

**Phillips-Medsize Holdings A/S**  
Gimsinglundvej 20  
DK -7600 Struer

## **Annual Report 2017**

1 January 2017 - 31 December 2017

The Annual Report was presented  
and adopted at the Annual General  
Meeting of the Group  
on 27/6 2018

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Chairman, Norman Charles Roegner III

CVR No 37705497

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## Company Information

**Phillips-Medisize Holdings A/S**  
CVR No 37705497

**Country of registration**

Denmark

**Board of Directors**

Matthew Jon Jennings (Chairman)  
William Patrick Welch  
Norman Charles Roegner III

**Executive Board**

Norman Charles Roegner III

**Main office**

Phillips-Medisize Holdings A/S  
Gimsinglundvej 20  
DK-7600 Struer

**Main activity**

Investment in Medicom Innovation Partner a/s

**Auditors**

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Hjaltesvej 16  
7500 Holstebro

**Ownership**

Phillips Plastics Corporation  
1201 Hanley Road, Hudson,  
WI 54016  
United States  
Ownership share: 100%

## **Management's Review**

### **Main activity**

The object of the company is holding activities and investment in Medicom Innovation Partner a/s.

### **Development in the year**

In the period 1. January - 31 December 2017, the company has a result of DKK 19.023 k and an equity of DKK 19.500 k.

### **Significant post balance sheet events**

No events have occurred which significantly affect the assessment of the Annual Report.

## ***Management's Statement***

The Board of Directors and the Executive Board have today considered and adopted the Annual Report of Phillips-Medsize Holdings A/S for the financial year 1 January - 31 December 2017.

The Annual Report is prepared in accordance with the International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position at 31 December 2017 of the Company and of the results of the Company's operations and cash flows for 2017.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company as well as a description of the most significant risks and elements of uncertainty facing the Company.

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

Struer 27/6 2018

### **Executive Board**

Norman Charles Roegner III  
CEO

### **Board of Directors**

Matthew Jon Jennings  
Chairman

William Patrick Welch

Norman Charles Roegner III

## ***Independent Auditor's Report***

To the Shareholders of Phillips-Medsize Holdings A/S

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2017 and of the results of the Company's operations and cash flows for the financial year 1 January to 31 December 2017 in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

We have audited the Financial Statements of Phillips-Medsize Holdings A/S for the financial year 1 January - 31 December 2017, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including a summary of significant accounting policies ("financial statements").

### **Basis for 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 Group 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.

### **Statement on Management's Review**

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover 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 Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.



## **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 International Financial Reporting Standards as adopted by the EU and further requirements in 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 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 judgment and maintain professional skepticism throughout the audit. 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.

Holstebro 27/6 2018  
**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab  
CVR-nr. 33 77 12 31

Kim Vorret  
State Authorised Public Accountant  
mne 33256

Hans Jørgen Andersen  
State Authorised Public Accountant  
mne 30211



# Comprehensive income statement

## Phillips-Medysize Holdings A/S

(DKK '000)

	2017	2016
Notes		
<b>Revenue</b>	-	-
Production costs	-	-
<b>Gross profit/loss</b>	-	-
Administrative expenses etc	(124)	(30)
<b>Operating profit/loss</b>	(124)	(30)
Financial income	23.926	-
Financial expenses	(4.779)	-
Net financials	19.147	-
<b>Profit/loss on ordinary activities before tax</b>	<b>19.023</b>	<b>(30)</b>
5 Tax on profit/loss on ordinary activities	(4.187)	7
<b>Net profit/loss for the year</b>	<b>14.836</b>	<b>(23)</b>
Other income and expenses recognised directly via equity	-	-
<b>Total comprehensive income statement</b>	<b>14.836</b>	<b>(23)</b>

# Assets

## Phillips-Medysize Holdings A/S

(DKK '000)

		2017	2016
Notes			
<b>Fixed asset investments</b>			
6	Investments in subsidiaries	184.620	184.620
	Total investments	184.620	184.620
	<b>Total non-current assets</b>	<b>184.620</b>	<b>184.620</b>
<b>Receivables</b>			
7	Receivables from group enterprises	376	500
	Current tax receivables	7	7
	Total receivables	383	507
	<b>Total current assets</b>	<b>383</b>	<b>507</b>
	<b>Total assets</b>	<b>185.003</b>	<b>185.127</b>

