

# BK Medical ApS

Mileparken 34, 2730 Herlev

CVR No. 15 73 11 76

## Annual report for the year ended 31 July 2016

Adopted at the annual general meeting  
on 11 January 2017

  
.....  
chairman

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## **Company details**

BK Medical ApS  
Mileparken 34  
2730 Herlev  
www.bkultrasound.com  
Tel: +45 44 52 81 00

### ***Supervisory board***

David James Flanagan, chairman  
Joyce Kilroy Johnson  
John James Fry  
Jens Mose Pedersen  
Steen Madsen

### ***Executive board***

Bo Hansen  
Daniel Banemann

### ***Parent***

BK Medical Holding ApS  
CVR No. 27 97 14 07

### ***Auditors***

Ernst & Young Godkendt Revisionspartnerselskab  
Osvald Helmuths Vej 4, 2000 Frederiksberg, Denmark

### ***Bankers***

Nordea Bank Danmark A/S  
Nørgaardsvej 2  
2800 Kongens Lyngby  
Denmark

## Statement by management on the annual report

Today, management has discussed and approved the annual report of BK Medical ApS for the financial year 1 August 2015 - 31 July 2016.

The annual report is 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 financial position at 31 July 2016 and of the results of its operations for the financial year 2015/16.

In our opinion, the management's review includes a fair review of the matters dealt with in the management's review.

We recommend the adoption of the annual report at the annual general meeting.

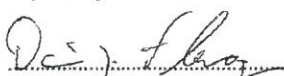
Herlev, 11 January 2017

Executive board:


  
Bo Hansen

  
Daniel Banemann

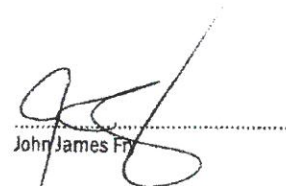
Supervisory board:

  
David James Flanagan  
chairman

  
Jens Mose Pedersen

  
Joyce Kilroy Johnson

  
Steen Madsen

  
John James Flanagan

## **Independent auditor's report**

**To the shareholders of BK Medical ApS**

### **Independent auditors' report on the financial statements**

We have audited the financial statements of BK Medical ApS for the financial year 1 August 2015 – 31 July 2016, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

### ***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.

### ***Auditors' responsibility***

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of financial statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

Our audit has not resulted in any qualification.

### ***Opinion***

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 July 2016 and of the results of its operations for the financial year 1 August 2015 - 31 July 2016 in accordance with the Danish Financial Statements Act.

**Statement of managements review**

Pursuant to the Danish Financial Statements Act, we have read the Management's review. We have not performed any other procedures in addition to the audit of the financial statements. On this basis, it is our opinion that the information provided in the Management's review is consistent with the financial statements.

Copenhagen, 11 January 2017

ERNST & YOUNG

Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28



Christian Schwenn Johansen

state authorized public accountant

## Financial highlights

### 5-year summary:

|   | 2015/2016 | 2014/15 | 2013/14 | 2012/13 | 2011/12 |
|---|-----------|---------|---------|---------|---------|
| <b>Key figures (In DKK thousands, except number of employees data and ratios)</b> |           |         |         |         |         |
| Revenue   | 329.714   | 382.752 | 348.500 | 423.487 | 477.607 |
| Gross profit  | 177.789   | 199.595 | 183.604 | 182.707 | 203.675 |
| Profit/loss before net financials (EBIT)  | 30.056    | -24.521 | 61.076  | 67.709  | 69.624  |
| Net financials  | 3.218     | -14.773 | 102     | -5.019  | 2.732   |
| Net profit/loss for the year  | 19.942    | -47.523 | 48.895  | 47.537  | 56.278  |
| <b>Balance sheet</b>  |           |         |         |         |         |
| Total assets  | 338.130   | 425.998 | 446.089 | 442.570 | 408.987 |
| Equity at year-end  | 229.875   | 224.951 | 372.053 | 342.416 | 317.340 |
| Investments in property, plant and equipment                                      | 8.836     | 2.604   | 7.719   | 6.077   | 7.039   |
| Investments in intangible assets  | 20.230    | 14.436  | 29.533  | 38.591  | 21.771  |
| Number of employees   | 137       | 146     | 148     | 150     | 174     |
| <b>Ratios</b>   |           |         |         |         |         |
| Gross margin  | 53,9%     | 52,1 %  | 52,7 %  | 43,1 %  | 42,6 %  |
| EBIT margin   | 9,1%      | -6,4 %  | 17,5 %  | 16,0 %  | 14,6 %  |
| Return on assets  | 8,9%      | -5,8 %  | 13,7 %  | 15,3 %  | 17,0 %  |
| Solvency ratio  | 68,0%     | 52,8 %  | 83,4 %  | 77,4 %  | 77,6 %  |
| Return on equity  | 8,7%      | -15,9 % | 13,7 %  | 14,4 %  | 18,6 %  |

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios "Recommendations and Financial Ratios 2015".

### Definition of financial ratios:

Gross margin:  $\text{Gross profit} / \text{Net revenue} * 100$

EBIT margin:  $\text{Profit/loss before net financials (EBIT)} / \text{Net revenue} * 100$

Return on assets:  $\text{Profit/loss before net financials} / \text{Total assets} * 100$

Solvency ratio:  $\text{Equity} / \text{Total assets} * 100$

Return on equity:  $\text{Net profit/loss for the year} / \text{Average equity in the year} * 100$

## **Management's review**

The Annual report of BK Medical ApS for 2015/16 has been prepared in accordance with the provisions applying to reporting class C large enterprises under the Danish Financial Statements Act

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

### **Main activity**

BK Medical ApS develops and markets human diagnostic ultrasound equipment, primarily for the urological and surgical market segments and, secondarily, for selected point-of-care markets, general imaging and other markets. The vision of the Company is to ensure profitable, organic growth exceeding the market growth of these niches, thus ensuring an increased market share. The products are being manufactured in the US by the ultimate parent company and other companies within the Analogic Group.

