

Mocorp Holding A/S
Smedetoften 12
3600 Frederikssund
Business Registration No
32298230

Annual report 2018

The Annual General Meeting adopted the annual report on 31.05.2019

Chairman of the General Meeting

Name: Anne Mette Brink

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Entity details

Entity

Mocorp Holding A/S
Smedetoften 12
3600 Frederikssund

Central Business Registration No (CVR): 32298230

Registered in: Frederikssund

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Richard Adam Norwitt, Chairman
Craig Anthony Lampo
Zachary Winner Raley

Executive Board

Anne Mette Brink, General Manager

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Weidekampsgade 6
Postboks 1600
0900 København C

Statement by Management on the annual report

The Board of Directors and the Executive Board have today considered and approved the annual report of Mocorp Holding A/S 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.

Frederikssund, 31.05.2019

Executive Board

Anne Mette Brink
General Manager

Board of Directors

Richard Adam Norwitt
Chairman

Craig Anthony Lampo

Zachary Winner Raley

Independent auditor's report

To the shareholders of Mocorp Holding A/S

Opinion

We have audited the financial statements of Mocorp Holding A/S 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.

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 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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.

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, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements 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 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:

Independent auditor's report

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 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 audit 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 audit 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.

Independent auditor's report

Based on the work we have performed, we conclude that the management commentary 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 of the management commentary.

Copenhagen, 31.05.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Jens Sejer Pedersen
State Authorised Public Accountant
Identification No (MNE) mne14986

Management commentary

	2018	2017	2016	2015	2014
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Financial highlights					
Key figures					
Gross loss	(41)	(35)	(42)	(60)	(18)
Operating profit/loss	(41)	(35)	(42)	(60)	(18)
Net financials	9.160	5.821	1.077	17.436	10.634
Profit/loss for the year	8.885	5.560	798	17.594	11.649
Total assets	222.163	211.975	206.412	205.612	187.918
Equity	147.382	138.497	132.937	132.138	76.099
Ratios					
Return on equity (%)	6,2	4,1	0,6	16,9	15,3
Equity ratio (%)	66,3	65,3	64,4	64,3	40,5

Financial highlights are defined and calculated in accordance with "Recommendations & Ratios 2015" issued by the Danish Society of Financial Analysts.

Ratios	Calculation formula	Calculation formula reflects
Return on equity (%)	$\frac{\text{Profit/loss for the year} \times 100}{\text{Average equity}}$	The entity's return on capital invested in the entity by the owners.
Equity ratio (%)	$\frac{\text{Equity} \times 100}{\text{Total assets}}$	The financial strength of the entity.

Management commentary

Primary activities

The Company's objects are to hold shares in fully and partially owned companies, and any other activities that the board of Directors deems to be ancillary or related hereto.

Development in activities and finances

The profit for the year is DKK 8,885k.

The profit for the year is considered as satisfactory.

Outlook

The company expects a profit for 2019.

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>
Gross loss		(41.250)	(35)
Income from investments in group enterprises		8.056.947	4.729
Other financial income	1	1.105.775	1.095
Other financial expenses	2	<u>(2.856)</u>	<u>(3)</u>
Profit/loss before tax		9.118.616	5.786
Tax on profit/loss for the year	3	<u>(233.552)</u>	<u>(226)</u>
Profit/loss for the year	4	<u>8.885.064</u>	<u>5.560</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Investments in group enterprises		187.898.180	179.841
Fixed asset investments	5	187.898.180	179.841
Fixed assets		187.898.180	179.841
Receivables from group enterprises		31.369.424	29.876
Income tax receivable		2.895.022	2.258
Receivables		34.264.446	32.134
Current assets		34.264.446	32.134
Assets		222.162.626	211.975

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK'000</u>
Contributed capital	6	1.997.874	1.998
Reserve for net revaluation according to the equity method		16.276.409	8.219
Retained earnings		<u>129.107.792</u>	<u>128.280</u>
Equity		<u>147.382.075</u>	<u>138.497</u>
Payables to group enterprises		73.454.235	73.454
Income tax payable		1.291.316	0
Other payables		<u>35.000</u>	<u>24</u>
Current liabilities other than provisions		<u>74.780.551</u>	<u>73.478</u>
Liabilities other than provisions		<u>74.780.551</u>	<u>73.478</u>
Equity and liabilities		<u>222.162.626</u>	<u>211.975</u>
Contingent liabilities	7		
Transactions with related parties	8		
Group relations	9		