# Liabilities and equity

## Phillips-Medysize Holdings A/S

(DKK '000)

		2017	2016
Notes			
<b>Equity</b>			
8	Share capital	500	500
9	Retained earnings	14.813	(23)
	Proposed dividend for the year	-	-
<b>Total equity</b>		<b>15.313</b>	<b>477</b>
<b>Current liabilities</b>			
10	Payables to group enterprises	165.473	184.620
11	Other payables	30	30
	Current tax payable	4.187	-
Total current liabilities		169.690	184.650
<b>Total liabilities</b>		<b>169.690</b>	<b>184.650</b>
<b>Total liabilities and equity</b>		<b>185.003</b>	<b>185.127</b>

# Statement of Changes in Equity

## Phillips-Medisize Holdings A/S

(DKK '000)

	Share capital	Retained earnings	Proposed dividend for the year	Total
<b>Equity at 23. May 2016</b>	<b>500</b>	-	-	<b>500</b>
Net profit/loss for the year		(23)		(23)
Proposed dividend for the year	-	-	-	-
<b>Equity at 31 December 2016</b>	<b>500</b>	<b>(23)</b>	-	<b>477</b>
<b>Equity at 1. January 2017</b>	<b>500</b>	<b>(23)</b>	-	<b>477</b>
Net profit/loss for the year		14.836		14.836
Proposed dividend for the year	-	-	-	-
<b>Equity at 31 December 2017</b>	<b>500</b>	<b>14.813</b>	-	<b>15.313</b>

# Cash Flow Statement

## Phillips-Medsize Holdings A/S

(DKK '000)

		2017	2016
Notes			
	Net profit/loss for the year	14.836	(23)
12	Adjustments	4.187	(7)
13	Change in working capital	(19.023)	184.150
<b>Cash flows from operating activities</b>		<b>-</b>	<b>184.120</b>
Investments in subsidiaries		-	(184.620)
<b>Cash flows from investing activities</b>		<b>-</b>	<b>(184.620)</b>
Financial income		-	-
Share capital		-	500
Financial expense		-	-
<b>Cash flows from financing activities</b>		<b>-</b>	<b>500</b>
<b>Cash flows for the year</b>		<b>-</b>	<b>-</b>
Cash and cash equivalents, beginning of year		-	-
<b>Cash and cash equivalents, end of year</b>		<b>-</b>	<b>-</b>
Cash and cash equivalents consist of:			
Cash at bank and in hand		-	-
<b>Cash and cash equivalents, end of period</b>		<b>-</b>	<b>-</b>



# Notes

## ***Notes to the income statement***

- 4 Staff expenses
- 5 Tax on profit/loss on ordinary activities

## ***Notes to the balance sheet***

- 6 Fixed asset investments
- 7 Receivables from group enterprises
- 8 Share capital
- 9 Retained earnings
- 10 Payables to group enterprises
- 11 Other payables

## ***Notes to the cash flow statement***

- 12 Adjustments
- 13 Change in working capital

## ***Notes without reference***

- 14 Contingent liabilities and other financial obligations
- 15 Related parties
- 16 Group matters

# Notes

## 1 Accounting Policies

### Basis of preparation

The Financial Statements of Phillips-Medysize Holdings A/S has been prepared in accordance with International Financial Reporting Standards as approved by the EU (IFRS) and additional Danish disclosure requirements applying to enterprises of reporting class b as well as selected rules applying to reporting class C, cf IFRS notification issued according to the Danish Financial Statements Act. IFRS has been implemented so that the Annual Report also complies with the provisions of International Financial Reporting Standards (IFRS) issued by IASB.

The Financial Statement is presented in DKK, which is considered as the functional currency of the company.

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act, the Company has not prepared consolidated financial statements.

### Translation policies

#### *Receivables and payables*

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Gains and losses arising due to differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

### Comprehensive income

Phillips-Medysize Holdings A/S presents comprehensive income in one statement. The statement of total comprehensive income which includes result for the year and income recognized in other comprehensive income. Other comprehensive income includes exchange gains/losses arising from translating the financial statements of a foreign operation.

### 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.

#### *Administrative expenses*

Administrative expenses comprise expenses for auditor, office expenses, including amortisation, depreciation and impairment losses.

