
MediLink A/S

Klintehøj Vænge 6, DK-3460 Birkerød

Annual Report for 1 July 2020 - 30 June 2021

CVR No 19 30 15 40

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
03/11 2021

Niels Ulrik Heine
Chairman of the General
Meeting



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Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of MediLink A/S for the financial year 1 July 2020 - 30 June 2021.

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 financial position at 30 June 2021 of the Company and of the results of the Company operations for 2020/21.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Birkerød, 3 November 2021

Executive Board

Christian Kjerulf-Jensen
CEO

Board of Directors

Niels Ulrik Heine
Chairman

Christian Kjerulf-Jensen

Dorthe Kjerulf

Ole Kjerulf-Jensen

Bent Sørensen Kjærsgaard

Kim Domela Kjøller

Independent Auditor's Report

To the Shareholder of MediLink A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 30 June 2021 and of the results of the Company's operations for the financial year 1 July 2020 - 30 June 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of MediLink A/S for the financial year 1 July 2020 - 30 June 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Management's responsibilities for the Financial Statements

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

Independent Auditor's Report

ment, 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 about 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 applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events

Independent Auditor's Report

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.

Hillerød, 3 November 2021

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Carsten Blicher

statsautoriseret revisor

mne16560

Company Information

The Company

MediLink A/S
Klintehøj Vænge 6
DK-3460 Birkerød

Telephone: + 45 70 22 30 15
E-mail: medilink@medilink.dk
Website: www.medilink.dk

CVR No: 19 30 15 40
Financial period: 1 July - 30 June
Incorporated: 28 May 1996
Municipality of reg. office: Rudersdal

Board of Directors

Niels Ulrik Heine, Chairman
Christian Kjerulf-Jensen
Dorthe Kjerulf
Ole Kjerulf-Jensen
Bent Sørensen Kjærsgaard
Kim Domela Kjøller

Executive Board

Christian Kjerulf-Jensen

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Milnersvej 43
DK-3400 Hillerød

Group Chart

Tilknyttet virksomhed *Group Enterprises*

DOC ApS
Klintehøj Vænge 6
3460 Birkerød
Ultimativ modervirksomhed
Ultimate parent company

DOC-BIBAWO A/S
Klintehøj Vænge 6
3460 Birkerød
Modervirksomhed
Parent company

BIBAWO Medical A/S
Klintehøj Vænge 6
3460 Birkerød
Søstervirksomhed
Affiliated company

DOC-Jensby ApS
c/o Ejendomsadministrationen
4-B A/S
Store Kongensgade 67 B
1264 København K
Søstervirksomhed
Affiliated company

BIBAWO Medical AB
Järnåkravägen 21 A
222 25 Lund, Sverige
Søstervirksomhed
Affiliated company

BIBAWO Medical Unipessoal LDA
Rua Júlio Dinis, 247, 6. E-1
Edifício Mota Galiza
4050-324 Porto, Portugal
Søstervirksomhed
Affiliated company

BIBAWO Medical Private Limited
53, Green Garden Apartments
Waman Patil
Mumbai City, Indien
Søstervirksomhed
Affiliated company

Management's Review

Key activities

As in previous years, the company's main activity has been import and sale of pharmaceuticals and medical equipment. Sales are made to wholesalers, clinics, hospitals and dealers in Denmark and Europe.

Development in the year

The income statement of the Company for 2020/21 shows a profit of DKK 4,980,307, and at 30 June 2021 the balance sheet of the Company shows equity of DKK 13,803,154.

Profit for the year is considered satisfactory.

During the financial year, the company sold a product in medical equipment to a sister company. In connection with the transfer, a number of employees have been transferred to the purchasing company.

Targets and expectations for the year ahead

The company expects positive earnings in 2021/22.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 July - 30 June

	Note	2020/21 DKK	2019/20 DKK
Gross profit/loss		18.096.464	18.871.032
Distribution expenses	1	-4.922.107	-7.888.598
Development expenditure	1	-3.876.851	-5.158.436
Administrative expenses	1	-2.918.127	-3.036.824
Operating profit/loss		6.379.379	2.787.174
Profit/loss before financial income and expenses		6.379.379	2.787.174
Financial income	2	196.603	134.612
Financial expenses	3	-239.441	-459.302
Profit/loss before tax		6.336.541	2.462.484
Tax on profit/loss for the year	4	-1.356.234	-549.315
Net profit/loss for the year		4.980.307	1.913.169

Distribution of profit

Proposed distribution of profit

Proposed dividend for the year	10.000.000	500.000
Retained earnings	-5.019.693	1.413.169
	4.980.307	1.913.169

Balance Sheet 30 June

Assets

	Note	2021 DKK	2020 DKK
Acquired product rights and licenses		113.890	164.514
Intangible assets	5	113.890	164.514
Other fixtures and fittings, tools and equipment		178.975	244.085
Property, plant and equipment	6	178.975	244.085
Deposits		44.700	166.616
Fixed asset investments		44.700	166.616
Fixed assets		337.565	575.215
Raw materials and consumables		1.263.387	3.804.250
Work in progress		582.065	330.876
Finished goods and goods for resale		6.585.565	6.537.684
Inventories		8.431.017	10.672.810
Trade receivables		6.075.473	5.110.214
Receivables from group enterprises		3.858.887	837.171
Other receivables		1.354.481	113.714
Prepayments		492.365	484.075
Receivables		11.781.206	6.545.174
Cash at bank and in hand		1.170.421	337.890
Currents assets		21.382.644	17.555.874
Assets		21.720.209	18.131.089

