements.

The Company has filed their annual report for the period 1 November 2017 – 31 October 2018 too late, which is a violation of the Danish Financial Statements Act art. 138 which may lead to Management responsibilities.

Copenhagen, April 16, 2019

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Lau Bent Baun

State Authorised

Public Accountant

mne no.26708

Henrik Kyhnauv

State Authorised

Public Accountant

mne no.40028

Management's review

	2018	2017	2016	2015	2014
	DFSA*	DFSA*	DFSA*	DFSA*	DFSA*
	DKK '000	DKK '000	DKK '000	DKK '000	DKK '000
Financial highlights					
Key figures					
Revenue	746,062	847,330	360,589	190,679	176,934
Gross profit	233,194	142,580	136,435	77,879	79,988
Operating profit	101,384	22,198	18,229	(27,908)	(20,437)
Net financials	(17,361)	11,170	19,623	9,409	29,406
Profit/(loss for the year)	74,638	34,342	37,852	(19,046)	7,625
Equity	540,415	465,777	438,225	393,823	412,869
Total assets	743,035	794,169	589,011	451,747	515,911
Investments in property, plant and equipment	6,415	1,779	1,429	4,516	2,821
Ratios					
Return on equity (%)	14,84%	7,60%	8,64%	(4,84)%	1,86%
Solvency ratio (%)	72,73%	58,65%	74,40%	87,18%	80,03%

* = Danish Financial Statement Act

Financial ratios are calculated in accordance with the Danish Society of Financial Analysts' guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015". For terms and definitions, please see the accounting policies. Definitions of key figures and ratios are shown in the accounting policies.

Management’s review

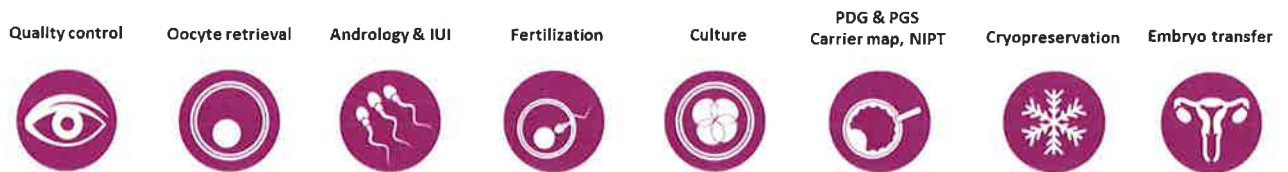
Business activities

ORIGIO has since summer 2012 been part of the CooperSurgical Companies, which today comprises of global leaders in IVF and reproductive genetics. The CooperSurgical family are working together to provide innovative products and services for every step in the ART journey (Assisted Reproductive Technology).

ORIGIO a/s was established in 1987, and has been a global leader in delivering innovative Assisted Reproductive Technology (ART) solutions. Combining the scientific knowledge with the CooperSurgical fertility companies ORIGIO, Research Instrument, The Pipette Company, K-Systems, and Wallace offer a broad range of trusted systems of consumables, equipment, and technologies for a complete IVF process.

In 2016 Reprogenetics, Recombine and Genesis Genetics joined the CooperSurgical family, and represented the pioneers and global leaders of comprehensive reproductive genetic testing. As CooperGenomicsSM, they are the premier provider of genetic testing for every step of the family planning journey.

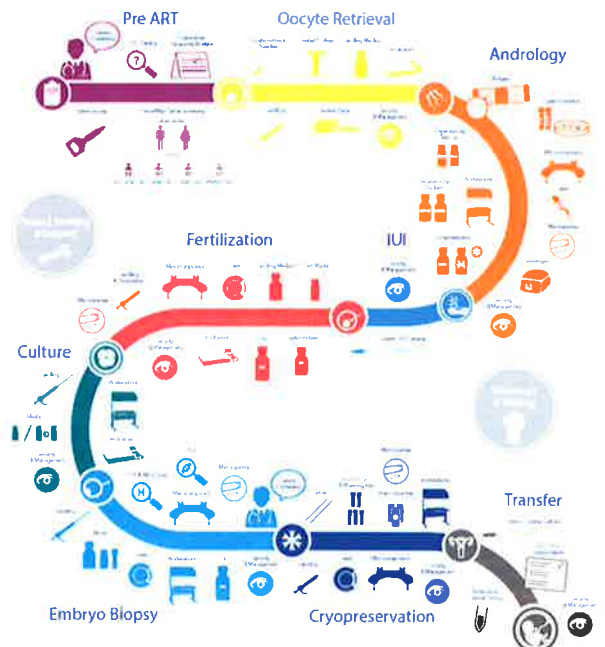
Our combined product range includes pipettes, media and andrology products, and dedicated ART equipment, as well as state-of-the art electronic witnessing system.



