
Nunc A/S

Kamstrupvej 90, DK-4000 Roskilde

Annual Report for 1 January - 31 December 2015

CVR No 39 58 29 10

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
30/5 2016

Bo Matthisson
Chairman



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Management's Statement

The Executive and Supervisory Boards have today considered and adopted the Annual Report of Nunc A/S for the financial year 1 January - 31 December 2015.

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 2015 of the Company and of the results of the Company operations for 2015.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

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

Roskilde, 30 May 2016

Executive Board

Grant Hellier Lawrence

Board of Directors

Petrus Thomas Adrianus van der
Zande
Chairman

Linda Carina Carlsson

Pierre Francois Block

Grant Hellier Lawrence

Søren Christensen
Staff Representative

Helle Pia Nielsen
Staff Representative

Independent Auditor's Report on the Financial Statements

To the Shareholders of Nunc A/S

Report on the Financial Statements

We have audited the Financial Statements of Nunc A/S for the financial year 1 January - 31 December 2015, which comprise income statement, balance sheet, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company operations for the financial year 1 January - 31 December 2015 in accordance with the Danish Financial Statements Act.

Independent Auditor's Report on the Financial Statements

Statement on Management's Review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is in accordance with the Financial Statements.

København, 30 May 2016

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Mikkel Sthyr
State Authorised Public Accountant

Morten Jørgensen
State Authorised Public Accountant

Company Information

The Company

Nunc A/S
Kamstrupvej 90
DK-4000 Roskilde
Website: www.thermofisher.com

CVR No: 39 58 29 10
Financial period: 1 January - 31 December
Municipality of reg. office: Roskilde

Board of Directors

Petrus Thomas Adrianus van der Zande, Chairman
Linda Carina Carlsson
Pierre Francois Block
Grant Hellier Lawrence
Søren Christensen
Helle Pia Nielsen

Executive Board

Grant Hellier Lawrence

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Financial Highlights

Seen over a five-year period, the development of the Company is described by the following financial highlights:

	2015 TDKK	2014 TDKK	2013 TDKK	2012 TDKK	2011 TDKK
Key figures					
Profit/loss					
Revenue	432.698	428.538	443.613	574.585	682.075
Gross profit/loss	152.365	140.737	138.972	188.155	238.244
Operating profit/loss	88.106	96.580	86.682	132.943	144.847
Profit/loss before financial income and expenses	88.106	96.580	86.682	132.943	144.847
Net financials	14.231	12.690	10.407	9.347	9.586
Net profit/loss for the year	78.380	85.099	72.963	105.678	115.283
Balance sheet					
Balance sheet total	1.260.121	1.185.483	1.092.941	1.051.467	973.071
Equity	1.144.627	1.066.247	981.148	908.186	802.508
Investment in property, plant and equipment	49.195	30.792	-9.245	12.842	13.036
Number of employees	378	375	396	418	460
Ratios					
Gross margin	35,2%	32,8%	31,3%	32,7%	34,9%
Profit margin	20,4%	22,5%	19,5%	23,1%	21,2%
Return on assets	7,0%	8,1%	7,9%	12,6%	14,9%
Solvency ratio	90,8%	89,9%	89,8%	86,4%	82,5%
Return on equity	7,1%	8,3%	7,7%	12,4%	15,5%

The ratios have been prepared in accordance with the recommendations and guidelines issued by the Danish Society of Financial Analysts. For definitions, see under accounting policies.

Management's Review

Main activity

As in prior years, the Company's primary activities have consisted in making and selling disposable plastic products for cell culture, molecular biology, immunology and diagnostics. The products are sold primarily to laboratories and the pharmaceutical industry.

Development in the year

The income statement of the Company for 2015 shows a profit of TDKK 78,380, and at 31 December 2015 the balance sheet of the Company shows equity of TDKK 1,144,627.

In 2015, the Company realized a revenue of DKK 432,698k, which is an increase of DKK 4,160k compared with 2014.

Management considers the profit for the year satisfactory.

Expectations for the year ahead

For the financial year 2016, Company Management expect a revenue and a result before tax at the same level as in 2015.

Research and development

The Company's research and development activities are proceeding as planned, and are expected to be at the same level next year.

