

# AMO DENMARK ApS

Naverland 22  
2600 Glostrup

Annual report  
1 January 2016 - 31 December 2016

**The annual report has been presented and  
approved on the company's general meeting the**

**29/05/2017**

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**Ulrik Bangsbo Hansen**  
**Chairman of general meeting**

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# Company information

<b>Reporting company</b>	AMO DENMARK ApS Naverland 22 2600 Glostrup  CVR-nr: 26543673 Reporting period: 01/01/2016 - 31/12/2016
<b>Main financial institution</b>	Bank of America Denmark  King Edward Street 2 EC1A 1HQ London GB Great Britain
<b>Auditor</b>	ERNST & YOUNG GODKENDT REVISIONSPARTNERSELSKAB Osvald Helmuths Vej 4 2000 Frederiksberg DK Denmark CVR-nr: 30700228 P-number: 1013415044

# Statement by Management

We have today presented the annual report of AMO DENMARK ApS for the financial year 1 January to 31 December 2016. The annual report is presented 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 December 2016 and of the results of the Company's operations for the financial year 1 January – 31 December 2016.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, the 29/05/2017

## Management

Thomas Roat Jørgensen

Jean-Claude Dubacher

# The independent auditor's report on financial statements

To the shareholders of AMO DENMARK ApS

## Opinion

We have audited the financial statements of AMO Denmark ApS for the financial year 1 January–31 December 2016, which comprise an income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the AMO Denmark ApS at 31 December 2016 and of the results of the AMO Denmark ApS operations for the financial year 1 January–31 December 2016 in accordance with the Danish Financial Statements Act.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of management 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 responsibility

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 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 the financial statements.

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

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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 conclusion is based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

## **Statement on the management's review**

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 29/05/2017

Christan Schwenn Johansen  
Mr

ERNST & YOUNG GODKENDT REVISIONSPARTNERSELSKAB  
CVR: 30700228



# Management's Review

## Primary activities

The company is a commission agent for group companies selling contact lens fluids and eye care products. As part of the agreement the Danish company takes care of invoicing, etc., for the foreign group companies. Settlement of debtors' payments to the group companies takes place on an on-going basis. No risk on debtors is incumbent on the company. The company receives commission on its sales from AMO Ireland, an affiliated company and its expenses are reimbursed by AMO Ireland.

## Developments in activities and finances

Sale of contact lens fluid and eye care products has proceeded in accordance with the approved budget.

From 1st January 2012 the employees in the company have moved over to Abbott Laboratories A/S.

Profit of the year amounts to DKK 1,006,200 and is considered satisfactory.

Profit of the year profit will be kept as retained earnings and at 31 December 2016 equity amounts to DKK 8,525,420.

The expectation to next year's profit is in line with 2016.

## Events after the balance sheet date

Abbott Laboratories Inc. completed the sale of Abbott Medical Optics (encompassing AMO Denmark ApS) to Johnson & Johnson on 27 February 2017. This transaction has no effect on the figures disclosed in these financial statements, and management do not anticipate any changes arising from the acquisition that will impact its ability to operate as a going concern over the twelve-month period following the approval of the financial statements.



# Accounting Policies

The annual report has been prepared in accordance with the regulation applying to Reporting class B. There have been options of certain rules in reporting class C.

Accounting policies are changed from previous period.

## ***Accounting policies***

The annual report of AMO DENMARK ApS for 2016 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

## ***Changes to presentation and disclosures only***

Effective 1 January 2016, the Company has implemented act no. 738 of 1 June 2015 with amendments to the Danish Financial Statements Act. As the implementation of the amendment act has no impact in terms of value on the income statement or the balance sheet in the financial year, nor on the comparative figures, the financial statements have been prepared based on the same accounting policies as last year.

The amendment act has solely implied new or changed presentation and disclosure requirements, which have been incorporated in the financial statements.

The annual report is presented in DKK.

## ***Recognition and measurement***

Income is recognized in the income statement as earned. Equally, all costs are recognised in the income statement, including depreciation and impairment.

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

Liabilities are recognized in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

In recognizing and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that materially affect conditions at the balance sheet date are taken into account.

## ***Foreign currency translation***

Transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognized in the income statement as interest income or expense and similar items.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose is recognized in the income statement as interest income or expense and similar items.

