

# ***Eurofins Pharma Holding Denmark A/S***

Smedeskovvej 38, DK-8464 Galten

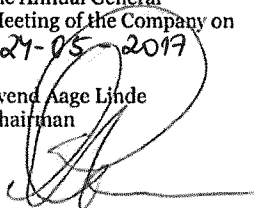
## **Annual Report for 1 January - 31 December 2016**

CVR No 37 06 44 08

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

27-05-2017

Svend Aage Linde  
Chairman



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## Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Eurofins Pharma Holding Denmark A/S for the financial year 1 January - 31 December 2016.

The Annual Report is 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 at 31 December 2016 of the Company and of the results of the Company operations for 2016.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Galten,

24/5-17

**Executive Board**



Thomas Gjelsnes

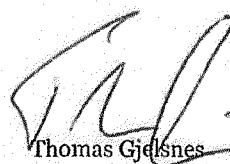
**Board of Directors**



Svend Aage Linde  
Chairman



Berthold Jakob Georg Hackl



Thomas Gjelsnes

# **Independent Auditor's Report**

To the Shareholder of Eurofins Pharma Holding Denmark A/S

## **Opinion**

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

## **Report on the Financial Statements**

We have audited the Financial Statements of Eurofins Pharma Holding Denmark A/S for the financial year 1 January - 31 December 2016, which comprise income statement, balance sheet and notes, including a summary of significant accounting policies ("financial statements").

## **Basis for the Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 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 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, 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 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 judgment and maintain professional skepticism throughout the audit.

# Independent Auditor's Report

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 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 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 the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

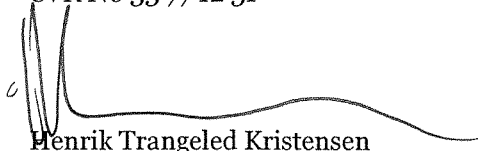
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Aarhus, 24/5 - 2017

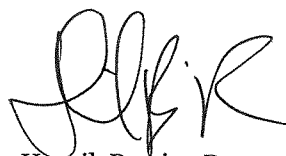
**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Henrik Trangeled Kristensen  
State Authorised Public Accountant



Henrik Berring Rasmussen  
State Authorised Public Accountant'

## Company Information

### **The Company**

Eurofins Pharma Holding Denmark A/S  
Smedeskovvej 38  
DK-8464 Galten

Telephone: + 45 70 22 42 66

Facsimile: + 45 70 22 42 55

Website: [www.eurofins.dk](http://www.eurofins.dk)

CVR No: 37 06 44 08

Financial period: 1 January - 31 December

Municipality of reg. office: Skanderborg

### **Board of Directors**

Svend Aage Linde, Chairman  
Berthold Jakob Georg Hackl  
Thomas Gjelsnes

### **Executive Board**

Thomas Gjelsnes

### **Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Nobelparken  
Jens Chr. Skous Vej 1  
DK-8000 Aarhus C

### **Bankers**

Danske Bank  
Åboulevarden 69  
DK-8000 Aarhus C

## Income Statement 1 January - 31 December

	<u>Note</u>	<u>2016</u> DKK	<u>31 August - 31</u> <u>December 2015</u> DKK
Other external expenses		<u>-174.784</u>	<u>-26.420</u>
<b>Gross profit/loss</b>		<b><u>-174.784</u></b>	<b><u>-26.420</u></b>
Dividend from subsidiary		2.500.000	0
Financial income	2	179.955	0
Financial expenses	3	<u>-2.447.481</u>	<u>-117.120</u>
<b>Profit/loss before tax</b>		<b><u>57.690</u></b>	<b><u>-143.540</u></b>
Tax on profit/loss for the year		<u>526.308</u>	<u>32.223</u>
<b>Net profit/loss for the year</b>		<b><u>583.998</u></b>	<b><u>-111.317</u></b>

## Distribution of profit

### Proposed distribution of profit

Proposed dividend for the year	450.000	0
Retained earnings	<u>133.998</u>	<u>-111.317</u>
	<b><u>583.998</u></b>	<b><u>-111.317</u></b>