External environment

The Company is aware of the environment and works on reducing the environmental impact from its activities. The Company is working applying the ISO 14001 Environmental Management Standard.

Intellectual capital resources

It is vital for Nunc A/S's continued growth to attract and retain staff covering many different lines of education. Among the staff are engineers, academics, commercially trained people, technicians and specialist workers.

Modern and automated production processes are applied to ensure competitive quality in products. Fields of activity are cell culture, immuno chemistry, DNA analyses and storage of biological tests.

The Company uses a Cobolt 60 radiation facility as well as various IT software and hardware.

The common denominator for these areas is that they require a high level of competence. Resources are therefore invested in upgrading the skills of the Company's staff further and in creating a sound working environment.

Management's Review

Corporate Social Responsibility

Regarding the Danish Financial Statements Act § 99a, the Company has no independent written policies for social responsibility, including politics on human rights, environment and climate.

We refer to the statement in the Consolidated Financial Statements and the CSR report of the Parent Company, Thermo Fisher Scientific Inc. The Consolidated Financial Statements and the CSR report can be obtained at the Company address.

Diversity

The Company generally wants to ensure that it always is the most qualified person who fill a given position. All employees' efforts are measured based on individual goals. We want to foster diversity and create opportunities for all persons, regardless of gender, age, and ethnicity, religious or political conviction. The Company's existence is depending on skilled employees, and the Company strives to have the most qualified persons on all positions.

The Company target was having at least one female board member by the end of 2016. Linda Carlsson joined The Board in November 2015 and the target is reached. The status is that one of the elected board members are a woman, and so are one of the staff elected members.

Unusual events

The financial position at 31 December 2015 of the Company and the results of the activities of the Company for the financial year for 2015 have not been affected by any unusual events.

Subsequent events

No events have occurred after the balance sheet date, which could significantly affect the Company's financial position.

Income Statement 1 January - 31 December

	Note	2015 TDKK	2014 TDKK
Revenue	1	432.698	428.538
Cost of sales		-280.333	-287.801
Gross profit/loss		152.365	140.737
Distribution expenses		-11.632	-14.759
Administrative expenses		-52.627	-29.398
Operating profit/loss		88.106	96.580
Financial income	3	14.231	12.691
Financial expenses		0	-1
Profit/loss before tax		102.337	109.270
Tax on profit/loss for the year	4	-23.957	-24.171
Net profit/loss for the year		78.380	85.099

Distribution of profit

Proposed distribution of profit

Retained earnings	78.380	85.099
	78.380	85.099

Balance Sheet 31 December

Assets

	Note	2015 TDKK	2014 TDKK
Computer Software		1.297	2.163
Intangible assets	5	1.297	2.163
Land and buildings		50.186	48.168
Other fixtures and fittings, tools and equipment		87.970	81.492
Property, plant and equipment in progress		43.305	24.110
Property, plant and equipment	6	181.461	153.770
Investments in subsidiaries	7	230.717	230.717
Fixed asset investments		230.717	230.717
Fixed assets		413.475	386.650
Inventories	8	37.848	40.915
Trade receivables		786	1.812
Receivables from group enterprises		796.735	743.570
Other receivables		8.584	10.448
Prepayments		2.689	2.086
Receivables		808.794	757.916
Cash at bank and in hand		4	2
Currents assets		846.646	798.833
Assets		1.260.121	1.185.483

Balance Sheet 31 December

Liabilities and equity

	Note	2015 TDKK	2014 TDKK
Share capital		1.000	1.000
Retained earnings		1.143.627	1.065.247
Equity	9	1.144.627	1.066.247
Provision for deferred tax		17.446	17.168
Provisions		17.446	17.168
Trade payables		32.982	41.910
Payables to group enterprises		3.988	2.811
Corporation tax		23.600	27.045
Other payables		37.478	30.302
Short-term debt		98.048	102.068
Debt		98.048	102.068
Liabilities and equity		1.260.121	1.185.483
Staff	2		
Contingent assets, liabilities and other financial obligations	10		
Related parties and ownership	11		