## ***Income statement***

**Revenue - Sales commission**

Revenue comprises commission by sale of contact lens fluids and eye care products. Income from the rendering of service (group support functions) is recognised as revenue as the services are rendered.

**Revenue - Reimbursement of expenses**

AMO Denmark's expenses are reimbursed in full by AMO Ireland, an affiliated company.

**Distribution costs**

Distribution costs comprise distribution costs, selling costs, advertising costs, payroll etc.

**Administration costs**

Administration costs comprise costs for administration and management fee.

**Financial income and expense**

Interest income and expense and similar items comprise interest income and expense and realized and unrealized exchange gains and losses on receivables and payables denominated in foreign currencies.

**Tax on the profit for the year**

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognized in equity.

The entity and its Danish group entities are taxed on a joint basis. The Danish income tax charge is allocated between profit-making and loss-making Danish entities in proportion to their taxable income (full allocation method).

Jointly taxed companies entitled to a tax refund are, as a minimum, reimbursed by the management company according to the current rates applicable to interest allowances, and jointly taxed companies having paid too little tax pay, as a maximum, a surcharge according to the current rates applicable to interest surcharges to the management company.

**Balance sheet**

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

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:

Tools and equipment: 3 years

Fixtures and fittings: 5 years

**Receivables**

Receivables are measured at amortized cost. Provision is made for anticipated losses.

**Prepayments**

Prepayments comprise costs incurred concerning subsequent financial years.

**Corporation tax**

Current tax payable and receivable is recognized in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income in prior years and for tax paid on account.

Deferred tax is measured using the balance sheet liability method on all temporary

differences between the carrying amount and the tax value of assets and liabilities. Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Changes in deferred tax due to changes in the tax rate are recognized in the income statement.

### ***Cash***

Cash and cash equivalents comprise cash which are subject to an insignificant risk of changes in value.

### ***Liabilities other than provisions***

Other payables are measured at amortized cost, equaling nominal value.

# Income statement 1 Jan 2016 - 31 Dec 2016

	Disclosure	2016 kr.	2015 kr.
Revenue .....		5,449,457	4,620,507
<b>Gross Result .....</b>		<b>5,449,457</b>	<b>4,620,507</b>
Distribution costs .....		-2,969,489	-2,825,735
Administrative expenses .....		-1,177,671	-922,946
<b>Profit (loss) from ordinary operating activities .....</b>		<b>1,302,297</b>	<b>871,827</b>
Other finance income .....	1	181,471	102,659
Other finance expenses .....	2	-162,986	-130,563
<b>Profit (loss) from ordinary activities before tax .....</b>		<b>1,320,782</b>	<b>843,923</b>
Tax expense .....	3	-314,582	-227,154
<b>Profit (loss) .....</b>		<b>1,006,200</b>	<b>616,769</b>
<b>Proposed distribution of results</b>			
Retained earnings .....		1,006,200	616,769
<b>Gross .....</b>		<b>1,006,200</b>	<b>616,769</b>

# Balance sheet 31 December 2016

## Assets

	Disclosure	2016 kr.	2015 kr.
Fixtures, fittings, tools and equipment .....		440,324	235,161
<b>Property, plant and equipment .....</b>	<b>4</b>	<b>440,324</b>	<b>235,161</b>
Current deferred tax assets .....		60,261	69,723
<b>Investments .....</b>		<b>60,261</b>	<b>69,723</b>
<b>Non-current assets .....</b>		<b>500,585</b>	<b>304,884</b>
Receivables from group enterprises .....		7,250,045	4,589,199
Other receivables .....			5,252
<b>Receivables .....</b>		<b>7,250,045</b>	<b>4,594,451</b>
Cash and cash equivalents .....		2,014,971	3,159,299
<b>Current assets .....</b>		<b>9,265,016</b>	<b>7,753,750</b>
<b>Total assets .....</b>		<b>9,765,601</b>	<b>8,058,634</b>