Our broad portfolio of products and services are being developed jointly in partnerships with experts and clinics across the globe to improve the ART solutions.

To further support the clinics, ORIGIO offers scientific training courses allowing the clinics to optimize the performance, learn new skills and network globally with international peers. ORIGIO's training courses focus on providing evidence-based training by experienced and skilled embryologists. In specific topics such as vitrification, embryo biopsy and sperm selection, experts are invited to ensure high level of professionalism and quality in the training.

The distribution strategy initiated last year, establishing direct delivery to clinics in Europe, distributors and group entities from the distribution center in Denmark are now fully implemented.



Business review

ORIGIO will continue its focus to further grow and strengthening the strong position in offering best in class products, driving and evolving innovation in line with customer needs. The collaboration between the Cooper-Surgical Companies and trusted partnerships open doors to extensive possibilities for the future.

ORIGIO's income statement for the year ended October 31, 2018 shows a net profit of DKK 74,638 thousand and the balance sheet as of October 31, 2018, shows an equity of DKK 540,415 thousand. This year's result is consistent with the Managements expectations of an improved result.

Management is satisfied with the result for the year.

Uncertainty relating to recognition and measurement

Determining the carrying amounts of certain assets and liabilities requires an estimate of how future events will affect the value of these assets and liabilities at the balance sheet date. Estimates that are material to the financial statements are made, including in the calculation of depreciation and amortization of intangible and tangible fixed assets, measurement of investments, deferred tax assets and contingent liabilities and assets. The estimates are based on assumptions that management believes are reasonable but which are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate, and unexpected events or circumstances may occur. The Company is also subject to risks and uncertainties that may cause actual results to differ from these estimates.

As part of applying the company's accounting policies, management makes judgments, apart from those involving estimations, that can significantly affect the amounts recognized.

The assessment of impairment of investments are based on expectations of future cash flows of the individual companies. The assessment requires the establishment of assumptions and estimates of future cash flows and discount rate (WACC).

Deferred tax assets are recognized when it is probable that there will be sufficient income in the future, which temporary differences and unused tax losses can be offset in.

Risk management

ORIGIO's activities and business model involve a number of general and specific commercial and financial risks, which may have negative impacts on its future growth.

Operational Risks

Management continues to focus on the most important operational risks and to evaluate the current mitigation plans. Risk assessments are performed on a regular basis.

Financial risks

Developments in ORIGIO's results and equity are impacted by a number of financial risks, including foreign

exchange risks. ORIGIO has a centralized management of financial risks in the company's finance function, as ORIGIO is generating substantial turnover in non-DKK based currencies.

ORIGIO does not engage in speculative financial transactions.

Development projects - regulatory development

A substantial focus on innovation is an integral part of ORIGIO's strategy. ORIGIO has a portfolio of development projects with the overall aim of improving the key treatment outcome parameter: the-baby-take-home-rate (i.e. the ratio of ART treatments that lead to the optimal outcome; one healthy baby).

Regulations on ART products continue to intensify and ORIGIO expects these requirements to further increase in the future. ORIGIO has established knowledge and competencies in the regulatory area and is prepared to meet the increased regulatory demand.

CSR and Gender diversity policies

ORIGIO strives to become a work place characterized by diversity, where multiplicity is accepted and thrives to the benefit of all. ORIGIO believes that a focused effort to ensure diversity will strengthen the organization and the competitive position.

For 2018, there are 4 members of the Board and these are all males. Therefore, we have the target to equal the share of females and hire 1 female by 2022. We have strong focus on diversity and inclusion and we will strive to achieve our target within the defined timeframe, but first and foremost, focus and commitment will be placed on candidates skills and competences.