Statement of changes in equity for 2018

	Contributed capital DKK	Reserve for net revaluation according to the equity method DKK	Retained earnings DKK	Total DKK
Equity beginning of year	1.997.874	8.219.462	128.279.675	138.497.011
Profit/loss for the year	0	8.056.947	828.117	8.885.064
Equity end of year	1.997.874	16.276.409	129.107.792	147.382.075

Notes

	2018	2017
	DKK	DKK'000
1. Other financial income		
Financial income arising from group enterprises	1.082.135	1.063
Exchange rate adjustments	23.640	0
Other financial income	0	32
	1.105.775	1.095
	2018	2017
	DKK	DKK'000
2. Other financial expenses		
Other interest expenses	0	2
Other financial expenses	2.856	1
	2.856	3
	2018	2017
	DKK	DKK'000
3. Tax on profit/loss for the year		
Current tax	233.552	226
	233.552	226
	2018	2017
	DKK	DKK'000
4. Proposed distribution of profit/loss		
Transferred to reserve for net revaluation according to the equity method	8.056.947	4.729
Retained earnings	828.117	831
	8.885.064	5.560

Notes

	Investments in group enterprises
	DKK
5. Fixed asset investments	
Cost beginning of year	<u>171.621.771</u>
Cost end of year	<u>171.621.771</u>
Revaluations beginning of year	8.219.462
Amortisation of goodwill	(7.419.444)
Share of profit/loss for the year	<u>15.476.391</u>
Revaluations end of year	<u>16.276.409</u>
Carrying amount end of year	<u>187.898.180</u>

Investments in group enterprises consist of goodwill DKK 117.335k.

	Registered in	Corpo- rate form	Equity inte- rest %	Equity DKK	Profit/loss DKK
Investments in group enterprises comprise:					
Procom A/S	Denmark	A/S	100,0	78.534.601	15.476.391

	Number	Par value DKK	Nominal value DKK
6. Contributed capital			
Shares	<u>1.997.874</u>	1	<u>1.997.874</u>
	<u>1.997.874</u>		<u>1.997.874</u>

7. Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

Notes

8. Transactions with related parties

During the financial year all related party transactions have been conducted on an arm's length basis.

9. Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:
Amphenol Corporation, 358 Hall Avenue, Wallingford, Connecticut 06492

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:
Amphenol Corporation, 358 Hall Avenue, Wallingford, Connecticut 06492

Accounting policies

Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

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

Consolidated financial statements

Referring to section 112, 2., of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Income statement

Gross profit or loss

Gross profit or loss comprises external expenses.

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.

Income from investments in group enterprises

Income from investments in group enterprises comprises the pro rata share of the individual enterprises' profit/loss after full elimination of intra-group profits or losses.

Other financial income

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies, amortisation of financial assets as well as tax relief under the Danish Tax Prepayment Scheme etc.

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

Investments in group enterprises

Investments in group enterprises are recognised and measured according to the equity method. This means that investments are measured at the pro rata share of the enterprises' equity value plus unamortised goodwill and plus or minus unrealised intra-group profits or losses. Refer to the above section on business combinations for more details about the accounting policies used on acquisitions of investments in group enterprises.

Group enterprises with negative equity value are measured at DKK 0. Any receivables from these enterprises are written down to net realisable value based on a specific assessment. If the Parent has a legal or constructive obligation to cover the liabilities of the relevant enterprise, and it is probable that such obligation is imminent, a provision is recognised that is measured at present value of the costs deemed necessary to incur to settle the obligation.

Upon distribution of profit or loss, net revaluation of investments in group enterprises is transferred to Reserve for net revaluation according to the equity method under equity.

Goodwill is calculated as the difference between cost of the investments and fair value of the pro rata share of assets and liabilities acquired. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life is determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. If the useful life cannot be estimated reliably, it is fixed at 10 years. Useful lives are reassessed annually. The amortisation periods used are 20 years.

Investments in group enterprises 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.

Income tax payable or receivable

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

Operating leases

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

Accounting policies

Other financial liabilities

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

Cash flow statement

The company has left out cash flow statement in accordance with the Danish Financial Statements Act § 87, 4., due to the preparation of cash flow statement in the consolidated financial statements for the largest group.