
Eurofins NSC Denmark A/S

Smedeskovvej 38, DK-8464 Galten

Annual Report for 1 January - 31 December 2020

CVR No 62 22 53 19

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
21st May 2021



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 NSC Denmark A/S for the financial year 1 January - 31 December 2020.

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 2020 of the Company and of the results of the Company operations for 2020.

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

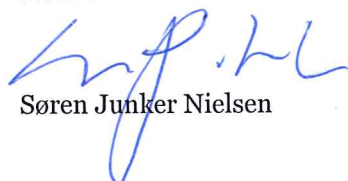
Galten, 21-05-2021

Executive Board



Svend Aage Linde

Board of Directors



Søren Junker Nielsen



Stefania Pcolova



Svend Aage Linde

Independent Auditor's Report on the Financial Statements

To the Shareholder of Eurofins NSC Denmark A/S

Opinion

We have audited the financial statements of Eurofins NSC Denmark A/S for the financial year 01.01.2020 - 31.12.2020 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 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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:

- 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

Independent Auditor's Report on the Financial Statements

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.

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.

Aarhus, 21-05-2021

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR-nr. 33 96 35 56



Henrik Vedel

statsautoriseret revisor

State Authorised Public Accountant

MNE-nr.: mne10052

Company Information

The Company

Eurofins NSC Denmark A/S
Smedeskovvej 38
DK-8464 Galten

CVR No: 62 22 53 19

Financial period: 1 January - 31 December

Municipality of reg. office: Skanderborg

Executive Board

Svend Aage Linde

Board of Directors

Søren Junker Nielsen
Svend Aage Linde
Stefania Pcolova

Auditors

Deloitte
Statsautoriseret Revisionspartnerselskab
Værkmestergade 2, 18.
DK-8000 Aarhus C

Management's Statement

Main activity

The activities of the Company is to manage the administration of Eurofins' Danish companies.

Development in the year

The income statement of the Company for 2020 shows a profit of DKK 1.933.841, which is considered satisfactory.

The Company has not been impacted by COVID 19 crisis and no negative effects on Company's ability to continue its operations have been observed.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement 1 January - 31 December

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Gross profit/loss		25.067.962	23.175.750
Staff expenses	2	<u>-19.762.054</u>	<u>-18.979.788</u>
Profit/loss before depreciation, amortisation and impairment		5.305.908	4.195.962
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-2.405.703</u>	<u>-1.776.768</u>
Profit/loss before financial income and expenses		2.900.205	2.419.194
Financial income	3	171.144	364.877
Financial expenses	4	<u>-592.296</u>	<u>-913.497</u>
Profit/loss before tax		2.479.053	1.870.574
Tax on profit/loss for the year		<u>-545.212</u>	<u>-416.885</u>
Net profit/loss for the year		<u>1.933.841</u>	<u>1.453.689</u>

Distribution of profit

Proposed distribution of profit

Retained earnings		<u>1.933.841</u>	<u>1.453.689</u>
		<u>1.933.841</u>	<u>1.453.689</u>

Balance Sheet 31 December

Assets

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Software		<u>135.774</u>	<u>134.856</u>
Intangible assets		<u>135.774</u>	<u>134.856</u>
Other fixtures and fittings, tools and equipment		3.949.837	4.815.772
Leasehold improvements		<u>29.221</u>	<u>34.090</u>
Property, plant and equipment		<u>3.979.058</u>	<u>4.849.862</u>
Fixed assets		<u>4.114.831</u>	<u>4.984.718</u>
Inventories		<u>44.099</u>	<u>0</u>
Inventories		<u>44.099</u>	<u>0</u>
Trade receivables		14.511	396.536
Receivables from group enterprises	5	244.642.663	154.480.526
Other receivables		1.535.197	79.505
Corporation tax		0	1.838.927
Deferred tax asset		51.839	0
Prepayments		<u>152.270</u>	<u>204.891</u>
Receivables		<u>246.396.481</u>	<u>157.000.385</u>
Cash at bank and in hand		<u>5.503</u>	<u>3.191</u>
Current assets		<u>246.446.083</u>	<u>157.003.576</u>
Assets		<u>250.560.915</u>	<u>161.988.294</u>

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2020</u> DKK	<u>2019</u> DKK
Share capital		3.000.000	3.000.000
Retained earnings		5.725.137	3.791.296
Proposed dividends		<u>0</u>	<u>0</u>
Equity		<u>8.725.137</u>	<u>6.791.296</u>
Provision for deferred tax		<u>0</u>	<u>154.847</u>
Provisions		<u>0</u>	<u>154.847</u>
Other long term liabilities		<u>1.985.664</u>	<u>693.138</u>
Long-term debt	6	<u>1.985.664</u>	<u>693.138</u>
Credit institutions		4.909	20.567
Trade payables		1.740.337	2.915.717
Payables to group enterprises	5	231.262.632	147.564.828
Corporate tax liabilities		599.898	0
Other payables		<u>6.242.337</u>	<u>3.847.901</u>
Short-term debt		<u>239.850.113</u>	<u>154.349.013</u>
Debt		<u>241.835.777</u>	<u>155.196.998</u>
Liabilities and equity		<u>250.560.915</u>	<u>161.988.294</u>
Subsequent events	1		
Contingent assets, liabilities and other financial obligations	7		
Consolidated Financial Statements	8		

