

KMD Holding A/S

Lautrupparken 40

2750 Ballerup

CVR No. 31872677

Annual Report 2015

7. financial year

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 1 April 2016

A handwritten signature in blue ink, appearing to read 'Erik Jørgensen', is written over a horizontal line.

Chairman

KMD Holding A/S

Contents

Management's Statement	3
Independent Auditor's Report	4
Company Information	5
Management's Review	6
Accounting Policies	7
Income Statement	10
Balance Sheet	11
Notes	13

Management's Statement

The Executive Board and the supervisory board have today discussed and approved the annual report for the financial year 1 January 2015 - 31 December 2015 for KMD Holding A/S.

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

In our opinion the financial statements provide a fair presentation of the Company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January 2015 - 31 December 2015.

In our opinion the Management's review provides a fair account of the circumstances discussed.

It is recommended that the annual report be approved by the Annual General Meeting.

Ballerup, 1 April 2016

Executive Board



Eva Berneke
CEO



Jannich Lund
CFO

Board of Directors



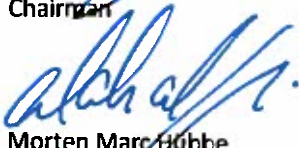
Leo Apotheker
Chairman



Michael Christiansen



John Woyton



Morten Marc Hubbe



Frederic Wakeman



Eva Berneke



Jannich Lund



Else Bergman



Kim Skovgaard



Henrik Olsen

Independent Auditor's Report

To the shareholders of KMD Holding A/S

Statement on the financial statements

We have audited the financial statements for KMD Holding A/S for the financial year 1 January 2015 - 31 December 2015, which comprise accounting policies, income statement, balance sheet and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act. Management is further responsible for such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the company's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

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

The audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the company's assets, liabilities and financial position at 31 December 2015 and of the results of the Company's operations for the financial year 1 January 2015 - 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on Management's Review

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

Ballerup, 1 April 2016

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerskab
CVR-nr. 33771231


Fin T. Nielsen
State Authorised Public Accountant


Leif Ulbæk Jensen
State Authorised Public Accountant

KMD Holding A/S

Company details

Company	KMD Holding A/S Lautrupparken 40 2750 Ballerup
Telephone	44601000
CVR No.	31872677
Date of formation	1 December 2008
Registered office	Ballerup
Financial year	1 January 2015 - 31 December 2015

Board of Directors	Léo Apotheker, Chairman Michael Christiansen John Woyton Morten Marc Hübbe Frederic Wakeman Eva Berneke Jannich Lund Else Bergman Kim Skovgaard Henrik Olsen
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Executive Board	Eva Berneke, CEO Jannich Lund, CFO
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Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerskab Strandvejen 44 2900 Hellerup CVR-no.: 33771231
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Management's Review

The Company's principal Activities

The Company's key activities comprise the holding of equity investments in KMD A/S, which is 100% owned, and this company's subsidiaries. The shares in KMD A/S were purchased on 2 March 2009.

Development in activities and financial matters

The Company's Income Statement of the financial year 01-01-2015 - 31-12-2015 shows a result of tkr 338.841 and the Balance Sheet at 31-12-2015 a balance sheet total of tkr 1.579.202 and an equity of tkr 211.673.

Management has during the year 2015 distributed dividend of t.kr. 260.000 to the shareholders of AI Keyemde 3 ApS

Recognition and measurement uncertainty

Recognition and measurement have not been affected by any significant uncertainty.

Events after the end of the financial year

No events significant to the Company's financial position have occurred since the end of the financial year.

Accounting Policies

Reporting Class

The Annual Report of KMD Holding A/S for 2015 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Reporting currency

The Annual Report is presented in thousand Danish kroner (t.kr).

Dividends and income from equity investments in Group enterprises

This accounting item includes write-downs and the dividend for the year from Group enterprises. The dividend is recognized when the shareholder's dividend entitlement is approved by the competent company bodies.

If the dividend exceeds total earnings since the acquisition date, it is recognized as a write-down of the cost of the investment.

General Information

Basis of recognition and measurement

Revenue is recognized in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the revenue for the year are recognized in the income statement, including depreciation, amortization, impairment losses and provisions, as well as reversals as a result of changes to accounting estimates previously recognized in the income statement.

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 measured reliably.

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

Certain financial assets and liabilities are measured at amortized cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortized cost is calculated as original cost less any repayments with addition/deduction of the cumulative amortization of any difference between cost and the nominal amount. Any exchange gains and losses are recognized 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 refute circumstances existing at the balance sheet date.