#### *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.

#### *Tax*

Tax for the year consists of current tax for the year and change 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 other Danish group companies. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

# Notes

## Balance sheet

### *Investments in subsidiaries*

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

### *Receivables*

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

### *Equity*

#### *Dividend*

Proposed dividend is disclosed as a separate equity item.

### *Deferred tax assets and liabilities*

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

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. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by setoff against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

### *Current tax receivables and liabilities*

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on account taxation scheme are recognised in the income statement in financial income and expenses.

### *Financial debts*

Fixed-interest loans, such as bank loans, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost, corresponding to the capitalised value when using the effective interest rate, so that the difference between the proceeds and the nominal value (capital loss) is recognised in the income statement over the loan period

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

# Notes

## Cash flow statement

The cash flow statement is presented under the indirect method based on net profit/loss for the year.

The cash flow statement shows cash flows for the year, changes for the year in cash and cash equivalents as well as cash and cash equivalents at the beginning and end of the year.

### ***Cash flows from operating activities***

Cash flows from operating activities are calculated as the net profit/loss for the year adjusted for non-cash operating items, and corporation taxes as well as changes in working capital. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

### ***Cash flows from investing activities***

Cash flows from investing activities comprise acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

### ***Cash flows from financing activities***

Cash flows from financing activities comprise of expenses received and paid and financial income, the raising and repayment of long-term debt, dividend paid and proceeds from share capital increases.

### ***Cash and cash equivalents***

Cash and cash equivalents comprise cash holdings and withdrawals from overdraft facility. Cash flows in foreign currencies are translated at the average monthly exchange rates which do not deviate materially from the exchange rates at the date of payment.



# Notes

## 2 New accounting standards

### New accounting standards

Phillips Medisize Holdings A/S has implemented the following amendments or new standards (IFRS) for financial year 2017:

- *IAS 7, Statement of cash flows:* Additional disclosures on reconciliation of financial liabilities required. Interest-bearing debt to be reconciled from beginning to end of period.
- *IAS 12, Income taxes:* Clarifies when a difference is considered a temporary difference in respect of tax assets related to financial assets that are measured at fair value. When an enterprise has acquired a receivable which is treated as available for sale and, consequently, is measured at fair value through other comprehensive income, a subsequent decline in the fair value of the receivable will result in a temporary difference between the carrying amount and the tax base, on which deferred tax is to be calculated.
- *Annual improvements (2014-2016):* The annual improvements imply a minor clarification:
  - *IFRS 12, Disclosure of interests in other entities:* Clarification of the disclosure requirements for ownership interests in IFRS 12 also being applicable when the interests are classified as held for sale, held for distribution or as discontinued operations under IFRS 5, whereas other disclosure requirements have been exempted.

Phillips Medisize Holdings A/S has assessed the effect of the new standards, amendments and interpretations and has concluded that all standards, amendments and interpretations effective for financial years beginning on or after 1 January 2017 are either not relevant to the Group or have no significant effect on the Financial Statements of the Group.

### New standards, amendments and interpretations adopted but not yet effective

The following new standards, amendments and interpretations of relevance to Phillips Medisize Holdings A/S have been adopted by the IASB and adopted by the EU. The standards are not yet effective and will therefore not be implemented in the Annual Reports until they take effect.

- *IFRS 9, Financial instruments:* The standard introduces an expected loss model for impairment losses on loans and receivables. As an overriding main rule, this new model will imply larger impairment losses than those incurred under IAS 39. The number of classification categories for financial assets is reduced to three: amortised cost, fair value through profit or loss and fair value through other comprehensive income. Fair value changes to financial liabilities which are attributable to the fair value and which arise from changes in own credit risks must be recognised in other comprehensive income. Simplified rules on hedge accounting are introduced.

The standard will be effective for financial years beginning on or after 1 January 2018.

- *IFRS 15, Revenue from contracts with customers:* A new standard on revenue recognition that replaces IAS 11 and IAS 18 among others. The standard may potentially affect revenue recognition in a number of areas, including:
  - The timing of revenue recognition
  - Recognition of variable consideration
  - Allocation of revenue from multi-element arrangements
  - ts
  - Recognition of revenue from licence rights
  - Incremental costs of obtaining the contract

The standard also includes a large number of new disclosure requirements.