### **Development in the financial year**

The Company's revenue for the financial year 2015/16 was DKK 329.7 million, a decrease of 13.9% from 2014/15 when revenue amounted to DKK 382.8 million.

The decrease in revenue is primarily attributed to our branch in the UK being converted into a private limited company at the beginning of the financial year and to lower sales in our direct in both Europe and the USA.

In 2015/16, the Company realised a profit before tax of DKK 33.3 million compared to a loss before tax of DKK 39.3 million in 2014/15. The loss in 2014/15 is primarily due to an accrual of DKK 101.1 million related to our distributor matter. See section "Reporting of case to the authorities" below.

Tax for the year amounted to an expense of DKK 13.3 million in 2015/16 compared to an expense of DKK 8.2 million in 2014/15. Thus, for 2015/16, net profit for the year amounted to DKK 19.9 million compared to a net loss of DKK 47.5 million in 2014/15.

Even though we did not reach the revenue target set in last year annual report, the profit before tax is considered satisfactory, given that our branch in UK has been converted into a private limited company.

### **Capital expenditure**

The Company's capital expenditure amounted to DKK 8.8 million in property, plant and equipment compared to DKK 2.6 million last year.

The Company's capital expenditure amounted to DKK 20.2 million in intangible assets compared to DKK 14.4 million last year.



## **Management's review (continued)**

### **Special risks – operating risks and financial risks**

#### **Foreign exchange risks**

For a number of years, the Company has aimed at balancing its net positions (sales, purchases, operating expenses and financing expenses), primarily concerning USD, thus reducing the foreign exchange risk significantly. No forward hedging of exchange rate exposures on foreign exchange positions has been entered into.

The international activities of the Company entail that the results, cash flow and equity of the Company are affected by the development in exchange rates in respect of a number of currencies.

#### **Credit risks**

The Company does not have any material risks relating to a single customer or business partner. According to company policy for assuming credit risks, all customers are credit rated periodically. Transactions with customers in the less mature geographical markets (e.g. Asia) are primarily hedged by a guaranteed form of payment.

## **Strategy and objectives**

### **Strategy**

The primary strategy of BK Medical ApS is to target the urological and surgical niches of the European, Asian and North American ultrasound markets by continuously developing and introducing new products that address these markets' needs. In addition, the Company is focused on gaining a foothold in adjacent procedure-driven markets. To support this strategy, the Company continues to strengthen its direct and indirect sales and distribution in the USA, Europe and China by expanding its sales organisation.

To enable profitable growth, the Company is leveraging the sourcing, manufacturing and administrative resources of its ultimate parent Company, Analogic Corporation. This One-Company strategy was implemented in BK Medical ApS in 2010/11.

Sales and marketing activities are carried out by the Company's subsidiaries in Germany, Italy, Sweden, Belgium, and the UK and through dealer networks, primarily in Eastern Europe, Latin America, the Middle East and Asia corresponding to approximately 50 countries. On an on-going basis, BK Medical ApS considers the possibilities of expansion of relevant niche solutions, including distribution form, through strategic cooperation alliances or through acquisitions. The organisation is developed continuously to adapt to changed conditions.

### **Target and expectations for the year ahead**

As mentioned above, the competition on the overall ultrasound market is continuously increasing. This is expressed through more aggressive marketing and ultimately lower prices resulting in increased pressure on margins. At the same time, there are indications of a certain consolidation where only the large market participants are expected to endure in the long term. As expressed by our strategy, it is BK Medical ApS' plan to expand into other relevant niche areas in order to create a basis for adequate future growth. In addition to anaesthesia BK Medical ApS is establishing itself in other point-of-care segments and interventional ultrasound.

## **Management's review (continued)**

In September 2015, BK Medical ApS released its next generation scanner, BK5000, to the high-end surgical market.

The forecast for 2016/17 shows revenue of flat to low single digit organic growth. This is a realistic target and it should be seen in the light of the investments in new products. The growth is primarily expected to take place in the existing core markets and the point-of-care markets as well as in the general ultrasound market.

The expectations are based on the assumption that the exchange rates for the currencies to which the Company is exposed will remain unchanged.

Costs are budgeted to increase more than sales resulting in a lower EBIT Margin compared to 2015/16.

In 2015/16, capital expenditure increased compared to prior years. It is expected that the Company's level of capital expenditure in property, plant and equipment for the coming period will decrease since, this year, the Company invested substantially in new product platform for future ultrasound systems.

Furthermore, in 2015/16, capital expenditure related to intangible assets increased compared to prior years. It is expected that the Company's level of capital expenditure in intangible assets for the coming period will be at the same level due to the continued investments in the new product platform for future ultrasound systems.

## **Basis of earnings**

### **Research and development**

Research and development is carried out by BK Medical ApS in Herlev for all ultrasound scanners. Expenses related to research and development activities decreased by DKK 0.1 million in 2015/16 due to higher compensation offset by higher capitalisation of R&D projects in 2015/16. The strategic commitment to new markets with increased requirements to the products and their performance continues. These investments are primarily aimed at providing a new platform for future ultrasound scanners.

The majority of development activities are focused on the development of a brand new generation of ultrasound scanners that will help open up new markets for BK Medical ApS.

### **Intellectual capital resources**

Development, production and marketing of high technology ultrasound scanners demand highly skilled employees. Therefore, BK Medical ApS attaches great importance to recruiting, retaining and developing competent staff – e.g. through increased focus on the HR function and also introduction of a common set of values.