Accounting Policies

Income Statement

Other external expenses

Other external expenses include expenses relating to sales and administration. Staff expenses comprise wages and salaries, pensions and social security costs.

Income from equity investments in group enterprises and associates

Income from equity investments comprises dividends received from group enterprises and associates in so far as they do not exceed the accumulated earnings in the group enterprise or the associate during the ownership period.

Financial income and expenses

Financial income and expenses are recognized in the income statement at the amounts relating to the financial year. Financial items comprise interest income and expenses, realized and unrealized exchange gains and losses relating to securities, debt and transactions in foreign currencies, dividends received on other equity investments, amortization of financial assets and liabilities, and additions and reimbursements under the on-account tax scheme.

Tax on net profit/loss for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

Balance Sheet

Investments

Equity investments in Group enterprises are measured in the parent company's financial statements at cost less write-downs.

Loans to Group enterprises are recognized in the financial statements under Investments provided they are non-current.

This accounting item includes write-downs and the dividend for the year from Group enterprises. The dividend is recognized when the shareholder's dividend entitlement is approved by the competent company bodies.

If the dividend exceeds total earnings since the acquisition date, it is recognized as a write-down of the cost of the investment.

Accrued income, assets

Accrued income recognised in assets comprises prepaid costs regarding subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand as well as short-term securities with a term of less than three months which can be converted directly into cash at bank and in hand and involve only an insignificant risk of value changes.

Financial liabilities

Financial liabilities are recognized when a loan is raised at the proceeds received less transaction costs incurred. Interest-bearing debt is subsequently measured at amortized cost on the basis of the effective interest rate on the borrowing date.

Other debt is measured at amortized cost, equivalent to the nominal debt outstanding.

Accounting Policies

Current tax liabilities

Current tax liabilities and current tax receivables are recognised in the Balance Sheet as calculated tax on the expected taxable income for the year, adjusted for tax on taxable income for previous years as well as for tax prepaid.

Financial liabilities

Financial liabilities are recognized when a loan is raised at the proceeds received less transaction costs incurred. Interest-bearing debt is subsequently measured at amortized cost on the basis of the effective interest rate on the borrowing date.

Other debt is measured at amortized cost, equivalent to the nominal debt outstanding.

Derivative financial instruments

Derivative financial instruments are measured at fair value. Positive and negative fair values are included under Other receivables and Other debt respectively.

Fair value adjustments of derivative financial instruments entered into to hedge the fair value of recognized

financial assets or liabilities are added to/deducted from the carrying amount of the hedged asset/liability.

Fair value adjustments of derivative financial instruments that do not satisfy the conditions for hedge accounting are recognized in the income statement.

Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Balance Sheet but appear only in the notes.

Statement of cash flows

In accordance with section 86, para. 4 of the Danish Financial Statements Act, no statement of cash flows has been prepared for the Company as the Company's cash flows are included in the consolidated statement of cash flows for AI Keyemde ApS.

Consolidated financial statements

In accordance with section 112 (1) of the Danish Financial Statements Act, no consolidated financial statements have been prepared. The annual report for KMD Holding A/S is included in the consolidated financial statements for AI Keyemde ApS.

Income Statement

	Note	2015 tkr.	2014 tkr.
Other external expenses		-184	-351
Gross result		-184	-351
Employee benefits expense	1	0	0
Profit from ordinary operating activities		-184	-351
Income from investments in group enterprises and associates		400.000	0
Finance income	2	2.515	993
Finance expences	3	-65.584	-65.829
Profit from ordinary activities before tax		336.747	-65.187
Tax expense on ordinary activities		2.094	3.183
Profit		338.841	-62.004

Balance Sheet as of 31. December

	Note	2015 tkr.	2014 tkr.
Assets			
Long-term investments in group enterprises	4, 5	1.571.482	1.571.482
Investments		<u>1.571.482</u>	<u>1.571.482</u>
Fixed assets		<u>1.571.482</u>	<u>1.571.482</u>
Short-term receivables from group enterprises		0	51.450
Short-term tax receivables		2.025	3.202
Receivables		<u>2.025</u>	<u>54.652</u>
Cash and cash equivalents		<u>5.695</u>	<u>4.417</u>
Current assets		<u>7.720</u>	<u>59.069</u>
Assets		<u>1.579.202</u>	<u>1.630.551</u>