For other management levels, all of the management board and senior management are males. We work proactively and develop various recruitment strategies to change that and attract more female employees.

We conduct all our activities with deep respect for all our stakeholders and have a constant focus on reducing our environmental impact. Currently, no formal social responsibility policies, including impacts on climate, human rights, environment, anti-corruption and bribery and social and staff matters have been implemented at the company level. We have assessed the risks for these areas and taking in consideration that we are operating in countries with strong climate, environmental, human rights, social and anti-corruption regulations, as such there is no need to develop such policies at the current stage.

Looking at 2018/2019, we will keep developing our approach to CSR. In our efforts to take CSR at Origio to the next level, we will listen to our stakeholders' expectations and the needs of the business. We will work with globally adopted Sustainable Development Goals and look at how we as a responsible global women's healthcare company can help solve the challenges facing the world our customers lives in.

We plan to build on the following four strategic CSR pillars:

- Environment & Safety

We aim to minimize our environmental impact through continuous improvement activities and adherence to international standards.

- People & Health

The skills and competences of our global workforce are some of our most important assets, and we will therefore not compromise the human and labor rights or the occupational health and safety of our employees. We continuously work to provide a safe and healthy working environment for Origio people, regardless of where they work.

- Compliance & Ethics

As a responsible women's healthcare company, it is important for us to uphold high ethical standards. Together with our values – Integrity, Customer focus, Innovation, Passion and Adaptability – the Origio Code of Conduct provides clear guidance for our behavior and the way we do business.

- Partnerships & Collaborations

Origio is committed to engaging in partnerships and collaborations that can potentially improve the lives of patients. We partner with universities, research organizations and patient associations to gain insights into treatments and the women having the need for them in order to enhance the development of treatment solutions that will improve women's lives.

Within each of these pillars, we will identify focus areas and goals to ensure progress in 2018/2019.

Financial expectations to 2018/19

Management anticipates a constantly growing market. The company will continue to focus on increasing sales and leveraging on the economies of scale.

Management expects a net profit next year.

Events after balance sheet date

Ownership of intellectual property rights has been streamlined in the CooperSurgical Group during the financial year 2018. This process will continue in the financial year 2019. IP rights have been sold in November 2019 from Origio A/S to CooperSurgical Inc. and this will impact the net earnings positively for the coming financial year. Further a European distribution center have been established in Venlo, Netherlands, why the inventory have been sold to CooperSurgical Inc.

Income statement for 01.11.2017 – 31.10.2018

	<u>Note</u>	<u>2017/18</u> <u>DKK '000</u>	<u>2016/17</u> <u>DKK '000</u>
Net Sales	2	746,062	847,330
Other income		81,478	0
Costs of raw materials and help materials		(416,309)	(575,412)
Other external costs	3	<u>(178,037)</u>	<u>(129,338)</u>
Gross margin		233,194	142,580
Staff costs	4	(114,061)	(104,017)
Amortizations/depreciation and write-downs		<u>(17,749)</u>	<u>(16,365)</u>
Operating profit		101,384	22,198
Impairment write-downs of financial assets		(33,200)	0
Financial income	5	20,106	13,500
Financial expenses	6	<u>(4,267)</u>	<u>(2,330)</u>
Profit before tax		84,023	33,368
Tax on profit/loss for the year	7	<u>(9,385)</u>	<u>974</u>
Profit for the year		<u>74,638</u>	<u>34,342</u>
Disposition of the result			
Proposed dividend		130,000	0
Transferred to equity		<u>-55,362</u>	<u>34,342</u>
		<u>74,638</u>	<u>34,342</u>

