Mölnlycke Health Care ApS

Gydevang 39, 3450 Allerød

Company reg. no. 20 45 61 91

Annual report

1 January - 31 December 2021

The annual report was submitted and approved by the general meeting on the 15 June 2022.

Anna Cecilia Bertilsson
Chairman of the meeting

Contents

Notes:
- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the board of directors and the managing director have presented the annual report of Mölnlycke Health Care ApS for the financial year 1 January - 31 December 2021.

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

We consider the accounting policies appropriate and, in our opinion, the financial statements provide a fair presentation of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the company's results of activities in the financial year 1 January – 31 December 2021.

We are of the opinion that the management commentary presents a fair account of the issues dealt with.

We recommend that the annual report be approved at the Annual General Meeting.

Allerød, 15 June 2022

Managing Director

Anna Cecilia Bertilsson

Board of directors

Enrique Alvarez Lopez	Hanna Maria Johansson	Anna Cecilia Bertilsson

Independent auditor's report

To the Shareholder of Mölnlycke Health Care ApS

Opinion

We have audited the financial statements of Mölnlycke Health Care ApS for the financial year 1 January - 31 December 2021, which comprise income statement, statement of financial position, statement of changes in equity, notes and a summary of significant accounting policies. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2021 and of the results of the company's activities for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". 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.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment 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 the 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 preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 disclosures in notes, and whether the financial statements reflect the underlying transactions and events in a manner that presents a 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 the internal control that we identify during our audit.

Statement on the Management’s Review

Management is responsible for the Management’s Review.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the Management’s Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we believe that Management’s Review is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the Management’s Review.

Copenhagen, 15 June 2022

Deloitte
Statsautoriseret Revisionspartnerselskab
Company reg. no. 33 96 35 56

Jens Sejer Pedersen
State Authorised Public Accountant
mne14986

Company information

The company	Mölnlycke Health Care ApS Gydevang 39 3450 Allerød	
	Company reg. no.	20 45 61 91
	Established:	15 August 1997
	Domicile:	Allerød
	Financial year:	1 January 2021 - 31 December 2021
Board of directors	Enrique Alvarez Lopez Hanna Maria Johansson Anna Cecilia Bertilsson	
Managing Director	Anna Cecilia Bertilsson	
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab	
Parent company	Mölnlycke Health Care AB, Gamlestadsvägen 3 C, 415 02 Göteborg, Sweden	

Financial highlights

DKK in thousands.	2021	2020	2019	2018	2017
Income statement:					
Gross profit	20.193	25.617	24.671	32.626	25.172
Profit from operating activities	5.807	10.455	8.326	11.266	8.223
Net financials	93	-26	-2	-8	-21
Net profit or loss for the year	4.594	8.131	6.414	8.775	6.378
Statement of financial position:					
Balance sheet total	28.407	38.673	33.304	33.169	31.267
Investments in property, plant and equipment	117	136	220	249	23
Equity	5.149	8.855	7.724	10.085	7.688
Employees:					
Average number of full-time employees	19	18	19	20	20
Key figures in %:					
Solvency ratio	18,1	22,9	23,2	30,4	24,6
Return on equity	65,6	98,1	72,0	98,7	85,0

Calculations of key figures and ratios do, in all material respects, follow the recommendations of the Danish Association of Finance Analysts, only in a few respects deviating from the recommendations.

The key figures and ratios shown in the statement of financial highlights have been calculated as follows:

Solvency ratio

$$\frac{\text{Equity, closing balance x 100}}{\text{Total assets, closing balance}}$$

Return on equity

$$\frac{\text{Net profit or loss for the year x 100}}{\text{Average equity}}$$

Management´s review

The principal activities of the company

Mölnlycke Health Care ApS sells and distributes single-use products for surgical and wound care to the healthcare sector, including related services.

Development in activities and financial matters

Profit for the year amounts to DKK 4.594 thousand, which Management considers satisfactory as the performance is in line with expectations for the year.

Year 2020 was challenging and impacting all with the effect of global pandemic. 2020 was followed by a 2021 still impacted by the pandemic, the national nurse strike in Q2-Q3 and the following more permanent lack of nurses, dure to sick leaves, mandatory vacation, nurses resigning, less new nurses starting and a general very low motivation among nurses and doctors. As a result production and activity levels in the healthcare system did not recover as fast as expected after the pandemic and the strike/conflict. The strike was ended, but not the conflict and root cause of the conflict.

In April 2022 the situation still have not recovered, and we still face serious lack of staff and low activity levels/productivity at the public hospitals. Public hospitals have an ambition to get back to 100% activity levels, but remain to operate with 10-15% below normal capacity. The situation mostly challenge our Surgical solutions: ProcedurePak™, BARRIER™ surgical gowns and drapes, Wound care products used in the Operating room and to some extend Surgical Gloves. On top of this we are challenged by very fluctuating sourcing and order patterns from the large public medical warehouses. In combination with a massive challenge in the global logistical systems, access to materials and exploding logistic and material costs, we invest a lot of effort and time in pricing initiatives and in securing supplies to our large public and private customers.