## Balance Sheet 31 December

### Assets

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Investments in subsidiaries		57.500.000	500.000
<b>Fixed asset investments</b>		<b><u>57.500.000</u></b>	<b><u>500.000</u></b>
<b>Fixed assets</b>		<b><u>57.500.000</u></b>	<b><u>500.000</u></b>
Receivables from group enterprises		4.268.658	60.000.000
Deferred tax asset		<u>526.308</u>	<u>32.223</u>
<b>Receivables</b>		<b><u>4.794.966</u></b>	<b><u>60.032.223</u></b>
Cash at bank and in hand		<u>268.598</u>	<u>993.080</u>
<b>Current assets</b>		<b><u>5.063.564</u></b>	<b><u>61.025.303</u></b>
<b>Assets</b>		<b><u>62.563.564</u></b>	<b><u>61.525.303</u></b>



# Balance Sheet 31 December

## Liabilities and equity

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Share capital		500.000	500.000
Retained earnings		13.022.682	12.888.683
Proposed dividends		<u>450.000</u>	<u>0</u>
<b>Equity</b>	<b>4</b>	<b><u>13.972.682</u></b>	<b><u>13.388.683</u></b>
Payables to group enterprises		<u>48.432.598</u>	<u>48.116.620</u>
<b>Long-term debt</b>	<b>5</b>	<b><u>48.432.598</u></b>	<b><u>48.116.620</u></b>
Trade payables		<u>158.284</u>	<u>20.000</u>
<b>Short-term debt</b>		<b><u>158.284</u></b>	<b><u>20.000</u></b>
<b>Debt</b>		<b><u>48.590.882</u></b>	<b><u>48.136.620</u></b>
<b>Liabilities and equity</b>		<b><u>62.563.564</u></b>	<b><u>61.525.303</u></b>
Main activity	1		
Contingent assets, liabilities and other financial obligations	6		
Related parties	7		

# Notes to the Financial Statements

## 1 Main activity

The activities of the Company is to manage investments in subsidiaries

## 2 Financial income

	<u>2016</u> DKK	<u>31 August - 31</u> <u>December 2015</u> DKK
Exchange gains	<u>179.955</u>	<u>0</u>
	<u><b>179.955</b></u>	<u><b>0</b></u>

## 3 Financial expenses

Interest paid to group enterprises	2.446.500	116.620
Other financial expenses	<u>981</u>	<u>500</u>
	<u><b>2.447.481</b></u>	<u><b>117.120</b></u>

# Notes to the Financial Statements

## 4 Equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Proposed dividends</u> DKK	<u>Total</u> DKK
Equity at 1 January	500.000	12.888.684	0	13.388.684
Net profit/loss for the year	<u>0</u>	<u>133.998</u>	<u>450.000</u>	<u>583.998</u>
<b>Equity at 31 December</b>	<b><u>500.000</u></b>	<b><u>13.022.682</u></b>	<b><u>450.000</u></b>	<b><u>13.972.682</u></b>

## 5 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	<u>2016</u> DKK	<u>2015</u> DKK
<b>Payables to group enterprises</b>		
Between 1 and 5 years	<u>48.432.598</u>	<u>48.116.620</u>
Long-term part	<u>48.432.598</u>	<u>48.116.620</u>
Within 1 year	<u>0</u>	<u>0</u>
	<b><u>48.432.598</u></b>	<b><u>48.116.620</u></b>

## 6 Contingent assets, liabilities and other financial obligations

### Contingent liabilities

The Group's Danish enterprises are jointly and severally liable for the tax on the Group's jointly taxed income etc. Moreover, the Group's Danish enterprises are jointly and severally liable for Danish withholding tax such as tax on dividend, royalty and interest. Any subsequent adjustments to the corporation tax or withholding tax may result in an increase of the Company's liability.

## 7 Related parties

### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company

Name	Place of registered office
Eurofins Scientific S.E.	23, Val Fleuri, L-1526, Luxembourg

## **Accounting Policies**

### **Basis of Preparation**

The Annual Report of Eurofins Pharma Holding Denmark A/S for 2016 has been prepared 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.

Financial Statements for 2016 are presented in DKK.

### **Recognition and measurement**

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

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

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

## **Income Statement**

### **Gross profit/loss**

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

### **Other external expenses**

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

### **Income from investments in subsidiaries**

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

### **Financial income and expenses**

Financial income and expenses are recognised in the income statement at the amounts relating to the fi-

## **Accounting Policies**

nancial year.

### **Tax on profit/loss for the year**

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.

## **Balance Sheet**

### **Investments in subsidiaries**

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, write-down is made to this lower value.

### **Receivables**

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

### **Financial debts**

Debts are measured at amortised cost, substantially corresponding to nominal value.