Statement of financial position as at October 31

	<u>Note</u>	<u>2017/18</u> <u>DKK '000</u>	<u>2016/17</u> <u>DKK '000</u>
Licenses, patents, rights and non-compete agreements		87,770	100,790
Goodwill		0	292
Development projects		<u>0</u>	<u>6,661</u>
Intangible assets	8	<u>87,770</u>	<u>107,743</u>
Property		62,874	65,489
Plant and machinery		4,797	5,308
Other fixtures and fittings, tools and equipment		<u>14,235</u>	<u>14,672</u>
Property, plant and equipment	9	<u>81,906</u>	<u>85,469</u>
Deferred tax asset	7	14,020	16,362
Shares in group companies	10	<u>197,669</u>	<u>235,226</u>
Financial non-current assets		<u>211,689</u>	<u>251,588</u>
Total non-current assets		<u>381,365</u>	<u>444,800</u>
Inventories		<u>153,554</u>	<u>175,690</u>
Trade receivables		74,656	76,357
Receivables from group companies		71,984	74,111
Other receivables	11	9,152	3,135
Prepayments	12	<u>39,533</u>	<u>20,076</u>
Receivables		<u>195,325</u>	<u>173,679</u>
Cash and cash equivalents		<u>12,791</u>	<u>0</u>
Total current assets		<u>361,670</u>	<u>349,369</u>
Assets		<u>743,035</u>	<u>794,169</u>

Statement of financial position as at October 31

	<u>Note</u>	<u>2017/18</u> <u>DKK '000</u>	<u>2016/17</u> <u>DKK '000</u>
Share capital		162,703	162,703
Retained earnings	13	247,712	303,074
Proposed dividend		<u>130,000</u>	<u> </u>
Equity		<u>540,415</u>	<u>465,777</u>
Other long-term liabilities	14	959	712
Payables to group companies		<u>36,563</u>	<u>0</u>
Long-term liabilities		<u>37,522</u>	<u>712</u>
Bank debt		0	9,674
Trade payables		29,561	39,001
Payables to group companies		94,854	251,284
Other payables	15	34,013	24,619
Deferred income	16	<u>6,670</u>	<u>3,102</u>
Short-term liabilities		<u>165,098</u>	<u>327,680</u>
Liabilities		<u>202,620</u>	<u>328,392</u>
Equity and liabilities		<u>743,035</u>	<u>794,169</u>

Statement of changes in equity

(DKK '000)

	Share capital	Retained earnings	Dividend	Total
Equity as at November 1, 2017	162,703	303,074	0	465,777
Profit of the year	0	74,638	0	74,638
Proposed dividend	0	-130,000	130,000	0
Equity as at October 31, 2018	162,703	247,712	130,000	540,415

Notes

1 Accounting policies

The annual report of Origio A/S for the financial year 1 November 2017 – 31 October 2018 has been prepared in accordance with the provisions applying to reporting class C large entities under the Danish Financial Statements Act.

The presentation of the 2017 balances has been changed in the 2018 financial statement

The presentation of the 2017 balances has been changed in the 2018 financial statement

Consolidated financial statement

Referring to section 112(1) of the Danish Financial Statements Act, ORIGIO a/s has not prepared consolidated financial statements, as ORIGIO a/s and subsidiaries are consolidated in the financial statement for The Cooper Companies Inc.

Cash Flow statement

Pursuant to section 86 (4) of the Danish Financial Statements Act, ORIGIO a/s has not prepared a cash flow statement as its is included in the consolidated financial statement of the ultimate company, The Cooper Companies Inc.

Recognition and measurement

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

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

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

Income is recognized in the income statement when earned, whereas costs are recognized by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange

1 Accounting policies (continued)

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

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

Income statement

Revenue

Revenue from the sale of manufactured goods and goods for resale is recognized in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognized net of VAT, duties and sales discounts are measured at fair value of the consideration fixed.

Cost of sales

Cost of sales comprises direct and indirect costs incurred to earn revenue.

Other external cost

Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts and lease payments under operating leases.

Amortization/depreciation and write-downs

The item includes amortization/depreciation and write-downs of intangible assets and property, plant and machinery, other fixtures and fittings, tools and equipment. Amortization/depreciation is provided using the straight-line method on the basis of the cost and the below assessments of the useful life and residual value of the assets.

Amortization is made on a straight-line basis over the term of the agreement.

Patents, licenses, rights and non-compete agreements	3 - 20 years
Development projects	10 years
Goodwill	5 years

Goodwill is amortized over the expected economic life, measured by reference to an assessment of, among other factors, the nature and market position of the business, the stability of the industry and the dependence on key staff.

Intangible assets are written down to the lower of recoverable amount and carrying amount.