# Balance sheet 31 December 2016

## Liabilities and equity

	Disclosure	2016 kr.	2015 kr.
Contributed capital .....	5	500,000	500,000
Retained earnings .....		8,025,588	7,019,388
<b>Total equity .....</b>		<b>8,525,588</b>	<b>7,519,388</b>
Trade payables .....			2,398
Payables to group enterprises .....		262,361	
Tax payables .....		304,952	195,264
Other payables .....	6	672,700	341,584
<b>Short-term liabilities .....</b>		<b>1,240,013</b>	<b>539,246</b>
<b>Liabilities .....</b>		<b>1,240,013</b>	<b>539,246</b>
<b>Liabilities and equity, gross .....</b>		<b>9,765,601</b>	<b>8,058,634</b>

# Statement of changes in equity 1 Jan 2016 - 31 Dec 2016

	Contributed capital	Retained earnings	Total
	kr.	kr.	kr.
Equity, beginning balance .....	500,000	7,019,388	7,519,388
Profit (Loss) .....		1,006,200	1,006,200
Equity, ending balance .....	500,000	8,025,588	8,525,588

# Disclosures

## 1. Other finance income

	1/1-31/12 2016	1/1-31/12 2015
Financial income from group enterprises	152,760	92,297
Exchange gains	28,711	10,362
	<b>181,471</b>	<b>102,659</b>

## 2. Other finance expenses

	1/1-31/12 2016	1/1-31/12 2015
Financial costs from group enterprises	118,741	95,883
Interest expenses	44,245	34,680
	<b>162,986</b>	<b>130,563</b>

## 3. Tax expense

	2016 kr.	2015 kr.
Current tax	304,952	195,428
Changes in deferred tax	9,462	27,852
Prior year adjustments	168	3,874
	<b>314,582</b>	<b>227,154</b>



#### 4. Property, plant and equipment

	Tools and equipment 2016	Tools and equipment 2015
Cost, beginning of year	1,452,945	1,155,389
Increase	400,233	297,557
Decrease	0	0
<b>Cost, end of year</b>	<b>1,853,178</b>	<b>1,452,945</b>
Impairment losses and amortisation, beginning of year	-1,217,784	-1,148,533
Impairment losses, this year	-195,070	-69,252
Reversal on disposal	0	0
<b>Impairment losses and amortisation, end of year</b>	<b>-1,412,854</b>	<b>-1,217,785</b>
 <b>Carrying value, end of year</b>	 <b>440,324</b>	 <b>235,161</b>

#### 5. Contributed capital

The share capital is distributed on shares of DKK 1.

The share capital is unchanged in the past 5 years.

#### 6. Other payables

	2016	2015
VAT payable	337,971	247,706
Other Payable costs	334,729	93,879
	<b>672,700</b>	<b>341,585</b>

## 7. Disclosure of significant events occurring after end of reporting period

Abbott Laboratories Inc. completed the sale of Abbott Medical Optics (encompassing AMO Denmark ApS) to Johnson & Johnson on 27 February 2017. This transaction has no effect on the figures disclosed in these financial statements, and management do not anticipate any changes arising from the acquisition that will impact its ability to operate as a going concern over the twelve-month period following the approval of the financial statements.

## 8. Disclosure of contingent liabilities

The Company is part of a Danish joint taxation with Abbott Laboratories A/S as the administration Company. Consequently, referring to the Danish Corporation Tax Act regulations, the Company is, with effect from the financial year 2013, liable for any income taxes etc. for the jointly taxed companies and with effect from 1 July 2012, the Company is liable for any obligations to withhold tax at source on interests, royalties and returns for the jointly taxed companies.

## 9. Information on transactions with related parties made on an arm's length basis

AMO DENMARK ApS related parties comprise:

### ***Control***

AMO DENMARK ApS is a wholly owned subsidiary of:

AMO International Holdings, Block B, Liffey Valley Office Campus, Quarryvale, Co Dublin, Ireland.

### ***Other related parties the Company had transactions with:***

AMO Ireland, affiliated company

Abbott Medical Optics Norden AB, affiliated company

Abbott Laboratories A/S (Denmark)

### ***Related party transactions***

The Company's administrative functions are by signed contract handled by affiliated Abbott Medical Optics Norden AB.

The Company has a Commissionaire agreement with AMO Ireland. The Company's commissionaire revenue originates from this agreement.

Abbott Laboratories A/S (Denmark) bills AMO Denmark for work that Abbott employees do for AMO Denmark.