Balance Sheet as of 31. December

	Note	2015 tkr.	2014 tkr.
Liabilities and equity			
Contributed capital		10.000	10.000
Hedging Reserve		-4.625	-4.629
Retained earnings		206.298	127.457
Equity	6	211.673	132.828
Debt to banks		1.009.193	1.096.090
Long-term liabilities other than provisions	7	1.009.193	1.096.090
Debt to banks		87.591	72.993
Payables to group enterprises		264.611	322.494
Other payables		6.134	6.146
Short-term liabilities other than provisions		358.336	401.633
Liabilities other than provisions within the business		1.367.529	1.497.723
Liabilities and equity		1.579.202	1.630.551
Contingent liabilities	8		
Collaterals and assets pledges as security	9		
Related parties	10		

Notes

1. Employee benefits expense

	2015	2014
<i>Hereof remuneration to management</i>		
Board of directors	0	0
	<u>0</u>	<u>0</u>
Average number of employees	0	0

2. Finance income

Other finance income	2.515	993
	<u>2.515</u>	<u>993</u>

3. Finance expenses

Finance expenses arising from group enterprises	-12.583	-9.563
Other finance expenses	-53.000	-56.266
	<u>-65.583</u>	<u>-65.829</u>

4. Long-term investments in group enterprises

Cost at the beginning of the year	1.605.821	1.605.821
Addition	0	0
Disposals	0	0
Cost at the end of the year	<u>1.605.821</u>	<u>1.605.821</u>
Depreciation and amortisation at the beginning of the year	-34.339	-34.339
Impairment losses for the year	0	0
Impairment losses and amortisation at the end of the year	<u>-34.339</u>	<u>-34.339</u>
Carrying amount at the end of the year	<u>1.571.482</u>	<u>1.571.482</u>

5. Disclosure in long-term investments in group enterprises and associates

Group enterprises

Name	Registered office	Share held in %	Equity	Profit
KMD A/S	Ballerup	100,00	885.930	500.640
			<u>885.930</u>	<u>500.640</u>

Notes

6. Statement of changes in equity

	Contributed capital	Hedging reserve	Retained earnings	Dividend paid	Total
Equity, beginning balance	10.000	-4.629	127.457		132.828
Provision for interim dividend			-260.000	260.000	0
Interim dividend paid				-260.000	-260.000
Net profit for the year		4	338.841		338.845
	10.000	-4.625	206.298	0	211.673

The Share Capital Comprises 10 million shares of DKK 1.
The share capital has remained unchanged for the last 5 years.

7. Long-term liabilities

	Due after 1 year	Due within 1 year	Due after 5 years
Debt to banks	1.009.193	87.591	0
	1.009.193	87.591	0

8. Contingent liabilities

There were no contingent liabilities at the balance sheet date.

9. Collaterals and securities

The shares in KMD Holding A/S and its subsidiaries have been pledged as security for the senior loan agreement.

The senior loan agreement is a loan facility comprising three loan facilities and a revolving credit facility. On 31 December 2015 the nominal debt in relation to the loan agreement was DKK 4,123 million. The shares in KMD A/S and its subsidiaries have been pledged as security for the senior loan agreement.

KMD Holding A/S is jointly taxed with the other Danish companies in the Keyemde Group. The joint taxation also covers withholding tax in the form of tax on dividends, royalties and interest. The Danish companies are jointly and severally liable for the joint taxation. Any subsequent corrections to the taxable income subject to joint taxation or withholding taxes may lead to a higher liability.

10. Related parties

KMD Holding A/S is fully owned by AI Keyemde 3 ApS and is part of the Consolidated Financial Statements of AI Keyemde ApS. A copy of the Consolidated Financial Statements can be obtained through the Company Secretary at Lautrupparken 40, 2750 Ballerup, Denmark.

AI Keyemde & Cy SCA holds 95.89% of the shares in AI Keyemde ApS. The ultimate owner of AI Keyemde & Cy SCA is funds managed by Advent International Corporation. The funds ultimately controlling more than 25% of the shares in AI Keyemde & Cy SCA, are Advent International GPE VII-B Limited Partnership (29%) and Advent International GPE VII-E Limited Partnership (20%). No other Advent fund holds or controls more than 15% of the shares.

More information about Advent International can be found at www.adventinternational.com.

AI Keyemde ApS is part of the Financial Statements of AI Keyemde & Cy SCA as a subsidiary. The parent company can be contacted at the address of the Company, 2-4, rue Beck, L-1222 Luxembourg, Grand Duchy of Luxembourg.