Balance Sheet 30 June

Liabilities and equity

	Note	2021 DKK	2020 DKK
Share capital		1.000.000	1.000.000
Retained earnings		2.803.154	7.822.847
Proposed dividend for the year		10.000.000	500.000
Equity		13.803.154	9.322.847
Provision for deferred tax		28.626	42.153
Provisions		28.626	42.153
Credit institutions		2.229	3.285.702
Trade payables		3.958.861	3.618.203
Payables to group enterprises		2.306.205	0
Payables to owners and Management		30.000	22.278
Payables to group enterprises relating to corporation tax		1.369.761	555.772
Other payables		221.373	1.284.134
Short-term debt		7.888.429	8.766.089
Debt		7.888.429	8.766.089
Liabilities and equity		21.720.209	18.131.089
Contingent assets, liabilities and other financial obligations	7		
Accounting Policies	8		

Statement of Changes in Equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
	DKK	DKK	DKK	DKK
Equity at 1 July	1.000.000	7.822.847	500.000	9.322.847
Ordinary dividend paid	0	0	-500.000	-500.000
Net profit/loss for the year	0	-5.019.693	10.000.000	4.980.307
Equity at 30 June	1.000.000	2.803.154	10.000.000	13.803.154

Notes to the Financial Statements

	<u>2020/21</u>	<u>2019/20</u>
	DKK	DKK
1 Staff		
Wages and Salaries	1.572.391	5.018.503
Pensions	124.512	422.669
Other social security expenses	1.768	51.285
Other staff expenses	618	245.302
	<u>1.699.289</u>	<u>5.737.759</u>
Wages and Salaries, pensions, other social security expenses and other staff expenses are recognised in the following items:		
Cost of sales	118.383	408.619
Distribution expenses	811.769	2.745.740
Development expenditure	295.606	930.852
Administrative expenses	473.531	1.652.548
	<u>1.699.289</u>	<u>5.737.759</u>
Average number of employees	<u>1</u>	<u>10</u>
2 Financial income		
Interest received from group enterprises	77.306	0
Other financial income	119.297	134.612
	<u>196.603</u>	<u>134.612</u>
3 Financial expenses		
Interest paid to group enterprises	0	136.922
Other financial expenses	239.441	322.380
	<u>239.441</u>	<u>459.302</u>

Notes to the Financial Statements

	2020/21 DKK	2019/20 DKK
4 Tax on profit/loss for the year		
Current tax for the year	1.369.759	555.772
Deferred tax for the year	-13.525	-6.457
	1.356.234	549.315

5 Intangible assets

	Acquired product rights and licenses DKK
Cost at 1 July	253.106
Cost at 30 June	253.106
Impairment losses and amortisation at 1 July	88.592
Amortisation for the year	50.624
Impairment losses and amortisation at 30 June	139.216
Carrying amount at 30 June	113.890

	2020/21 DKK	2019/20 DKK
Amortisation and impairment of intangible assets are recognised in the following items:		
Administrative expenses	50.624	50.624
	50.624	50.624

Notes to the Financial Statements

6 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost at 1 July	580.786
Cost at 30 June	580.786
Impairment losses and depreciation at 1 July	336.701
Depreciation for the year	65.110
Impairment losses and depreciation at 30 June	401.811
Carrying amount at 30 June	178.975

	2020/21 DKK	2019/20 DKK
Depreciation and impairment of property, plant and equipment are recognised in the following items:		
Cost of sales	8.091	2.342
Distribution expenses	29.429	29.924
Development expenditure	10.423	4.152
Administrative expenses	17.167	14.637
	65.110	51.055

Notes to the Financial Statements

	2021 DKK	2020 DKK
7 Contingent assets, liabilities and other financial obligations		
Charges and security		
The following assets have been placed as security with bankers:		
Company loan / indemnity letter nom. 4.5 million DKK in favor of DOC ApS with mortgage in simple receivables from sales of goods and services, inventory, operating equipment as well as goodwill, etc. at a total carrying amount of	14.685.465	15.847.129
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	178.000	0
Between 1 and 5 years	534.000	0
	712.000	0
Other contingent liabilities		
A self-guarantee has been issued to DOC ApS's, DOC-BIBAWO A/S's and BIBAWO Medical A/S's engagement with the bank. The engagement amounts to 30 June (- = debt)	3.878.157	456.620
The Danish group companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of DOC ApS, which is the management company of the joint taxation purposes. Moreover, the Danish group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on un-earned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.		
Including to group enterprises		
Charges and security in assets with a total carrying amount of	14.685.465	15.847.129

Notes to the Financial Statements

8 Accounting Policies

The Annual Report of MediLink A/S for 2020/21 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2020/21 are presented in DKK.

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 cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised 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.

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences 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. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Notes to the Financial Statements

8 Accounting Policies (continued)

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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

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

Income Statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct and indirect production costs such as salaries, maintenance and depreciation, etc.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, cost of sales, other operating income.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

Development expenditure

Development expenditure comprise salaries, consultancy and depreciation, etc.

Administrative expenses

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

Notes to the Financial Statements

8 Accounting Policies (continued)

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company.

Financial income and expenses

Financial income and expenses comprise interest, realised and unrealised exchange adjustments as well as extra payments and repayment under the onaccount taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in 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.

The Company is jointly taxed with its parent companies and danish affiliated companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Acquired product rights are measured at the lower of cost less accumulated amortisation and recoverable amount. Acquired product rights and licenses are amortised linearly over the expected useful life, which is estimated to be 5-7 years.

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.

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:

Other fixtures and fittings, tools and equipment	3-10	years
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The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Notes to the Financial Statements

8 Accounting Policies (continued)

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, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments consist of deposit.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and with addition of indirect production costs.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Prepayments

Prepayments comprise prepaid expenses concerning subsequent financial year.

Equity

Dividend

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

Notes to the Financial Statements

8 Accounting Policies (continued)

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 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 or in equity if the deferred tax relates to items recognised in equity.

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

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.