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# ***Oxoid A/S***

Kamstrupvej 90, DK-4000 Roskilde

## **Annual Report for 1 January - 31 December 2016**

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CVR No 19 62 36 02

The Annual Report was  
presented and adopted at  
the Annual General  
Meeting of the Company on  
24/5 2017

Magnus Bojer-Larsen  
Chairman



**pwc**

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# Management's Statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Oxoid A/S for the financial year 1 January - 31 December 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 financial position at 31 December 2016 of the Company and of the results of the Company operations for 2016.

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

Roskilde, 24 May 2017

## Executive Board

Grant Hellier Lawrence  
Executive Officer

## Board of Directors

Petrus Thomas Adrianus van der  
Zande

Anthony Hugh Smith

Grant Hellier Lawrence

# Independent Auditor's Report

To the Shareholders of Oxoid A/S

## Opinion

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

We have audited the Financial Statements of Oxoid A/S for the financial year 1 January - 31 December 2016, 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' 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 requirements. 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.

# Independent Auditor's Report

## 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 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 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.

## Independent Auditor's Report

- 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.

København, 24 May 2017

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

*CVR No 33 77 12 31*

Mikkel Sthyr  
State Authorised Public Accountant

Morten Jørgensen  
State Authorised Public Accountant

## **Company Information**

### **The Company**

Oxoid A/S  
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DK-4000 Roskilde

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Facsimile: +45 44 97 97 45  
E-mail: Oxoid@oxoid.dk  
Website: www.oxoid.dk

CVR No: 19 62 36 02  
Financial period: 1 January - 31 December  
Municipality of reg. office: Roskilde

### **Board of Directors**

Petrus Thomas Adrianus van der Zande  
Anthony Hugh Smith  
Grant Hellier Lawrence

### **Executive Board**

Grant Hellier Lawrence

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Strandvejen 44  
DK-2900 Hellerup

## **Management's Review**

Financial Statements of Oxoid A/S for 2016 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 Annual Report has been prepared under the same accounting policies as last year.

### **Main activity**

The Company markets and sells products designed to culture and diagnose microorganisms from clinical, food or other test.

### **Market overview**

Oxoid A/S is part of Thermo Fisher Scientific, world leader in servicing science. Thermo Fisher Scientific assists our customers in making the world healthier, cleaner and safer by delivering analytical instruments, equipment, reagents and consumables, software and service for research, analyses, development and diagnostics. With annual sales of USD 12 billion and 39,000 employees we service more than 350,000 customers in pharmaceutical and biotechnological firms, hospitals and laboratories for clinical diagnostics, universities, research institutions and public enterprises as well as for quality and process control of the environment and in the industry.

Thermofisher Scientific has 4 overall values; Integrity, Innovation, Intensity and Involvement.

Oxoid, which is a recognised brand under Thermo Scientific, is one of the world's leading manufacturers of microbiological culture media and other diagnostic products within microbiology. Oxoid's product assortment is used in clinical and industrial laboratories for isolation and identification of bacteria or other organisms causing disease or tainting of food.

In Oxoid A/S, Danmark, we have broken down our market on the following three main segments: food industry, pharmaceutical industry and clinical microbiological laboratories in Danish hospitals. Moreover, some customers fall outside these three main segments.

### **Development in the year**

The income statement of the Company for 2016 shows a profit of DKK 12,066,930, and at 31 December 2016 the balance sheet of the Company shows equity of DKK 25,971,400.

### **Subsequent events**

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



## Income Statement 1 January - 31 December

	Note	2016 DKK	2015 DKK
<b>Gross profit/loss</b>		<b>22.294.040</b>	<b>23.136.276</b>
Staff expenses	1	-6.320.104	-7.210.050
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment	2	-489.180	-498.955
<b>Profit/loss before financial income and expenses</b>		<b>15.484.756</b>	<b>15.427.271</b>
Financial income		5.431	1.104
Financial expenses		-19.765	-10.273
<b>Profit/loss before tax</b>		<b>15.470.422</b>	<b>15.418.102</b>
Tax on profit/loss for the year	3	-3.403.492	-3.551.797
<b>Net profit/loss for the year</b>		<b>12.066.930</b>	<b>11.866.305</b>

## Distribution of profit

### Proposed distribution of profit

Extraordinary dividend paid	62.279.000	0
Retained earnings	-50.212.070	11.866.305
	<b>12.066.930</b>	<b>11.866.305</b>

# Balance Sheet 31 December

## Assets

	Note	2016 DKK	2015 DKK
Completed development projects		325.560	741.030
<b>Intangible assets</b>	4	<b>325.560</b>	<b>741.030</b>
Other fixtures and fittings, tools and equipment		15.036	29.136
Leasehold improvements		2.728	62.339
<b>Property, plant and equipment</b>	5	<b>17.764</b>	<b>91.475</b>
<b>Fixed assets</b>		<b>343.324</b>	<b>832.505</b>
Trade receivables		6.257.437	7.033.714
Receivables from group enterprises		28.393.889	78.256.902
Other receivables		41.350	91.684
Deferred tax asset		39.313	0
<b>Receivables</b>		<b>34.731.989</b>	<b>85.382.300</b>
<b>Currents assets</b>		<b>34.731.989</b>	<b>85.382.300</b>
<b>Assets</b>		<b>35.075.313</b>	<b>86.214.805</b>