## **Management's review (continued)**

### **Reporting of case to the authorities**

As initially disclosed in our annual report for the financial year ended 31 July 2011, we identified certain transactions involving certain of our foreign distributors with respect to which we raised questions concerning compliance with law, including Danish law and the U.S. Foreign Corrupt Practices Act, and our business policies. Our ultimate parent company, Analogic, voluntarily disclosed this matter to the Danish Government, the U.S. Department of Justice (DOJ) and the Securities and Exchange Commissions (SEC), and cooperated with inquiries by the Danish Government, the DOJ and the SEC to reach a resolution of this matter in the fiscal year ended 31 July 2016. On 22 June 2016, Analogic issued a press release announcing that we had reached agreements with the SEC, the DOJ and the Danish Government to resolve the matters we had voluntarily disclosed. As a result of these resolutions, we paid a total of USD 14.9 million (DKK 101.1 million) in disgorgement, interest and penalties. We do not expect any further inquiries related to this matter.

In the annual report for 2014/15, we accrued a charge of USD 14.9 million (DKK 101.1 million), of which USD 11.1 million (DKK 75.2 million) was classified as general and administrative expense, and USD 3.8 million (DKK 25.9 million) was classified as interest expense.

### **Unusual events**

As mentioned in the section related to reporting of case to the authorities, BK Medical ApS recorded an accrual of DKK 101.1 million in 2014/15 related to proposed settlement of the matter. In 2015/16, the matter was finalised and the accrued amounts have been settled and paid to the relevant authorities.

In 2014/15, the Company's activities in the UK were carried out through a branch. At 1 August 2015, the branch was converted from a branch into a private limited company. In prior years, the UK branch was accounted for as an integral part of the Company's financial statements.

### **Corporate Social Responsibility**

BK Medical ApS does not have a policy for corporate social responsibility and thereby no specific policies for human rights and climate impact.

### **Policy regarding the Proportion of Gender in other Management Levels of BK Medical ApS**

BK Medical ApS is committed to continue working towards and maintaining equal opportunities for women and men at all management levels in the Company. BK Medical ApS encourages talented male and female employees to pursue a career in the Company. In connection with recruitment, including recruitment at management level, it is BK Medical ApS' policy to meet the Company's needs for employees with the right skills and competences, regardless of gender, age, ethnicity, etc. When choosing between equally qualified candidates, the diversity among the employees is taken into consideration, as it is the aim that both genders attain representation at management levels of at least 30%. In connection with recruitment for managerial positions it must be ensured, where possible, that the candidates invited for interview include both men and women. The Company's focus on diversity among its employees, including at management levels, must be visible during recruitment.

## **Management's review (continued)**

The policy may be amended by the Board of Directors and should be interpreted in accordance with applicable equal rights and anti-discrimination legislation in Denmark, applicable at any given time.

We currently have a minimum of 30% representation of each gender at manager level, which falls within our policy, and therefore, no steps have been initiated this financial year.

### **Policy regarding the Proportion of Gender in the board of BK Medical ApS**

The Company aims at continuing the current strategy as it is the policy of BK Medical ApS to meet the Company's needs for board members with the right skills and competences, regardless of gender, age, ethnicity, etc. When choosing between equally qualified candidates, the diversity among the employees is taken into consideration, as it is the objective that both genders attain representation at board level of at least 20%.

Further, the Company continuously aims at ensuring that the board supports the inter-company relations by means of its composition which is currently made up by 2 members elected by the employees and 3 members elected by the general meeting and who are also connected to the parent company: Chairman David James Flanagan; Director Joyce Kilroy and Director John James Fry.

We currently have a minimum of 20% representation of each gender in the board, which falls within our policy, and therefore, no steps have been initiated this financial year.

### **Subsequent event**

After the balance sheet date, no significant events have occurred which are considered to have a material effect on the assessment of the annual report.

## **Accounting policies**

The annual report of BK Medical ApS has been prepared in accordance with the provisions of the Danish Financial Statements Act as regards large reporting class C enterprises.

The accounting policies are consistent with those of last year.

### **Reporting currency**

The financial statements are presented in '000 Danish kroner.

### **Consolidated financial statements**

With reference to section 112(1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The financial statements of BK Medical ApS and its group enterprises are included in the consolidated financial statements of the ultimate parent company Analogic Corporation, USA.

### **Cash flow statement**

With reference to section 86(4) of the Danish Financial Statement Act and to the cash flow statement included in the consolidated financial statement of Analogic Corporation, the Company has not prepared a cash flow statement.

### **Recognition and measurement**

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, provisions and reversals due to changed accounting estimates of amounts which were previously recognized in the income statement.

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

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

## **Accounting policies (continued)**

### **Translation policies**

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Exchange adjustments arising on the translation of the opening equity at the exchange rates at the balance sheet date are recognised directly in equity.

### **Segment reporting**

The Company have only one business segment, which is design, development, and sale of diagnostic ultrasound scanners. For this reason, it is not relevant to provide segment information by business segment.

According to current statutory requirements, information on revenue is provided distributed on geographical segments.

## **Income Statement**

### **Revenue**

Income from the sale of finished goods for resale and finished goods is recognised in revenue when transfer of the most significant rewards and risks to the buyer has taken place and provided that the income can be reliably measured and payment is expected to be received. The date of the transfer of the most significant rewards and risks is based on standardised terms of delivery based on Incoterms® 2010.

Revenue from the sale of services, comprising service contracts, is recognised in revenue on a straight-line basis as delivered as the services are delivered in the form of an indefinite number of actions over a specific period of time.