Property, plant and machinery, and other fixtures and fittings, tools and equipment are depreciated on a straight-line basis based on the cost, measured by reference to the following assessment of the useful lives:

1 Accounting policies (continued)

Property and technical installments	20 – 30 years
Plant & machinery	15 – 30 years

Other fixtures and fittings, tools and equipment 3 – 10 years

Property, plant and machinery, and other fixtures and fittings, tools and equipment written down to the lower of recoverable amount and carrying amount.

Financial income and expenses

These items comprise interest income and expenses, dividends received from investments, gain/loss of sale of investments and transactions in foreign currencies.

Income taxes and deferred tax

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognized in the income statement.

Deferred tax is recognized on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognized in the balance sheet at their estimated realizable value, either as a set-off against deferred tax liabilities or as net tax assets.

The Company is jointly taxed with its Danish subsidiary. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet

Property, plant and equipment

Land and buildings, plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date on which the asset is available for use. Indirect production overheads and borrowing costs are not recognised in cost.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

The basis of depreciation is cost less any projected residual value after the end of the useful life. Depreciation is provided on a straight-line basis over the estimated useful life. The estimated useful lives are as follows:

Production buildings	20-30 years
Administration buildings	20-30 years
Plant and machinery	15-30 years
Fixtures and fittings, tools and equipment	3-10 years

1 Accounting policies (continued)

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognized prospectively.

Land is not depreciated.

Fixed assets under construction are recognized and measured at cost at the balance sheet date. Upon entry into service, the cost is transferred to the relevant group of property, plant and equipment.

Depreciation is recognized in the income statement as production costs, distribution costs and administrative expenses, respectively.

Gains and losses on the disposal of property, plant and equipment are stated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses are recognized in the income statement as other operating income or other operating costs, respectively.

Intangible assets

Development projects

Development costs comprise costs, wages, salaries and amortization directly and indirectly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are evidenced, and where the Company intends to produce, market or use the project, are recognized as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses as well development costs. Other development costs are recognized in the income statement as incurred.

Development costs recognized in the balance sheet are measured at cost less accumulated amortization and impairment losses.

Upon completion of development work, development costs are amortized on a straight-line basis over the estimated useful lives. The amortization period is usually 5 years.

Patents, licences and trademarks

Patents and licences are measured at cost less accumulated amortization and impairment losses. Patents are amortized on a straight-line basis over the remaining life of the patent, and licences are amortized over the contract period, however, not exceeding 5 years.

Gains and losses on the disposal of intangible assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal.

1 Accounting policies (continued)

Gains and losses are recognized in the income statement as other operating income or other operating costs, respectively.

Investments

Investments in group companies are measured at cost. Where the costs exceed the net realizable value, a write-down is made to such lower value.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment as well as equity investments in group entities and associates is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation or amortization.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount. The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the forecast net cash flows from the use of the asset or the group of assets, including forecast net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognized write-downs are reversed when the basis for the write-down no longer exists.

Business combinations

Gains or losses on disposal of subsidiaries are stated as the difference between the sales amount and the carrying amount of net assets at the date of disposal and anticipated disposal costs.

Acquisitions of enterprises are accounted for using the acquisition method, according to which the identifiable assets and liabilities acquired are measured at their fair values at the date of acquisition. Provision is made for costs related to adopted and announced plans to restructure the acquired enterprise in connection with the acquisition. The tax effect of the restatement of assets and liabilities is taken into account.

In connection with business combinations such as acquisition and disposal of equity investments, mergers, demergers, addition of assets and exchange of shares, etc., involving enterprises controlled by the parent company, the uniting-of-interests method is used. Differences between the agreed consideration and the carrying amount of the acquired enterprise are recognized in equity. Moreover, comparative figures for previous financial years are restated.

Inventories

Inventories are measured at the lower of cost using the FIFO method and net realizable value.

Cost of goods for resale, raw materials and consumables consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labor costs and indirect production costs.

1 Accounting policies (continued)

Indirect production costs comprise indirect materials and labor costs, costs of maintenance and depreciation and impairment losses on machinery, factory buildings and equipment applied for the manufacturing process as well as costs of factory administration and management.