# Balance Sheet 31 December

## Liabilities and equity

	Note	2016 DKK	2015 DKK
Share capital		500.000	500.000
Retained earnings		25.471.400	75.683.470
<b>Equity</b>		<b>25.971.400</b>	<b>76.183.470</b>
Provision for deferred tax		0	46.098
<b>Provisions</b>		<b>0</b>	<b>46.098</b>
Trade payables		442.413	284.834
Payables to group enterprises		1.544.569	1.764.083
Corporation tax		3.402.817	3.621.696
Other payables		3.714.114	4.314.624
<b>Short-term debt</b>		<b>9.103.913</b>	<b>9.985.237</b>
<b>Debt</b>		<b>9.103.913</b>	<b>9.985.237</b>
<b>Liabilities and equity</b>		<b>35.075.313</b>	<b>86.214.805</b>
Contingent assets, liabilities and other financial obligations	6		
Related parties	7		

## Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	500.000	75.683.470	76.183.470
Extraordinary dividend paid	0	-62.279.000	-62.279.000
Net profit/loss for the year	0	12.066.930	12.066.930
<b>Equity at 31 December</b>	<b>500.000</b>	<b>25.471.400</b>	<b>25.971.400</b>

The share capital consists of 500 shares of a nominal DKK 1.000. No shares carry any special rights.

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

# Notes to the Financial Statements

	<u>2016</u>	<u>2015</u>
	DKK	DKK
<b>1 Staff expenses</b>		
Wages and salaries	4.670.948	6.428.722
Pensions	378.957	499.347
Other social security expenses	94.436	95.459
Other staff expenses	<u>1.175.763</u>	<u>186.522</u>
	<b><u>6.320.104</u></b>	<b><u>7.210.050</u></b>
<b>Average number of employees</b>	<b><u>13</u></b>	<b><u>15</u></b>
<b>2 Depreciation, amortisation and impairment of intangible assets and property, plant and equipment</b>		
Amortisation of intangible assets	415.468	401.204
Depreciation of property, plant and equipment	<u>73.712</u>	<u>97.751</u>
	<b><u>489.180</u></b>	<b><u>498.955</u></b>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	3.488.903	3.707.760
Deferred tax for the year	-85.411	-79.129
Adjustment of deferred tax concerning previous years	<u>0</u>	<u>-76.834</u>
	<b><u>3.403.492</u></b>	<b><u>3.551.797</u></b>

# Notes to the Financial Statements

## 4 Intangible assets

	Completed development projects DKK
Cost at 1 January	2.077.339
Cost at 31 December	2.077.339
Impairment losses and amortisation at 1 January	1.336.311
Amortisation for the year	415.468
Impairment losses and amortisation at 31 December	1.751.779
<b>Carrying amount at 31 December</b>	<b>325.560</b>
Amortised over	5 years

## 5 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK	Leasehold improvements DKK
Cost at 1 January	3.046.018	337.379
Disposals for the year	-2.608.266	0
Cost at 31 December	437.752	337.379
Impairment losses and depreciation at 1 January	2.978.742	275.040
Depreciation for the year	52.240	59.611
Reversal of impairment and depreciation of sold assets	-2.608.266	0
Impairment losses and depreciation at 31 December	422.716	334.651
<b>Carrying amount at 31 December</b>	<b>15.036</b>	<b>2.728</b>
Depreciated over	3-10 years	5 years

## Notes to the Financial Statements

	2016	2015
	DKK	DKK
<b>6 Contingent assets, liabilities and other financial obligations</b>		
<b>Rental and lease obligations</b>		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	362.480	199.740
Between 1 and 5 years	473.578	224.867
	<b>836.058</b>	<b>424.607</b>

## 7 Related parties

### Consolidated Financial Statements

The company is included in the consolidated report for the ultimate parent company

Name	Place of registered office
Thermo Fisher Scientific Inc	

The Annual Report of Thermo Fisher Scientific Inc. may be obtained at the following address:

Thermo Fisher Scientific Inc., 168 Third Avenue, Waltham MA 02451, USA.

# Notes, Accounting Policies

## Basis of Preparation

The Annual Report of Oxoid A/S for 2016 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.

Financial Statements for 2016 are presented in DKK.

## Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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.

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.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

## Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.



# Notes, Accounting Policies

## Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

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.

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

### Gross profit

With reference to section 32 of the Danish Financial Statements Act, revenue, expenses for raw materials and consumables and other external expenses has not been disclosed in the Annual Report.

### Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when the sale is considered effected based on the following criteria:

- delivery has been made before year end;
- a binding sales agreement has been made;
- the sales price has been determined; and
- payment has been received or may with reasonable certainty be expected to be received.

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

### Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

### Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

## **Notes, Accounting Policies**

### **Staff expenses**

Staff expenses comprise wages and salaries as well as payroll expenses other than production wages.

### **Amortisation, depreciation and impairment losses**

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### **Financial income and expenses**

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans 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 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 tax recognised in the income statement is classified as tax on ordinary activities and tax on extraordinary items, respectively.

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

The Company is jointly taxed with the danish subsidiaries of the Thermo Fischer entity. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

## **Balance Sheet**

### **Intangible assets**

Completed development projects is measured at cost less accumulated amortisation. Completed development projects is amortised on a straight-line basis over its useful life, which is assessed at 5 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. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers.

## Notes, Accounting Policies

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
Leasehold improvements	5	years

Assets costing less than DKK 12,900 are expensed in the year of acquisition.

### Impairment of fixed assets

The carrying amounts of 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. If so, the asset is written down to its lower recoverable amount.

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.

### 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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

### Dividend

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

### Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

## **Notes, Accounting Policies**

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured 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.

Deferred tax assets and liabilities are offset within the same legal tax entity.

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

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

### **Financial debts**

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