Revenue from software compensation is recognised as the company's IP assets are used.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

## **Accounting policies (continued)**

### **Cost of goods sold**

Cost of goods sold comprises costs incurred to achieve revenue for the year. Cost comprises of materials, consumables, finished goods, goods for resale and depreciation etc. Moreover amortisation of capitalised development cost is included.

### **Sales- and distribution expenses**

Sales- and distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses, depreciation, etc.

### **Administrative expenses**

Administrative expenses comprise expenses for management, administrative staff, office expenses, depreciation, etc.

### **Research- and development expenses**

Development expenses comprise costs in the form of salaries to staff in the development department, research and development expenses that do not qualify for capitalization.

### **Public grants**

Public grants given to cover expenses are recognised in the income statement as research and development costs when it is probable that the enterprise complies with all the terms of the grant. Grants given to purchase assets are set off against the cost of the asset concerned.

### **Financial income and expenses**

Financial income and expenses comprise interest, realised and unrealised exchange adjustments, dividend from subsidiaries as well as interest on extra payments and repayment under the on-account taxation scheme.

Dividend from investments in subsidiaries is recognised in the income statement in the financial year when the dividend is declared.

### **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with the immediate Parent Company, BK Medical Holding ApS. The tax effect of the joint taxation is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Interest on extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

## **Accounting policies (continued)**

### **Balance Sheet**

#### **Intangible assets**

On initial recognition, intangible assets are measured at cost.

Development costs related to the Company's development of hardware and software comprise costs, salaries and amortisation directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable, and where the technical feasibility, sufficient resources and a potential future market or development opportunities in the Company are evidenced, and where the Company intends to produce, market or use the project, are recognised 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 and development costs. Other development costs are recognised in the income statement when incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

The amortisation of development costs is based on an estimate of the financial useful life of the individual projects and is calculated on a straight line basis over 5 years.

Gains and losses on the disposal of development projects, patents and licences are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as other operating income or other operating costs, respectively.

#### **Property, plant and equipment**

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.



## Accounting policies (continued)

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

|   |                 |
|---|-----------------|
| Land  | Not depreciated |
| Production building                                 | 40 years        |
| Plant and machinery                                 | 3-7 years       |
| Other fixtures and fittings,<br>Tools and equipment | 3-8 years       |

Depreciation is recognised in the income statement as cost of goods sold, sales- and distribution costs and administrative expenses, respectively.

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

### Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount and the asset is written down to its lower recoverable amount. This impairment test is performed on an annual basis for development projects in progress irrespective of any indication of impairment. The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

### Investments in subsidiaries

Investments in subsidiaries are measured at cost. Cost includes the consideration measured at fair value plus direct purchase costs. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### Inventories

Inventories are measured at the lower of cost under standard cost method and net realisable value. Provisions are made for slow-moving and obsolete items. Goods for resale and consumables are measured at cost, comprising purchase price plus delivery costs.

The net realisable value of inventories is calculated as the sales amount less costs necessary to make the sale and is determined taking into account marketability, obsolescence and development in expected selling price.

## **Accounting policies (continued)**

### **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value.

Write-downs for estimated bad debts are determined, based on a specific evaluation of the receivables. Write-downs are calculated as the difference between the carrying amount of receivables and the present value of the expected cash flows, including the realisable value of any collateral received.

### **Prepayments**

Prepayments comprise prepaid expenses concerning subsequent financial years. Prepayments include prepaid rent, insurance premiums, exhibitions and leasing etc.

### **Cash**

Cash comprise cash in banks.

### **Dividend**

Dividend distribution proposed by Management for the year is disclosed as a separate item under equity.

### **Provisions**

Provisions are recognised when, as a result of past events, the Company has a legal or constructive obligation and it is probable that there may be an outflow of resources embodying economic benefits to settle the obligation. Provisions are measured at net realisable value. If the obligation is expected to be settled far into the future, the obligation is measured at fair value.

### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively. Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

## **Accounting policies (continued)**

### **Current tax receivables and liabilities**

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account.

### **Financial liabilities**

Financial liabilities are measured at amortised cost, substantially corresponding to net realisable value.

### **Deferred income**

Deferred income comprises payments received in respect of income in subsequent years and of income where the revenue recognition criteria as to collectability have not been met.

**Income statement**  
for the year ended 31 July

|  | Notes | 2015/2016<br>12 months<br>DKK'000 | 2014/15<br>12 months<br>DKK'000 |
|--|-------|-----------------------------------|---------------------------------|
| Revenue  | 1     | 329.714                           | 382.752                         |
| Cost of goods sold   | 2,6,7 | <u>-151.925</u>                   | <u>-183.157</u>                 |
| <b>Gross margin</b>  |       | 177.789                           | 199.595                         |
| Sales- and distribution expenses   | 2,7   | -58.086                           | -62.814                         |
| Research- and development expenses   | 2,7   | -68.811                           | -68.965                         |
| Administrative expenses  | 2,7   | <u>-20.836</u>                    | <u>-92.337</u>                  |
| <b>Profit/loss before net financials</b>                                       |       | 30.056                            | -24.521                         |
| Financial income   | 3     | 3.685                             | 11.507                          |
| Financial expenses   | 4     | <u>-468</u>                       | <u>-26.280</u>                  |
| <b>Profit/loss before tax</b>  |       | 33.273                            | -39.294                         |
| Tax for the year   | 5     | <u>-13.331</u>                    | <u>-8.229</u>                   |
| <b>Net profit/loss for the year</b>  |       | <u><u>19.942</u></u>              | <u><u>-47.523</u></u>           |
| <b>Appropriation of profit/loss</b>  |       |                                   |                                 |
| Profit/loss to be appropriated:  |       |                                   |                                 |
| The executive board recommends the following appropriation of the profit/loss: |       |                                   |                                 |
| Proposed dividend for the year   |       | 15.000                            | 15.000                          |
| Retained earnings/Accumulated loss   |       | <u>4.942</u>                      | <u>-62.523</u>                  |
| <b>Total appropriation</b>   |       | <u><u>19.942</u></u>              | <u><u>-47.523</u></u>           |