Notes to the Financial Statements

	2015 <u>TDKK</u>	2014 <u>TDKK</u>
1 Revenue		
Geographical segments		
Revenue, exports	432.698	428.538
	<u>432.698</u>	<u>428.538</u>
Primary segment:		
The company's only segment is to make and sell disposable plastic products for cell culture, molecular biology, immunology and diagnostics		
Secondary segment:		
Sales by geographical markets.		
2 Staff		
Wages and Salaries	152.828	148.530
Pensions	12.037	11.703
Other social security expenses	2.840	3.393
Other staff expenses	19.635	0
	<u>187.340</u>	<u>163.626</u>
Wages and Salaries, pensions, other social security expenses and other staff expenses are recognised in the following items:		
Cost of sales	139.064	139.360
Distribution expenses	8.187	8.885
Administrative expenses	40.089	15.381
	<u>187.340</u>	<u>163.626</u>
Average number of employees	<u>378</u>	<u>375</u>

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

Notes to the Financial Statements

	2015 <u>TDKK</u>	2014 <u>TDKK</u>
3 Financial income		
Interest received from group enterprises	11.787	11.148
Exchange rate adjustments	2.444	1.543
	<u>14.231</u>	<u>12.691</u>
4 Tax on profit/loss for the year		
Current tax for the year	23.600	26.499
Deferred tax for the year	511	-2.328
Adjustment of tax concerning previous years	79	0
Adjustment of deferred tax concerning previous years	-233	0
	<u>23.957</u>	<u>24.171</u>
5 Intangible assets		
		Computer Software <u>TDKK</u>
Cost at 1 January		11.290
Transfers for the year		470
Cost at 31 December		<u>11.760</u>
Impairment losses and amortisation at 1 January		9.127
Amortisation for the year		1.336
Impairment losses and amortisation at 31 December		<u>10.463</u>
Carrying amount at 31 December		<u>1.297</u>
Amortised over		<u>3-5 years</u>
	2015 <u>TDKK</u>	2014 <u>TDKK</u>
Amortisation and impairment of intangible assets are recognised in the following items:		
Administrative expenses	1.336	1.557
	<u>1.336</u>	<u>1.557</u>

Notes to the Financial Statements

6 Property, plant and equipment

	Land and buildings	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress
	TDKK	TDKK	TDKK
Cost at 1 January	85.109	490.546	24.110
Additions for the year	0	0	49.195
Disposals for the year	0	-7.633	0
Transfers for the year	3.981	25.549	-30.000
Cost at 31 December	<u>89.090</u>	<u>508.462</u>	<u>43.305</u>
Impairment losses and depreciation at 1 January	36.941	409.054	0
Depreciation for the year	1.963	17.069	0
Reversal of impairment and depreciation of sold assets	0	-5.631	0
Impairment losses and depreciation at 31 December	<u>38.904</u>	<u>420.492</u>	<u>0</u>
Carrying amount at 31 December	<u>50.186</u>	<u>87.970</u>	<u>43.305</u>
Depreciated over	<u>50 years</u>	<u>3-13 years</u>	
		2015	2014
		TDKK	TDKK
Depreciation and impairment of property, plant and equipment are recognised in the following items:			
Cost of sales		18.202	20.270
Administrative expenses		830	627
		<u>19.032</u>	<u>20.897</u>

Notes to the Financial Statements

	<u>2015</u> TDKK	<u>2014</u> TDKK
7 Investments in subsidiaries		
Cost at 1 January	230.717	230.717
Carrying amount at 31 December	<u>230.717</u>	<u>230.717</u>

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Votes and ownership	Equity	Net profit/loss for the year
Proxeon Biosystems ApS	Roskilde	4.000.000	100%	188.239.372	50.120.194

	<u>2015</u> TDKK	<u>2014</u> TDKK
8 Inventories		
Raw materials and consumables	14.217	13.702
Work in progress	19.074	20.737
Finished goods and goods for resale	4.557	6.476
	<u>37.848</u>	<u>40.915</u>

	<u>Share capital</u> TDKK	<u>Retained earnings</u> TDKK	<u>Total</u> TDKK
9 Equity			
Equity at 1 January	1.000	1.065.247	1.066.247
Net profit/loss for the year	0	78.380	78.380
Equity at 31 December	<u>1.000</u>	<u>1.143.627</u>	<u>1.144.627</u>

The share capital consists of 1,000 shares of a nominal value of DKK 1,000. No shares carry any special rights.