## Notes

*IFRS 15, Revenue from contracts with customers:* Clarifications of IFRS 15 concerning the identification of performance obligations, principal versus agent considerations and licence considerations as well as changes to the transition rules.

IFRS 15 and the clarifications will be effective for financial years beginning on or after 1 January 2018.

- *IFRS 16, Leases:* Going forward, the lessee is required to recognise all leases as a lease liability and a lease asset in the balance sheet with two exceptions: short-term leases (less than 12 months) and leases relating to low-value assets. It must furthermore be considered whether the agreement is a lease or a service arrangement.

The current rules remain largely unchanged for the lessor. Consequently, leases are still to be classified as finance leases and operating leases.

The standard will be effective for financial years beginning on or after 1 January 2019.

Phillips Medisize Holdings A/S has assessed the effect of the new standards, amendments and interpretations. The Company expects the following effect at the time of implementation.

- IFRS 9 will be implemented in our consolidated financial statements for the financial year beginning on 1 January 2018. The implementation will not give significant changes.
- IFRS 15 will be implemented in our consolidated financial statements for the financial year beginning on 1 January 2018. The Group will apply IFRS 15 using modified retrospective application, with the cumulative effect of initially applying the standard to be adjusted to the opening balance of retained earnings 2018. Consequently, 2017 comparative figures will be reported according to IAS 11/IAS 18 and will not be restated to reflect the numbers according to IFRS 15. Note disclosures will be available stating 2018 numbers according to both IFRS 15 and IAS 11/IAS 18, to provide comparability between 2017 and 2018 and to disclose the effect from the changed regulation. Under current IAS 11/IAS 18 regulation, timing of revenue recognition is primarily dependent on the transfer of risks and rewards to the customer of the goods and services. Under IFRS 15 regulation, timing of revenue recognition is primarily dependent on the transfer of control to the customer for the relevant performance obligations in a contract. IFRS 15 does not change the underlying principles of how the Group accounts for the main revenue streams. Total revenue of a contract will remain unchanged, however the timing of the revenue recognition can potentially be deferred on some contracts. IFRS 15 does not impact the cash flows for the Group. The Group expects an impact the note disclosures, due to the IFRS 15 disclosure requirements. We have finalised our estimate made on the transition with a zero impacted on the opening balance.
- The Group is in the process of preparing for the implementation of IFRS 16, which becomes effective 1 January 2019. The Group is still in the process of making an assessment of the balance sheet impact of the standard. Based on the preliminary assessment made, the change in lease accounting requires capitalisation of operating lease contracts with an immaterial amount compared to the total assets. The lease expenses will according to the new accounting regulation be split into two elements; depreciation and interest expenses as opposed to currently being recognised as operating expenses. We expect to implement the standard based on the simplified transition method where the Group will not restate comparative information, but recognise the cumulative effect of initially applying IFRS 16 as an adjustment to opening equity at the date of initial application.

## Notes

The IASB has issued the following new standards, amendments and new interpretations which are either not relevant to Phillips Medisize Holdings A/S or have no significant effect on the Financial Statements of Phillips Medisize Holdings A/S, but which have not yet been adopted by the EU:

- *IAS 28, Investments in associates and joint ventures: Amendment*
- *IAS 40, Investment property: Amendment*
- *IFRS 2, Share-based payment: Amendment*
- *IFRS 9, Financial instruments: Amendment*
- *IFRIC 22 - Foreign currency transactions and advance consideration: Amendment*
- *IFRIC 23, Uncertainty over income tax treatments: Amendment*
- *Annual improvements (2014-2016): Amendment regarding*
  - *IAS 28, Investments in associates and joint ventures*
  - *IFRS 1, First-time adoption of IFRS*
- *Annual improvements (2015-2017): Include three minor clarifications*

Phillips Medisize Holdings A/S expects to implement these new standards, amendments and interpretations when they take effect.

### 3 Financial risk management

Phillips-Medisize Holdings A/S do not have any financial risk due to holding of shares in Medicom Innovation Partner a/s and none interest intercompany loan agreements per 31 December 2017.

The Group manages the liquidity risk, which is expected to be low due to payables to other group enterprises and minor debts to none-group suppliers.

### 4 Staff expenses

Average number of employees in 2017 is 1 employee.