**Balance sheet**  
at 31 July

|  | Notes | 2015/2016<br>12 months<br>DKK'000 | 2014/15<br>12 months<br>DKK'000 |
|--|-------|-----------------------------------|---------------------------------|
| <b>Assets</b>                                    |       |                                   |                                 |
| <b>Fixed assets</b>                              |       |                                   |                                 |
| Completed development projects                   |       | 63.235                            | 81.500                          |
| Development projects in progress                 |       | <u>28.117</u>                     | <u>8.906</u>                    |
| <b>Intangible assets</b>                         | 6     | <u>91.352</u>                     | <u>90.406</u>                   |
| Land and buildings                               |       | 95.539                            | 96.539                          |
| Plant and machinery                              |       | 9.908                             | 5.803                           |
| Other fixtures and fittings, tools and equipment |       | <u>3.624</u>                      | <u>3.748</u>                    |
| <b>Property, plant and equipment</b>             | 7     | <u>109.071</u>                    | <u>106.090</u>                  |
| Investments in subsidiaries                      | 8     | 18.583                            | 9.169                           |
| Receivables from group enterprises               | 9     | <u>7.588</u>                      | <u>7.611</u>                    |
| <b>Investments</b>                               |       | <u>26.171</u>                     | <u>16.780</u>                   |
| <b>Total fixed assets</b>                        |       | <u>226.594</u>                    | <u>213.276</u>                  |
| <b>Current assets</b>                            |       |                                   |                                 |
| <b>Inventories</b>                               | 10    | <u>15.709</u>                     | <u>34.355</u>                   |
| Trade receivables                                |       | 37.616                            | 60.730                          |
| Receivables from group enterprises               |       | 30.344                            | 30.949                          |
| Other receivables                                |       | 2.852                             | 4.653                           |
| Prepayments                                      |       | <u>2.502</u>                      | <u>2.387</u>                    |
| <b>Receivables</b>                               |       | <u>73.314</u>                     | <u>98.719</u>                   |
| <b>Cash</b>                                      |       | <u>22.513</u>                     | <u>79.648</u>                   |
| <b>Total current assets</b>                      |       | <u>111.536</u>                    | <u>212.722</u>                  |
| <b>Total assets</b>                              |       | <u><u>338.130</u></u>             | <u><u>425.998</u></u>           |

**Balance sheet**  
at 31 July

|   | Notes | 2015/2016<br>12 months<br>DKK'000 | 2014/15<br>12 months<br>DKK'000 |
|---|-------|-----------------------------------|---------------------------------|
| <b>Equity and liabilities</b>                                     |       |                                   |                                 |
| <b>Equity</b>   |       |                                   |                                 |
| Share capital   |       | 64.225                            | 64.225                          |
| Retained earnings   |       | 150.650                           | 145.726                         |
| Proposed dividend for the year                                    |       | <u>15.000</u>                     | <u>15.000</u>                   |
| <b>Total equity</b>   | 11    | <u>229.875</u>                    | <u>224.951</u>                  |
| <b>Provisions</b>   |       |                                   |                                 |
| Provisions for deferred tax                                       | 12    | 28.420                            | 15.643                          |
| Other provisions  | 13    | <u>0</u>                          | <u>0</u>                        |
| <b>Total provisions</b>   |       | <u>28.420</u>                     | <u>15.643</u>                   |
| <b>Liabilities</b>  |       |                                   |                                 |
| Corporation tax   | 14    | 0                                 | 11.720                          |
| Other payables  | 15    | 3.605                             | 5.020                           |
| Deferred income   | 16    | <u>916</u>                        | <u>0</u>                        |
| <b>Long-term liabilities</b>                                      |       | <u>4.521</u>                      | <u>16.740</u>                   |
| Trade payables  |       | 6.062                             | 5.969                           |
| Payables to group enterprises                                     |       | 34.430                            | 24.695                          |
| Corporation taxes   | 14    | 12.283                            | 5.100                           |
| Other payables  | 15    | 21.538                            | 125.260                         |
| Deferred income   | 16    | <u>1.001</u>                      | <u>7.640</u>                    |
| <b>Short-term liabilities</b>                                     |       | <u>75.314</u>                     | <u>168.664</u>                  |
| <b>Total liabilities</b>  |       | <u>79.835</u>                     | <u>185.404</u>                  |
| <b>Total equity and liabilities</b>                               |       | <u>338.130</u>                    | <u>425.998</u>                  |
| Fees to the auditors appointed by the company in general meeting  | 17    |                                   |                                 |
| Contingent assets and liabilities and other financial obligations | 18    |                                   |                                 |
| Related parties and ownership                                     | 19    |                                   |                                 |
| Subsequent events   | 20    |                                   |                                 |

## Notes

|   | 2015/16<br>DKK'000 | 2014/15<br>DKK'000 |
|---|--------------------|--------------------|
| <b>Note 1. Revenue</b>                        |                    |                    |
| Segmentation of revenue on geographical area: |                    |                    |
| Denmark                                       | 16.930             | 16.787             |
| Scandinavia – other                           | 11.892             | 8.944              |
| UK  | 7.133              | 40.788             |
| Europe – other                                | 74.148             | 80.231             |
| USA   | 97.846             | 125.859            |
| Asia, Pacific and rest of world               | <u>121.765</u>     | <u>110.143</u>     |
|   | <u>329.714</u>     | <u>382.752</u>     |