As a result of the lower activity levels at the public hospitals and remaining ambitions of reducing the waiting lists and the +100.000 postponed surgeries, we experience a private sector trying to compensate for the lack of capacity in the public healthcare system. Most large private hospitals and hospitals groups are already our customers since long, and we experience a growing business in this segment.

We see a more positive trend in April-May 2022, as the activity levels at most public hospitals are recovering. Slowly, but with a slightly positive trend. Still large differences from hospital to hospital, depending on access to relevant staff. Can vary from week to week, and has immediate impact on activity levels, as they have no backup. Overall we are more positive in our outlook for Q3 and Q4, assumed that we will handle the global supply challenges, secure a steady product flow to Denmark and that the capacity/staff issue is solved or improved at public hospitals. Also, the ambition of reaching an activity level close to the level before the pandemic and the strike must be met by public hospitals.

Despite the declared ambition by our Health Ministry to increase activity levels in public hospitals our realistic expectation for full year 2022 is a 3-5% marginal underperformance against Financial Target in our Surgical Solution business, as activity levels in Q1-Q2 were considerable below 100%. Despite of this, we overall aim to grow versus 2021 in most focus areas (ProcedurePak™, Surgical Instruments and Advanced Wound care), and our specific aim in Q3 and Q4 is to compensate increased production/logistic costs with focused pricing initiatives and to compensate the slow recovery of the public healthcare system with more focus on the private sector and other customer segments (e.g. Homecare, Dentals, Veterinarians and Private hospitals/clinics) to secure the overall turnover and profit ambitions for Mölnlycke Denmark best possible.

Events occurring after the end of the financial year

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report

Income statement 1 January - 31 December

DKK thousand.

Note		2021	2020
	Gross profit	**20.193**	**25.617**
1	Staff costs	-14.199	-14.967
	Depreciation and impairment of property, land, and equipment	-187	-195
	Operating profit	**5.807**	**10.455**
2	Other financial income from group enterprises	109	23
	Other financial income	6	1
3	Other financial costs	-22	-50
	Pre-tax net profit or loss	**5.900**	**10.429**
4	Tax on net profit or loss for the year	-1.306	-2.298
	Net profit or loss for the year	**4.594**	**8.131**
	Proposed appropriation of net profit:		
	Dividend for the financial year	4.600	8.300
	Allocated from retained earnings	-6	-169
	Total allocations and transfers	**4.594**	**8.131**

Balance sheet at 31 December

DKK thousand.

Note	Assets	2021	2020
	Non-current assets		
5	Goodwill	0	0
	Total intangible assets	0	0
6	Other fixtures and fittings, tools and equipment	205	275
	Total property, plant, and equipment	205	275
	Total non-current assets	**205**	**275**
	Current assets		
	Trade receivables	27.767	25.391
	Receivables from group enterprises	285	10.851
7	Deferred tax assets	38	25
	Other receivables	33	29
8	Prepayments and accrued income	79	48
	Total receivables	28.202	36.344
	Available funds	0	2.054
	Total current assets	**28.202**	**38.398**
	Total assets	**28.407**	**38.673**

Balance sheet at 31 December

DKK thousand.

Note	Equity and liabilities	2021	2020
	Equity		
9	Contributed capital	500	500
	Retained earnings	49	55
	Proposed dividend for the financial year	4.600	8.300
	Total equity	**5.149**	**8.855**
	Liabilities other than provisions		
	Bank loans	207	2
	Trade payables	1.568	2.146
	Payables to group enterprises	14.316	16.690
	Income tax payable	194	13
	Other payables	6.973	10.967
	Total short term liabilities other than provisions	23.258	29.818
	Total liabilities other than provisions	**23.258**	**29.818**
	Total equity and liabilities	**28.407**	**38.673**

10 Contingencies

11 Related parties

Statement of changes in equity

DKK thousand.

	Contributed capital	Retained earnings	Proposed dividend for the financial year	Total
Equity 1 January 2020	500	224	7.000	7.724
Distributed dividend	0	0	-7.000	-7.000
Profit or loss for the year brought forward	0	-169	8.300	8.131
Equity 1 January 2021	500	55	8.300	8.855
Distributed dividend	0	0	-8.300	-8.300
Profit or loss for the year brought forward	0	-6	4.600	4.594
	500	**49**	**4.600**	**5.149**

Notes

DKK thousand.

		2021	2020
1.	**Staff costs**		
	Salaries and wages	12.967	13.754
	Pension costs	1.098	1.075
	Other costs for social security	134	138
		14.199	**14.967**
	Average number of employees	19	18
2.	**Other financial income from group enterprises**		
	Other financial income from group enterprise	109	23
		109	**23**
3.	**Other financial costs**		
	Financial costs, group enterprises	7	11
	Other financial costs	15	39
		22	**50**
4.	**Tax on net profit or loss for the year**		
	Tax of the results for the year, parent company	1.319	2.313
	Adjustment for the year of deferred tax	-13	-15
		1.306	**2.298**

Notes

DKK thousand.