There have been no changes in the share capital during the last 5 years.

Notes to the Financial Statements

	<u>2015</u> TDKK	<u>2014</u> TDKK
10 Contingent assets, liabilities and other financial obligations		
Rental agreements and leases		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	967	963
Between 1 and 5 years	<u>962</u>	<u>1.319</u>
	<u>1.929</u>	<u>2.282</u>
There are no other security and contingent liabilities at 31 December 2015.		

Notes to the Financial Statements

11 Related parties and ownership

Basis

Controlling interest

Fisher BioImage ApS, Roskilde

Controlling shareholder

Transactions

Except for intercompany transactions and normal management remuneration, there have been no transactions with the Supervisory Board, the Executive Board, senior officers, significant shareholders, group enterprises or other related parties.

Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

Fisher BioImage ApS, Roskilde

Consolidated Financial Statements

The company is included in the consolidated report for the ultimate parent Thermo Fischer Scientific Inc. Thermo Fisher Scientific Inc.

The Annual Report of Thermo Fischer Scientific Inc. may be obtained at the following address:

Thermo Fischer Scientific Inc., 81 Wyman Street, Waltham, MA 02454, USA.

Accounting Policies

Basis of Preparation

The Annual Report of Nunc A/S for 2015 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to large enterprises of reporting class C .

The accounting policies applied remain unchanged from last year.

Financial Statements for 2015 are presented in TDKK.

According to section 96 part 3 of the Danish Financial Statements Act, fees to auditors appointed at the general meeting is not disclosed.

Consolidated financial statements

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

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Thermo Fisher Scientific Inc, the Company has not prepared a cash flow statement.

Recognition and measurement

The Financial Statements have been prepared under the historical cost method.

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, amount taht 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.

Accounting Policies

Recognition and measurement take into account predictable losses and risks occurring before the presentation of the Annual Report which confirm or invalidate affairs and conditions existing at the balance sheet date.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an approximated value as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

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. Any 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.

Income Statement

Revenue

Revenue from the sale of goods for resale and finished goods is recognised in the income statement when delivery and transfer of risk to the buyer have been made before year end.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Accounting Policies

Cost of sales

Cost of sales comprises costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc. Amortisation of goodwill is also included to the extent that goodwill relates to distribution activities.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc. Amortisation of goodwill is also included to the extent that goodwill relates to administrative activities.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial 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 Danish subsidiaries in the Thermo Fisher Scientific Group. The tax effect of the joint taxation is allocated to Danish enterprises in proportion to their taxable incomes.

Balance Sheet

Intangible assets

Computer software and acquired patents is measured at the lower of cost less accumulated amortisation and recoverable amount. Computer software is amortised over the expected useful life; however not exceeding 5 years.

Development costs and costs relating to rights developed by the Company are recognised in the income statement as costs in the year of acquisition.

Accounting Policies

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use. In the case of assets of own construction, cost comprises direct and indirect expenses for labour, materials, components and sub-suppliers.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Buildings	50 years
Plant and machinery	3-13 years
Other fixtures and fittings, tools and equipment	3-13 years
Leasehold improvements	5 years

Depreciation period and residual value are reassessed annually.

Assets costing less than DKK 12,800 are expensed in the year of acquisition.

Investments in subsidiaries

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

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected sales sum.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour with addition of indirect production costs. Indirect production costs comprise the cost of indirect materials and labour as well as maintenance and depreciation of the machinery, factory buildings and equipment used in the manufacturing process as well as costs of factory administration and management.

Accounting Policies

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, 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 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.

Financial debts

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

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.

Accounting Policies

Financial Highlights

Explanation of financial ratios

Gross margin	$\frac{\text{Gross profit} \times 100}{\text{Revenue}}$
Profit margin	$\frac{\text{Profit before financials} \times 100}{\text{Revenue}}$
Return on assets	$\frac{\text{Profit before financials} \times 100}{\text{Total assets}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets at year end}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$