In 2014/15, the Company's activities in the UK were carried out through a branch. At 1 August 2015, the branch was converted from a branch into a private limited company. In prior years, the UK branch was accounted for as an integral part of the Company's financial statements.

|                              |                |                |
|------------------------------|----------------|----------------|
| <b>Note 2. Staff costs</b>   |                |                |
| Analysis of staff costs:     |                |                |
| Wages and salaries           | 98.171         | 104.871        |
| Pension costs                | 7.524          | 7.506          |
| Other social security costs  | <u>1.693</u>   | <u>1.604</u>   |
|                              | 107.388        | 113.981        |
| Capitalized development cost | <u>-20.230</u> | <u>-14.436</u> |
|                              | <u>87.158</u>  | <u>99.545</u>  |

Wages and Salaries, pensions, other social security expenses and other staff expenses are recognised in the following items:

|                                   |               |               |
|-----------------------------------|---------------|---------------|
| Cost of goods sold                | 7.356         | 6.572         |
| Sales – and distribution expenses | 26.447        | 30.970        |
| Development expenses              | 45.178        | 53.758        |
| Administrative expenses           | <u>8.177</u>  | <u>8.245</u>  |
|                                   | <u>87.158</u> | <u>99.545</u> |

Salaries and fees paid to the executive and supervisory boards:

|  |              |              |
|--|--------------|--------------|
| Executive board  | 4.795        | 6.796        |
| Supervisory board  | <u>0</u>     | <u>0</u>     |
| Salaries and fees paid to the executive and supervisory boards | <u>4.795</u> | <u>6.796</u> |

|                             |            |            |
|-----------------------------|------------|------------|
| Average number of employees | <u>137</u> | <u>146</u> |
|-----------------------------|------------|------------|

The executive board and other selected individuals are part of the Analogic stock compensation plan.

**Notes (continued)**

|  | 2015/16<br>DKK'000 | 2014/15<br>DKK'000 |
|--|--------------------|--------------------|
| <b>Note 3. Other financial income</b>                        |                    |                    |
| Interest receivable, group enterprises                       | 214                | 196                |
| Dividend from group enterprises                              | 2.382              | 0                  |
| Other interest receivable, exchange gains and similar income | <u>1.089</u>       | <u>11.311</u>      |
|  | <u>3.685</u>       | <u>11.507</u>      |
| <br>   |                    |                    |
| <b>Note 4. Other financial expenses</b>                      |                    |                    |
| Interest expense on reported case                            | 0                  | 25.887             |
| Interest payable, exchange losses and similar expenses       | 137                | 115                |
| Bank charges   | <u>331</u>         | <u>278</u>         |
|  | <u>468</u>         | <u>26.280</u>      |
| <br>   |                    |                    |
| <b>Note 5. Tax for the year</b>                              |                    |                    |
| Estimated income tax charge, excl. interest surcharges       | 0                  | 11.731             |
| Change in provision for deferred tax                         | <u>12.776</u>      | <u>-3.565</u>      |
|  | 12.776             | 8.166              |
| Prior year adjustments                                       | <u>555</u>         | <u>63</u>          |
|  | <u>13.331</u>      | <u>8.229</u>       |



## Notes (continued)

### Note 6. Intangible assets

|                                     | Completed<br>development<br>projects | Development<br>projects in<br>progress | Total          |
|-------------------------------------|--------------------------------------|--|----------------|
| <b>Cost</b>                         |                                      |  |                |
| Balance at 1/8 2015                 | 128.386                              | 8.906                                  | 137.292        |
| Additions in the year               | 0                                    | 20.230                                 | 20.230         |
| Transfers in the year               | <u>1.019</u>                         | <u>-1.019</u>                          | <u>0</u>       |
| <b>Cost at 31/7 2016</b>            | <u>129.405</u>                       | <u>28.117</u>                          | <u>157.522</u> |
| <b>Amortisation</b>                 |                                      |  |                |
| Balance at 1/8 2015                 | 46.886                               | 0                                      | 46.886         |
| Amortisation in the year            | <u>19.284</u>                        | <u>0</u>                               | <u>19.284</u>  |
| <b>Amortisation at 31/7-2016</b>    | <u>66.170</u>                        | <u>0</u>                               | <u>66.170</u>  |
| <b>Carrying amount at 31/7 2016</b> | <u>63.235</u>                        | <u>28.117</u>                          | <u>91.352</u>  |
| <b>Amortised over</b>               | <u><b>5 years</b></u>                |  |                |

The impairment test performed did not give rise to any write down of the assets.

|   | 2015/2016<br>DKK'000 | 2014/15<br>DKK'000 |
|---|----------------------|--------------------|
| Amortisation of intangible assets is recognised in the following items: |                      |                    |
| Cost of goods sold  | <u>19.284</u>        | <u>15.086</u>      |
|   | <u>19.284</u>        | <u>15.086</u>      |