		31/12 2021	31/12 2020
5.	**Goodwill**		
	Cost 1 January 2021	12.477	12.477
	Cost 31 December 2021	**12.477**	**12.477**
	Amortisation and writedown 1 January 2021	-12.477	-12.477
	Amortisation and writedown 31 December 2021	**-12.477**	**-12.477**
	Carrying amount, 31 December 2021	**0**	**0**

6.	**Other fixtures and fittings, tools and equipment**		
	Cost 1 January 2021	848	712
	Additions during the year	117	136
	Disposals during the year	-272	0
	Cost 31 December 2021	**693**	**848**
	Amortisation and writedown 1 January 2021	-573	-378
	Depreciation for the year	-187	-195
	Reversal of depreciation, amortisation and writedown, assets disposed of	272	0
	Amortisation and writedown 31 December 2021	**-488**	**-573**
	Carrying amount, 31 December 2021	**205**	**275**

7.	**Deferred tax assets**		
	Deferred tax assets 1 January 2021	25	10
	Deferred tax of the results for the year	13	15
		38	**25**

8. Prepayments and accrued income

Prepayment comprise incurred costs relating to subsequent financial years.

9. Contributed capital

The share capital consists of 100 shares, each with a nominal value of DKK 5.000,00.
There have not been changes in share capital in the past 5 years.

DKK thousand.

	31/12 2021	31/12 2020

10. Contingencies

Contingent liabilities

	DKK in thousands
Lease liabilities	958
Rental liabilities	1.221
Total contingent liabilities	**2.179**

Joint taxation

With Invifed DK ApS, company reg. no 39 59 58 77 as administration company, the company is subject to the Danish scheme of joint taxation and is proportionally liable for tax claims within the joint taxation scheme.

The company is proportionally liable for any obligations to withhold tax on interest, royalties, and dividends of the jointly taxed companies.

The liabilities amount to a maximum amount corresponding to the share of the company capital, which is owned directly or indirectly by the ultimate parent company.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

11. Related parties

Controlling interest

Parties exercising control are Mölnycke Health Care ApS' principal shareholder Mölnlycke Health Care AB, Gothenburg, Sweden and its principal shareholder Investor AB, Stockholm, Sweden.

Consolidated financial statements

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Investor AB, Stockhom, Sweden

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Mölnycke Health Care AB, Gothenburg, Sweden.

Accounting policies

The annual report for Mölnlycke Health Care ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises. The annual report is presented in DKK.

Changes in the accounting policies

The item “Staff costs” has been reclassified so that certain types of expenses previously recognised under “Staff costs” will, in the future, be recognised under the item “Other external charges”.

The change in classification has no effect on the net profit or loss for the year, nor on the statement of financial position, neither for the current financial year, nor the previous financial year. The comparative figures have been adjusted in accordance with the reclassification.

Except for the above, the accounting policies for the financial statements remain unchanged from last year.

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Income statement

Gross profit

Gross profit comprises the revenue, cost of goods sold, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales

Cost of sales comprises costs of sales for the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes write-downs of receivables recognised in current assets.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members. Staff costs are less government reimbursements.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation, amortisation, and writedown for the year and profit and loss on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Goodwill

Goodwill is amortized straight-line over its estimated useful life which is fixed based om the experience gained by Management for each business area. The amortization period is usually five years, however, in certain cases it may be up to 20 years for strategically acquired enterprises with a strong market position and a long-term earnings profile if the linger amortization period is considered to give a better reflection of the benefit from the relevant resources.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and writedown for impairment.

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	3-5 years	0 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement under depreciation.

Leases

Leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired.If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Impairment losses are calculated as the difference between the carrying amount of accounts receivable and the present value of the expected cash flows, including the realisable value of any securities received. The effective interest rate for the individual account receivable or portfolio is used as the discount rate.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank and on hand.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity. Proposed dividend is recognised as a liability at the time of approval by the annual general meeting (time of declaration).

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

According to the rules of joint taxation, Mölnlycke Health Care ApS is proportionally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Hanna Maria Johansson
Bestyrelsesmedlem
Serial number: 19791208xxxx
IP: 212.247.xxx.xxx
2022-06-21 07:57:48 UTC
BankID

Enrique Alvarez Lopez
Bestyrelsesmedlem
Serial number: enrique.alvarez@molnlycke.com
IP: 81.34.xxx.xxx
2022-06-21 10:22:37 UTC
E.A

ANNA BERTILSSON
Adm. direktør
Serial number: 19730718xxxx
IP: 90.231.xxx.xxx
2022-06-23 07:11:56 UTC
BankID

ANNA BERTILSSON
Bestyrelsesformand
Serial number: 19730718xxxx
IP: 90.231.xxx.xxx
2022-06-23 07:11:56 UTC
BankID

Jens Sejer Pedersen
Statsautoriseret revisor
Serial number: CVR:33963556-RID:89287026
IP: 194.239.xxx.xxx
2022-06-23 07:15:09 UTC
NEM ID

ANNA BERTILSSON
Dirigent
Serial number: 19730718xxxx
IP: 90.231.xxx.xxx
2022-06-23 09:06:23 UTC
BankID