The net realizable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Receivables

Receivables are measured at amortized cost, usually equaling nominal value less provisions for bad debts.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Other payables

Other payables are measured at amortized cost, which, essentially, corresponds to the fair value.

Payables related to acquisition of assets

Comprises a liability concerning an acquisition of an asset from an external part. The liability is divided into short-term and long-term liability according to the payment terms in the contract.

Other long-term liabilities

Other long-term liabilities comprise mainly of a general provisions. The short-term part is included in other payables.

Cash Flow

The company is a subsidiary of Cooper Surgical Inc. who prepares the cash flow statement for the Group. In accordance with section 86 paragraph 1 of the Danish Financial Statements Act, the cash flow statement is not include in the company's annual report.

Financial highlights

Ratios		Calculation formula	Ratios reflect
Return on equity (%)	=	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The enterprise's return on capital invested in the enterprise by the owners.
Solvency ratio (%)	=	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The enterprise's financial strength.

Notes DKK '000

2. Net Sales

Origio A / S has activities in the segment for the promotion and sale of products within the women's healthcare industry. With reference to the provisions of section 96 of the Danish Financial Statements Act, the Executive Board has omitted information about the distribution of net sales on geographic markets, as the statements may cause significant damage to the company due to special competitive considerations.

	<u>2017/18</u>	<u>2016/17</u>
3. Staff costs		
Salaries and wages	105,378	95,935
Pension costs	7,849	7,103
Other social security costs	<u>833</u>	<u>979</u>
	<u>114,061</u>	<u>104,017</u>
Of this, total remuneration for:		
Executive Board, salary	6,277	6,313
Executive Board, pension	368	412
Stock options, Executive Board	<u>0</u>	<u>102</u>
	<u>6,645</u>	<u>6,827</u>
Average number of employees	140	133

A severance pay for an executive board member is included in the total remuneration.

4. Fees to Auditor appointed at the general meeting

Statutory Audit	<u>500</u>	<u>604</u>
Total fees to KPMG	<u>500</u>	<u>604</u>

5. Financial income

Interest income	0	5
Exchange rate adjustments	0	5,979
Interest income from group companies	90	91
Dividend from subsidiaries	<u>20,016</u>	<u>7,425</u>
	<u>20,106</u>	<u>13,500</u>

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	<u>2017/18</u>	<u>2016/17</u>
6. Financial expenses		
Interest expenses	2,810	2,330
Exchange rate adjustments	<u>1,457</u>	<u>0</u>
	<u>4,267</u>	<u>2,330</u>
7. Tax on profit/loss for the year		
Current tax	(6,539)	(742)
Changes to deferred tax	<u>(2,846)</u>	<u>1.716</u>
	<u>(9,385)</u>	<u>974</u>
Deferred tax		
Deferred tax asset at 1 November	16,362	
Deferred tax change for the year	(2,846)	
Adjustment to opening balance	<u>504</u>	
	<u>14,020</u>	

The company has utilized prior year tax carry forward losses balance

	<u>Licences, patents & rights, and non-compet agreements</u>	<u>Develop- ment projects</u>	<u>Goodwill</u>
8. Intangible assets			
Cost as at November 1	140,098	11,508	3,509
Addition	3,005	0	0
Disposals	<u>-23,237</u>	<u>-11,508</u>	<u>0</u>
Cost as at October 31	<u>119,866</u>	<u>0</u>	<u>3,509</u>
Amortization as at November 1	39,308	4,847	3,217
Reclassification	-2,301	2,301	0
Amortization in the year	10,503	0	292
Disposals	<u>-15,414</u>	<u>-7,148</u>	<u>0</u>
Depreciation as at October 31	<u>32,096</u>	<u>0</u>	<u>3,509</u>
Carrying amount as at October 31	<u>87,770</u>	<u>0</u>	<u>0</u>