## Notes (continued)

### Note 7. Property, plant and equipment

|   | Land and<br>buildings | Plant and<br>machinery | Other<br>fixtures and<br>fittings tools<br>and equipment | Total          |
|---|-----------------------|------------------------|--|----------------|
| <b>Cost</b>                                   |                       |                        |  |                |
| Balance at 1/8 2015                           | 134.295               | 37.699                 | 17.596   | 189.590        |
| Transfers in the year                         | 0                     | -685                   | 1.592  | 907            |
| Additions in the year                         | 2.369                 | 5.812                  | 655  | 8.836          |
| Disposals in the year                         | 0                     | 247                    | 1.058  | 1.305          |
| <b>Cost at 31/7 2016</b>                      | <b>136.664</b>        | <b>42.579</b>          | <b>18.785</b>  | <b>198.028</b> |
| <b>Depreciation</b>                           |                       |                        |  |                |
| Balance at 1/8 2015                           | 37.756                | 31.896                 | 13.848   | 83.500         |
| Transfers in the year                         | 0                     | -685                   | 627  | -58            |
| Depreciation in the year                      | 3.369                 | 1.569                  | 1.641  | 6.579          |
| Depreciation of disposals and scrapped assets | 0                     | 109                    | 955  | 1.064          |
| <b>Depreciation at 31/7 2016</b>              | <b>41.125</b>         | <b>32.671</b>          | <b>15.161</b>  | <b>88.957</b>  |
| <b>Carrying amount at 31/7 2016</b>           | <b>95.539</b>         | <b>9.908</b>           | <b>3.624</b>   | <b>109.071</b> |
| Amortised over                                | <u>40 years</u>       | <u>3-7 years</u>       | <u>3-8 years</u>   |                |

The impairment test performed did not give rise to any write down of the assets.

|   | 2015/2016<br>DKK'000 | 2014/15<br>DKK'000 |
|---|----------------------|--------------------|
| Amortisations of tangible assets are recognised in the following items: |                      |                    |
| Cost of goods sold  | 1.959                | 2.121              |
| Sales - and distribution expenses                                       | 897                  | 1.008              |
| Development expenses  | 2.738                | 2.309              |
| Administrative expenses   | 985                  | 1.308              |
|   | <u>6.579</u>         | <u>6.746</u>       |

### Note 8. Investments subsidiaries

Investments in subsidiaries

|                          | Subsidiaries  |
|--------------------------|---------------|
| <b>Cost</b>              |               |
| Balance at 1/8 2015      | 9.169         |
| Additions of enterprises | 9.414         |
| <b>Cost at 1/8 2016</b>  | <b>18.583</b> |

## Notes (continued)

Analysis of the company's results of operations and equity, according to the most recent financial statements:

|                            | Domicile | Currency | Nominal capital | Interest (%) | Equity        | Net profit/loss |
|----------------------------|----------|----------|-----------------|--------------|---------------|-----------------|
| <b>Group enterprises</b>   |          |          |                 |              |               |                 |
| BK Medical Systems, Inc.   | USA      | USD      | 679             | 100          | 50.889        | 18.701          |
| BK Medical G.m.b.H         | GER      | EUR      | 3.731           | 100          | 10.878        | 2.114           |
| BK Medical Benelux N.V.S.A | BEL      | EUR      | 463             | 100          | 4.693         | 703             |
| BK Medical S.r.l           | ITA      | EUR      | 1.978           | 100          | 3.607         | 237             |
| BK Medical AB              | SWE      | SEK      | 236             | 100          | 9.736         | 621             |
| BK Ultrasound Limited      | UK       | GBP      | 9.413           | 100          | 8.672         | 963             |
|                            |          |          |                 |              | <u>88.475</u> | <u>23.339</u>   |

All foreign subsidiaries are recognised and measured as separate entities.

In the section above the annual published report for 2015/16 were used for Belgium and Italy, the annual published report for 2014/15 were used for Germany and Sweden. USA and UK is based of non-published numbers for 2015/16.

### Note 9. Investments

|                                     | Receivables from group enterprises |
|-------------------------------------|------------------------------------|
| <b>Cost</b>                         |                                    |
| Balance at 1/8 2015                 | 7.600                              |
| <b>Cost at 31/7 2016</b>            | <u>7.600</u>                       |
| <b>Currency revaluations</b>        |                                    |
| Revaluations at 1/8 2015            | 11                                 |
| Revaluations in the year            | <u>-23</u>                         |
| <b>Revaluations at 31/7 2016</b>    | <u>-12</u>                         |
| <b>Carrying amount at 31/7 2016</b> | <u><u>7.588</u></u>                |

### Note 10. Inventory

|                                     | 2015/2016<br>DKK'000 | 2014/15<br>DKK'000   |
|-------------------------------------|----------------------|----------------------|
| Raw materials and consumables       | 1.221                | 1.323                |
| Finished goods and goods for resale | <u>14.487</u>        | <u>33.032</u>        |
|                                     | <u><u>15.708</u></u> | <u><u>34.355</u></u> |

## Notes (continued)

### Note 11. Statement of changes in equity

|                              | Retained earnings/ |                  | Proposed dividend | Total          |
|------------------------------|--------------------|------------------|-------------------|----------------|
|                              | Share capital      | Accumulated loss |                   |                |
| Balance at 1/8 2015          | 64.225             | 145.726          | 15.000            | 224.951        |
| Exchange adjustment          | 0                  | -18              | 0                 | -18            |
| Dividends distributed        | 0                  | 0                | -15.000           | -15.000        |
| Net profit/loss for the year | 0                  | 4.942            | 15.000            | 19.942         |
| <b>Equity at 31/7 2016</b>   | <b>64.225</b>      | <b>150.650</b>   | <b>15.000</b>     | <b>229.875</b> |

The share capital consists of 64.225 shares of a nominal value of DKK 1.000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

|  | 2015/2016<br>DKK'000 | 2014/15<br>DKK'000 |
|--|----------------------|--------------------|
| <b>Note 12. Deferred tax provisions</b>                  |                      |                    |
| Intangible assets  | 19.580               | 19.113             |
| Property, plant and equipment                            | 2.149                | 3.058              |
| Fixed assets investments                                 | 1.823                | 1.828              |
| Trade receivable   | -396                 | -445               |
| Intercompany profit on inventory                         | 0                    | -212               |
| Accruals   | -1.098               | -18.385            |
| Loss carried forward                                     | -9.554               | 0                  |
| Other payables   | <u>-964</u>          | <u>-781</u>        |
|  | 11.539               | 4.176              |
| Accounting estimate for write down of deferred tax asset | <u>16.881</u>        | <u>11.467</u>      |
|  | <u>28.420</u>        | <u>15.643</u>      |

A tax rate of 22% has been applied to the statement of deferred tax both in the current and in the past year.

