

**Arion Nordic ApS**  
Naverland 2  
2600 Glostrup  
Business Registration No  
32270263

## **Annual report 2018**

The Annual General Meeting adopted the annual report on 03.06.2019

### **Chairman of the General Meeting**

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Name: Erik Theodorus Johannus Joosten

## Contents

	<b><u>Page</u></b>
Entity details	1
Statement by Management on the annual report	2
Independent auditor's extended review report	3
Management commentary	5
Income statement for 2018	6
Balance sheet at 31.12.2018	7
Statement of changes in equity for 2018	9
Notes	10
Accounting policies	12

## Entity details

### Executive Board

Erik Theodorus Johannus Joosten

Carl Johannus Theodorus Joosten

### Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

Postboks 1600

0900 København C

## Statement by Management on the annual report

The Executive Board have today considered and approved the annual report of Arion Nordic ApS for the financial year 01.01.2018 - 31.12.2018.

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 Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Copenhagen, 03.06.2019

### Executive Board

Erik Theodorus Johannus  
Joosten

Carl Johannus Theodorus  
Joosten

# Independent auditor's extended review report

## To the shareholders of Arion Nordic ApS

### Conclusion

We have performed an extended review of the financial statements of Arion Nordic ApS for the financial year 01.01.2018 - 31.12.2018, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

Based on our extended review, in our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2018 and of the results of its operations for the financial year 01.01.2018 - 31.12.2018 in accordance with the Danish Financial Statements Act.

### Basis for conclusion

We conducted our extended review in accordance with the assurance engagement standard for small enterprises as issued by the Danish Business Authority and the standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act as issued by FSR - Danish Auditors. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the extended review of the financial statements". We are independent of the Entity 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 evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

### 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibilities for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures to obtain limited assurance about our conclusion on the financial statements and that we also perform specifically required supplementary procedures for the purpose of obtaining additional assurance about our conclusion.

An extended review consists of making inquiries, primarily of management and, if appropriate, of other entity personnel, performing analytical and the specifically required supplementary procedures as well as evaluating the evidence obtained.

## Independent auditor's extended review report

The procedures performed in an extended review are less in scope than in an audit, and accordingly we do not express an audit opinion on the financial statements.

### Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our extended review of the financial statements our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the extended review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 03.06.2019

## Deloitte

Statsautoriseret Revisionspartnerselskab

Central Business Registration No (CVR) 33963556

René Carøe Andersen

State Authorised Public Accountant

Identification No (MNE) mne34499

## Management commentary

### Primary activities

The Company's primary business areas are to produce products for the medical industry.

### Development in activities and finances

Profit for the year amounts to DKK 178k. The balance sheet shows total assets of DKK 1.256k and equity of DKK (3.198)k.

The parent has issued a letter of support and has undertaken to contribute to the Company the capital necessary to meet its obligations up until 31 May 2020.

### Events after the balance sheet date

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

## Income statement for 2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
<b>Gross profit</b>		<b>2.441.398</b>	<b>2.817</b>
Staff costs	2	(2.043.997)	(2.453)
Depreciation, amortisation and impairment losses	3	<u>(1.976)</u>	<u>(2)</u>
<b>Operating profit/loss</b>		<b>395.425</b>	<b>362</b>
Other financial expenses	4	<u>(217.405)</u>	<u>(200)</u>
<b>Profit/loss before tax</b>		<b>178.020</b>	<b>162</b>
Tax on profit/loss for the year	5	<u>0</u>	<u>(451)</u>
<b>Profit/loss for the year</b>		<b><u>178.020</u></b>	<b><u>(289)</u></b>
<b>Proposed distribution of profit/loss</b>			
Retained earnings		<u>178.020</u>	<u>(289)</u>
		<b><u>178.020</u></b>	<b><u>(289)</u></b>



## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Other fixtures and fittings, tools and equipment		1.083	3
<b>Property, plant and equipment</b>	6	<u>1.083</u>	<u>3</u>
Other receivables		52.391	74
<b>Fixed asset investments</b>	7	<u>52.391</u>	<u>74</u>
<b>Fixed assets</b>		<u>53.474</u>	<u>77</u>
Trade receivables		840.887	749
Receivables from group enterprises		0	92
Deferred tax		220.000	220
Other receivables		55.730	37
Prepayments		36.183	65
<b>Receivables</b>		<u>1.152.800</u>	<u>1.163</u>
<b>Cash</b>		<u>24.056</u>	<u>130</u>
<b>Current assets</b>		<u>1.176.856</u>	<u>1.293</u>
<b>Assets</b>		<u>1.230.330</u>	<u>1.370</u>

## Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Contributed capital		125.000	125
Retained earnings		<u>(3.322.949)</u>	<u>(3.501)</u>
<b>Equity</b>		<b><u>(3.197.949)</u></b>	<b><u>(3.376)</u></b>
Payables to group enterprises	8	<u>3.624.385</u>	<u>3.510</u>
<b>Non-current liabilities other than provisions</b>		<b><u>3.624.385</u></b>	<b><u>3.510</u></b>
Trade payables		142.264	116
Payables to group enterprises		10.616	421
Other payables		<u>651.014</u>	<u>699</u>
<b>Current liabilities other than provisions</b>		<b><u>803.894</u></b>	<b><u>1.236</u></b>
<b>Liabilities other than provisions</b>		<b><u>4.428.279</u></b>	<b><u>4.746</u></b>
<b>Equity and liabilities</b>		<b><u>1.230.330</u></b>	<b><u>1.370</u></b>
Going concern	1		
Unrecognised rental and lease commitments	9		

## Statement of changes in equity for 2018

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	125.000	(3.500.969)	(3.375.969)
Profit/loss for the year	0	178.020	178.020
<b>Equity end of year</b>	<b>125.000</b>	<b>(3.322.949)</b>	<b>(3.197.949)</b>

## Notes

### 1. Going concern

The Parent has issued a letter of support and has undertaken to contribute to the Company the capital necessary to meet its obligations up until 31 May 2020.

	<b>2018</b>	<b>2017</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>2. Staff costs</b>		
Wages and salaries	1.812.824	2.246
Pension costs	218.312	181
Other social security costs	12.861	26
	<b>2.043.997</b>	<b>2.453</b>
Average number of employees	<b>3</b>	<b>4</b>

	<b>2018</b>	<b>2017</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>3. Depreciation, amortisation and impairment losses</b>		
Depreciation of property, plant and equipment	1.976	2
	<b>1.976</b>	<b>2</b>

	<b>2018</b>	<b>2017</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>4. Other financial expenses</b>		
Financial expenses from group enterprises	193.021	186
Other interest expenses	330	1
Other financial expenses	24.054	13
	<b>217.405</b>	<b>200</b>

	<b>2018</b>	<b>2017</b>
	<b>DKK</b>	<b>DKK'000</b>
<b>5. Tax on profit/loss for the year</b>		
Change in deferred tax	0	451
	<b>0</b>	<b>451</b>

## Notes

	<b>Other fixtures and fittings, tools and equipment DKK</b>	
<b>6. Property, plant and equipment</b>		
Cost beginning of year	9.879	
<b>Cost end of year</b>	<b>9.879</b>	
Depreciation and impairment losses beginning of year	(6.820)	
Depreciation for the year	(1.976)	
<b>Depreciation and impairment losses end of year</b>	<b>(8.796)</b>	
<b>Carrying amount end of year</b>	<b>1.083</b>	
	<b>Other receivables DKK</b>	
<b>7. Fixed asset investments</b>		
Cost beginning of year	74.141	
Disposals	(21.750)	
<b>Cost end of year</b>	<b>52.391</b>	
<b>Carrying amount end of year</b>	<b>52.391</b>	
<b>8. Long-term debt to group enterprises</b>		
None of the long-term debt to group enterprises is outstanding after 5 years.		
	<b>2018 DKK</b>	<b>2017 DKK'000</b>
<b>9. Unrecognised rental and lease commitments</b>		
Liabilities under rental or lease agreements until maturity in total	<b>164.789</b>	<b>329</b>

## Accounting policies

### Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of certain provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

### Income statement

#### Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

#### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

#### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

#### Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

#### 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 writedowns of receivables recognised in current assets.

#### Staff costs

Staff costs comprise salaries and wages as well as social security contributions, pension contributions, etc for entity staff.

#### Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, as well as gains and losses from the sale of intangible assets as well as property, plant and equipment.

#### Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities as well as tax surcharge under the Danish Tax Prepayment Scheme etc.

## Accounting policies

### Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

### Balance sheet

#### Property, plant and equipment

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

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

### Receivables

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

### Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

### Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

### Cash

Cash comprises cash in hand and bank deposits.

## Accounting policies

### **Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.