## Notes

### Phillips-Medysize Holdings A/S

(DKK '000)

	2017	2016
<b>5 Tax on profit/loss on ordinary activities</b>		
Current tax	4.187	(7)
Total tax on profit/loss on ordinary activities	4.187	(7)
Tax for the year is specified as follows:		
Tax to be recognised in the income statement	4.187	(7)
	4.187	(7)
Tax on profit/loss for the year is specified as follows:		
Calculated tax on profit/loss before tax	-	-
	-	-
Danish tax rate	22,0%	22,0%
Average effective tax rate for the year	22,0%	22,0%
Corporation tax paid, incl tax on account, amounts to DKK 0k.		
At 1 June 2016, Medicom Innovation Partner a/s is part of the joint taxation with Phillips-Medysize Holdings A/S.		

### 6 Fixed asset investments

	Investments in subsidiaries
Cost at 1. January	184.620
Additions for the year	-
Cost at 31 December	184.620
Impairment losses at 1. January	-
Reversed impairment losses on disposals for the year	-
Impairment losses at 31 December	-
Carrying amount at 31 December 2017	184.620
Investments in subsidiaries are specified as follows:	

Name	Share capital	Votes and ownership
Medicom Innovation Partner a/s	16.778	100%

	2017	2016
<b>7 Receivables from group enterprises</b>		
Receivables from group enterprises (gross) at 31 December	376	500
No provision has been made for receivables from group enterprises		
All receivables from group enterprises fall due within one year. The fair value of receivables from group enterprises is DKK 376k.		
<b>8 Share capital</b>		
The share capital consists of 500,000 shares of DKK 1	500	500
No shares carry any special rights.		



## Notes

### Phillips-Medsize Holdings A/S

(DKK '000)

#### 9 Retained earnings

In 2017 DKK 0 was paid as dividend, corresponding to DKK 0 per share.  
A dividend of DKK 0k will be proposed for 2017.

Phillips-Medsize Holdings A/S' Executive Board and Board of Directors currently assess whether the Company's capital structure is adequate and which activities are necessary to ensure this.  
Usually no dividend is paid out unless it may be included in net profit/loss for the year.

	2017	2016
<b>10 Payables to group enterprises</b>		
Payables to group enterprises (gross) at 31 December	165.473	184.620
The fair value of payables to group enterprises is DKK 165.473k.		

#### 11 Other payables

Other	30	30
Total other payables	30	30

No other payables fall due for payment after 1 year.

The fair value of other payables is DKK 30k.

For payables falling due within 1 year after the balance sheet date the carrying amount of the payables is in all materiality considered to equal the fair value of the payables.

	2017	2016
<b>12 Adjustments</b>		
Financial income	-	-
Financial expenses	-	-
Tax on profit/loss for the year	4.187	(7)
	4.187	(7)

#### 13 Change in working capital

Change in receivables etc	124	(500)
Change in trade payables etc	(19.147)	184.650
	(19.023)	184.150

#### 14 Contingent liabilities and other financial obligations

##### a Joint taxation

The Group companies are jointly and severally liable for tax on the Group's jointly taxed income etc. Total corporation tax payable appears from the Annual Report of Phillips-Medsize Holdings A/S, which is the administration company in relation to the joint taxation. The Group companies are moreover jointly and severally liable for Danish withholding taxes in the form of dividend.

##### b Litigations

Phillips-Medsize Holdings A/S is not engaged in any litigation.

#### 15 Related parties

The Company's related party with controlling interest is Pantheon Topco Inc.

The related parties with significant influence in the Company are the Board of Directors as well as their related family members. Related parties also comprise companies in which these persons have

Related parties with other influence in the Company are the Executive Board.

*Executive Board and Board of Directors*

There have not been any transactions with the Board of Directors or Executive Board.

## Notes

### **Phillips-Medsize Holdings A/S**

(DKK '000)

#### **16 Group matters**

The Company, whose controlling shareholder is Pantheon Topco Inc., is included in the Consolidated Financial Statements of its Parent Company, MOLEX ELECTRONIC TECHNOLOGIES, LLC, 2222 Wellington Court Lisle, IL 60532-1682, United States. Phillips-Medsize Holdings A/S is ultimate owned by Koch Industries Inc. 4111 East 37th Street North, Wicita, Kansas 67220. Phillips-Medsize Holdings A/S is included in the Consolidated Financial Statement for Koch Industries Inc.