### Note 13. Other provisions

The Company provides warranties of 1 year on some of its products and is therefore obliged to repair or replace goods. Based on previous experience in respect of the level of repairs and returns, other provisions have been recognised for expected warranty claims.

Since the parent company offers a 1 year warranty towards BK Medical ApS, and we buy our products for sales from our parent company, the warranty provision has been transferred to the parent company during the last fiscal year. The transfer did not have effect on the profit and loss statement.

## Notes (continued)

### Note 14. Long-term liabilities

Of the long-term liabilities, DKK 0 thousand falls due for payment after more than 5 years after the balance sheet date.

Breakdown of certain liabilities by long-term and short-term liabilities:

|               | Falling due<br>between<br>1 and 5 years | Falling<br>due after more<br>than 5 years | Total long-term<br>liabilities at<br>31/7 2016 | Falling<br>due within<br>1 year | Total         |
|---------------|---|---|--|---------------------------------|---------------|
| Other payable | 3.605                                   | 0   | 3.605  | 21.538                          | 25.143        |
|               | <u>3.605</u>                            | <u>0</u>                                  | <u>3.605</u>                                   | <u>21.538</u>                   | <u>25.143</u> |

| 31/7 2016<br>DKK'000 | 31/7 2015<br>DKK'000 |
|----------------------|----------------------|
|----------------------|----------------------|

### Note 15. Other payables

|               |               |                |
|---------------|---------------|----------------|
| Other payable | <u>21.538</u> | <u>125.260</u> |
|               | <u>21.538</u> | <u>125.260</u> |

As initially disclosed in our annual report for the financial year ended 31 July 2011, we identified certain transactions involving certain of our foreign distributors with respect to which we raised questions concerning compliance with law, including Danish law and the U.S. Foreign Corrupt Practices Act, and our business policies. Our ultimate parent company, Analogic, voluntarily disclosed this matter to the Danish Government, the U.S. Department of Justice (DOJ) and the Securities and Exchange Commissions (SEC), and cooperated with inquiries by the Danish Government, the DOJ and the SEC to reach a resolution of this matter in the fiscal year ended 31 July 2016. On 22 June 2016, Analogic issued a press release announcing that we had reached agreements with the SEC, the DOJ and the Danish Government to resolve the matters we had voluntarily disclosed. As a result of these resolutions, we paid a total of USD 14.9 million (DKK 101.1 million) in disgorgement, interest and penalties. We do not expect any further inquiries related to this matter.

In the annual report for 2014/15, we accrued a charge of USD 14.9 million (DKK 101.1 million), of which USD 11.1 million (DKK 75.2 million) was classified as general and administrative expense, and USD 3.8 million (DKK 25.9 million) was classified as interest expense.

### Note 16. Deferred income

Deferred income is mainly relating to service contracts and of income where the revenue recognition criteria as to collectability has not been met.

## Notes (continued)

|  | 31/7 2016<br>DKK'000 | 31/7 2015<br>DKK'000 |
|--|----------------------|----------------------|
| <b>Note 17. Fees to the auditors appointed by the company in general meeting</b> |                      |                      |
| Fee for statutory audit  | 391                  | 495                  |
| Fee for other assurance engagements  | 33                   | 73                   |
| Fee for tax advice   | 34                   | 34                   |
| Fee for non-audit services   | <u>0</u>             | <u>88</u>            |
|  | <u>458</u>           | <u>690</u>           |

|   | 2015/16<br>DKK'000 | 2014/15<br>DKK'000 |
|---|--------------------|--------------------|
| <b>Note 18. Contingent assets and liabilities and other financial obligations</b> |                    |                    |
| <b>Rental agreements and leases</b>   |                    |                    |
| Lease obligations under operating leases. Total future lease payments:            |                    |                    |
| Within a year   | 613                | 1.343              |
| Between 1 and 5 years   | <u>424</u>         | <u>1.082</u>       |
|   | <u>1.037</u>       | <u>2.425</u>       |

### Contingent liabilities

Through its bankers, the Company has as per 31 July 2016 issued payment, advance and performance guarantees totalling DKK 31 thousand (2014/15: DKK 31 thousand).

The Danish group companies are jointly and severally liable for tax on the Group's jointly taxed for the income year 2015/16.

### Note 19. Related parties

#### Controlling interest

Basis \_\_\_\_\_

Analogic Corporation  
8 Centennial Drive  
Peabody, MA 01960  
USA

Ultimate parent company

Analogic Holding Luxembourg S.á.r.l.  
5 rue Guillaume Kroll  
1882 Luxembourg

Intermediate parent company

BK Medical Holding ApS  
Mileparken 34  
DK-2730 Herlev

Immediate parent company

## **Notes (continued)**

### **Ownership**

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

BK Medical Holding ApS, Mileparken 34, DK-2730 Herlev

### **Consolidated Financial Statements**

The Company is included in the Consolidated Financial Statements of the Parent Company Analogic Corporation.

The Consolidated Financial Statements of Analogic Corporation may be obtained at the following address:

Analogic Corporation  
8 Centennial Drive  
Peabody, MA 01960  
USA

### **Note 20. Subsequent events**

After the balance sheet date no significant events have occurred which are considered to have a material effect on the assessment of the Annual Report.

