

Duo-Med Scandinavia ApS

Lejrvej 25

3500 Værløse

Business Registration No

38584111

Annual report 2018

The Annual General Meeting adopted the annual report on 25.06.2019

Chairman of the General Meeting

Name: Wouter Pauwels

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Entity details

Entity

Duo-Med Scandinavia ApS
Lejrvej 25
3500 Værløse

Central Business Registration No (CVR): 38584111

Registered in: Furesø

Financial year: 01.01.2018 - 31.12.2018

Board of Directors

Laurent Gerard Ganem, chairman
Dirk de Cuyper
Reinier van der List
Wouter Pauwels
Martin Teilmann Laub Nielsen

Executive Board

Wouter Pauwels

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 Duo-Med Scandinavia 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.

Værløse, 25.06.2019

Executive Board

Wouter Pauwels

Board of Directors

Laurent Gerard Ganem
chairman

Dirk de Cuyper

Reinier van der List

Wouter Pauwels

Martin Teilmann Laub Nielsen

Independent auditor's report

To the shareholders of Duo-Med Scandinavia ApS

Opinion

We have audited the financial statements of Duo-Med Scandinavia 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.

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, 25.06.2019

Deloitte

Statsautoriseret Revisionspartnerselskab
Central Business Registration No (CVR) 33963556

Torben Skov
State Authorised Public Accountant
Identification No (MNE) mne19689

Management commentary

Primary activities

The Company's purpose is to hold shares and other securities as well as other activities which the board of directors deem related.

Development in activities and finances

The loss for the year amounts to DKK 13.394k, which Managements view as dissatisfactory.

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</u>
Gross loss		(749.883)	(20.000)
Income from investments in group enterprises		(3.539.838)	(5.301.345)
Other financial expenses	1	<u>(11.883.303)</u>	<u>(6.069.000)</u>
Profit/loss before tax		(16.173.024)	(11.390.345)
Tax on profit/loss for the year	2	<u>2.779.301</u>	<u>1.339.580</u>
Profit/loss for the year		<u>(13.393.723)</u>	<u>(10.050.765)</u>
Proposed distribution of profit/loss			
Retained earnings		<u>(13.393.723)</u>	<u>(10.050.765)</u>
		<u>(13.393.723)</u>	<u>(10.050.765)</u>

Balance sheet at 31.12.2018

	<u>Notes</u>	<u>2018 DKK</u>	<u>2017 DKK</u>
Investments in group enterprises		200.831.387	204.371.225
Fixed asset investments	3	200.831.387	204.371.225
Fixed assets		200.831.387	204.371.225
Receivables from group enterprises		2.326.056	0
Other receivables		34.042	0
Joint taxation contribution receivable		3.072.657	3.071.435
Receivables		5.432.755	3.071.435
Cash		0	5.255.602
Current assets		5.432.755	8.327.037
Assets		206.264.142	212.698.262

Balance sheet at 31.12.2018

<u>Notes</u>	<u>2018</u> <u>DKK</u>	<u>2017</u> <u>DKK</u>
Contributed capital	7.436.600	7.436.600
Share premium	0	45.413.243
Retained earnings	<u>21.968.755</u>	<u>(10.050.765)</u>
Equity	<u>29.405.355</u>	<u>42.799.078</u>
Payables to group enterprises	156.209.841	148.732.004
Payables to shareholders and management	<u>13.306.176</u>	<u>11.898.560</u>
Non-current liabilities other than provisions	<u>169.516.017</u>	<u>160.630.564</u>
Trade payables	30.540	1.467.765
Payables to group enterprises	5.287.019	6.069.000
Income tax payable	<u>2.025.211</u>	<u>1.731.855</u>
Current liabilities other than provisions	<u>7.342.770</u>	<u>9.268.620</u>
Liabilities other than provisions	<u>176.858.787</u>	<u>169.899.184</u>
Equity and liabilities	<u>206.264.142</u>	<u>212.698.262</u>

Contingent liabilities

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Statement of changes in equity for 2018

	Contributed capital DKK	Share premium DKK	Retained earnings DKK	Total DKK
	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>	<u>DKK</u>
Equity beginning of year	7.436.600	45.413.243	(10.050.765)	42.799.078
Transferred from share premium	0	(45.413.243)	45.413.243	0
Profit/loss for the year	0	0	(13.393.723)	(13.393.723)
Equity end of year	7.436.600	0	21.968.755	29.405.355

Notes

	2018	2017
	DKK	DKK
1. Other financial expenses		
Financial expenses from group enterprises	10.369.102	6.069.000
Other interest expenses	1.407.616	0
Exchange rate adjustments	106.585	0
	11.883.303	6.069.000

	2018	2017
	DKK	DKK
2. Tax on profit/loss for the year		
Refund in joint taxation arrangement	(2.779.301)	(1.339.580)
	(2.779.301)	(1.339.580)

	Invest- ments in group enterprises DKK
3. Fixed asset investments	
Cost beginning of year	209.672.570
Cost end of year	209.672.570
Revaluations beginning of year	(5.301.345)
Amortisation of goodwill	(19.346.865)
Share of profit/loss for the year	15.807.027
Revaluations end of year	(8.841.183)
Carrying amount end of year	200.831.387

	Registered in	Corpo- rate form	Equity inte- rest %
Investments in group enterprises comprise:			
Braun Scandinavia A/S	Furesø	A/S	100,0

Notes

4. 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.

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.

Consolidated financial statements

Referring to section 110 of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

Non-comparability

The fiscal year 2017 was the company's first and comprise 8 months, hence the figures of comparison are not fully comparable.

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 administrative expenses etc.

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 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.

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.

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.

Accounting policies

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 10 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.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Cash

Cash comprises cash in hand and bank deposits.

Other financial liabilities

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

Income tax receivable or payable

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