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	<u>Property</u>	<u>Plant and machinery</u>	<u>Other fixtures and fittings, tools and equipment</u>
9. Property, plant and equipment			
Cost as at November 1	180,268	13,353	35,987
Beginning adjustment	0	0	-361
Addition	0	69	3,341
Disposals	0	0	-166
Cost as at October 31	<u>180,268</u>	<u>13,422</u>	<u>38,801</u>
Depreciation and write-down as at November 1	114,779	8,045	21,315
Beginning adjustment	0	0	-361
Depreciation in the year	2,615	580	3,759
Disposals	0	0	-147
Depreciation as at October 31	<u>117,394</u>	<u>8,625</u>	<u>24,566</u>
Carrying amount as at October 31	<u>62,874</u>	<u>4,797</u>	<u>14,235</u>
			Investments in Group companies
10. Financial fixed assets			
Cost as at November 1			235,226
Additions			9,054
Disposal			-13,411
Impairment write-downs			-33,200
Cost as at October 31			<u>197,669</u>

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Information below of investment in Group companies are based on internally reported numbers.

Name	Domicile	Currency	Nom. capital*	Interest %	Equity*	Net profit/loss*
ORIGIO Australia Pty. Ltd.	Australia	AUD	0,1	100	2,776	137
ORIGIO B.V.	The Netherlands	EUR	18	100	1,010	85
ORIGIO Benelux B.V.	The Netherlands	EUR	18	100	911	198
MediCult China Ltd.	Hong Kong	HKD	465	100	13,967	614
ORIGIO France S.a.r.l.	France	EUR	300	100	1,120	18
ORIGIO GmbH	Germany	EUR	26	100	546	96
ORIGIO Italia S.R.L.	Italy	EUR	100	100	1,463	(73)
ORIGIO LLC	Russia	RUB	2,000	51	162,718	136,616
Origio Cooper LLC	Russia	RUB	1,000	100	41,087	17,954
ORIGIO Ltd.	UK	GBP	0	100	1,216	157
Trivector ORIGIO Scientific Pty. Ltd.	India	INR	114	100	249,669	17,646
ORIGIO MediCult España S.L.	Spain	EUR	34	100	4,485	108
ORIGIO Japan K.K.	Japan	JPY	12,500	100	112,104	20,865

* = Local currency thousands.

	<u>2017/18</u>	<u>2016/17</u>
11. Other receivables		
VAT	6,391	460
Deposits	896	1,013
Prepayments	<u>1,865</u>	<u>1,662</u>
	<u>9,152</u>	<u>3,135</u>
12. Prepayments		
Vendor receivables	27,926	8,807
Others	<u>11,607</u>	<u>11,269</u>
	<u>39,533</u>	<u>20,076</u>
13. Equity		

There has been no changes to the share capital for the past 5 years..

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	<u>2017/18</u>	<u>2016/17</u>
14. Other long-term liabilities		
Provisions	959	712
	<u>959</u>	<u>712</u>
15. Other payables		
Payroll and holiday accruals	19,841	18,899
Payroll taxes and social costs	7,266	253
Other debt	6,906	5,467
	<u>34,013</u>	<u>24,619</u>

16. Deferred income

Shipments of equipment for which we have not received final customer acceptance of the delivery, and other shipments where our revenue criteria is not met.

17. Operating leasing obligations

Leasing contribution due within 1 year	1,335	1,576
Leasing contribution due between 1 and 5 years	2,115	5,773
	<u>3,470</u>	<u>7,349</u>

18. Currency and interest rate risk

The company is not exposed for any material currency- or interest risks. The majority of the business transactions and loan agreements are made in DKK or EUR. The value of interest payments are not material for the company.

19. Related parties and ownership**Related parties with a controlling interest**

All agreements with related parties have been negotiated on market based terms. The majority of the transactions are based on trade receivables and payables.

The following related parties have a controlling interest in ORIGIO a/s:

<u>Name</u>	<u>Registered office</u>	<u>Basis of influence</u>
Research Instruments Ltd,	UK	Owner, 100 %

The consolidated financial statement of The Cooper Companies can be found on the following homepage:

<http://investor.coopercos.com/sec.cfm?view=all>

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20. Contractual obligations and contingencies, etc.

The parent company is jointly taxed with the Danish subsidiary. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail that the companies' liability will increase. The Group as a whole is not liable to others.

21. Guarantees

The Company has issued a bank guarantee against the Indian Authorities of DKK 935,530 (INR: 10,498,602), and a cross border guarantee of DKK 1,150,000. Further there is a restricted cash account of DKK 1,156,361.