Equity Statement 31. december 2020

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1. januar 2020	3.000.000	3.791.296	6.791.296
Net profit / loss for the year	0	1.933.841	1.933.841
Equity at 31. december 2020	<u>3.000.000</u>	<u>5.725.137</u>	<u>8.725.137</u>

Notes to the Financial Statements

1 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

	<u>2020</u> DKK	<u>2019</u> DKK
2 Staff expenses		
Wages and salaries	18.178.286	17.467.394
Pensions	1.215.834	1.117.773
Other social security expenses	<u>367.933</u>	<u>349.621</u>
	<u>19.762.054</u>	<u>21.221.004</u>
Average number of employees	<u>39</u>	<u>40</u>

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

3 Financial income

Exchange adjustments	<u>171.144</u>	<u>364.877</u>
	<u>171.144</u>	<u>364.877</u>

4 Financial expenses

Other financial expenses	<u>592.296</u>	<u>913.497</u>
	<u>592.296</u>	<u>913.497</u>

5 Receivables/Payables from group enterprises

The Company has entered into a Cash pool agreement with all the Danish Companies in Eurofins Group and with Eurofins Support Services Holding SARL and Eurofins Finance Luxembourg S.à.r.l. Receivable from this cash pool as of 31st Dec 2020 of 241.8 MDKK (as of 31st Dec 2019 the amount was 151.1 MDKK) is included in receivables from group enterprises in 2020 while payables to this cash pool as of 31st Dec 2020 of 230.3 MDKK (as of 31st Dec 2019 the amount was 146.4 MDKK) are included in payables to group enterprises.

Notes to the Financial Statements

6 Long-term debt

Other long-term liabilities contains blocked vacation accrual for the period 1 August 2019 to 31 July 2020.

	<u>2020</u> DKK	<u>2019</u> DKK
Between 1 and 5 years	89.752	31.330
Efter 5 years	<u>1.895.912</u>	<u>661.808</u>
	<u>1.985.664</u>	<u>693.138</u>

7 Contingent assets, liabilities and other financial obligations

Rental agreements and leases

	<u>2020</u> DKK	<u>2019</u> DKK
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	0	79.939
Between 1 and 5 years	<u>0</u>	<u>6.662</u>
	<u>0</u>	<u>86.601</u>
Lease obligations, period of non-terminability :	0	1.092.000

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.

Contingent assets

The Eurofins Group and the Company were subject to a ransomware cyber-attack in June 2019 entailing that the Company's operations were paralyzed for several weeks. During that period management and employees worked hard and managed to keep the business running. The losses that the Company has incurred due to the cyber-attack are to some degree covered by Group insurance policies. During 2020 the Company received a partial compensation. As the management has not been able to reliably assess the size of the remaining compensation from the insurance companies, no receivable has been recognized in the financial statements.

Notes to the Financial Statements

8 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 NSC Denmark A/S for 2020 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, however small reclassifications have been made.

Financial Statements for 2020 are presented in DKK.

Lack of comparability

A few reclassifications have been made between short term and long term liabilities; and between gross profit and staff expenses in 2019.

The blocked vacation accruals were shown as short term liabilities in 2019, which is corrected to long term liabilities in 2020.

Personnel costs cover all employees hired in the individual Company, while expenses and revenues related to loan of employees to other companies are presented as other operational expenses and other operational income. Comparative figures for 2019 are adjusted accordingly.

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.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the maturity period. Amortised cost is calculated as original cost less any repayments and with addition/deduction of the cumulative amortisation of any difference between cost and the nominal amount. In this way, capital losses and gains are allocated over the maturity period.

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

Accounting Policies

balance sheet date.

Danish kroner is used as the measurement currency. All other currencies are regarded as foreign currencies.

Leasing

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.

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.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Income Statement

Gross profit

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

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Accounting Policies

Expenses for raw materials and consumables

Expenses for raw materials and consumables comprise the raw materials and consumables consumed to achieve revenue for the year.

Other external expenses

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

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment and profits and losses on sale of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprise.

As the activities presented in this section in the income statement actually include core business of the company, we have adjusted the presentation for 2018 figures compared to last years' annual report, in order to make the figures comparable. The costs previously included here are now a part of gross profit.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments as well as extra payments and repayment under the onaccount taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and 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 tax recognised in the income statement is classified as tax on ordinary activities and tax on extraordinary items, respectively.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with Danish group enterprises. The tax effect of the joint taxation with the

Accounting Policies

enterprises is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses). The jointly taxed enterprises have adopted the on-account taxation scheme.

Balance Sheet

Intangible assets

Intangible assets that include software are measured at cost less accumulated depreciation and less any accumulated impairment losses.

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.

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:

Other fixtures and fittings, tools and equipment	3-10 years
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Leasehold improvements	5-15 years
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Depreciation period and residual value are reassessed annually.

Impairment of fixed assets

The carrying amounts of property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount, and the asset is written down to its lower recoverable amount.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

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.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

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.

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 set-off against deferred tax liabilities.

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

Receivables/Payables from group enterprises

Main part of the receivables and payables from group enterprises is cash pool with sister companies in Denmark and Luxembourg. As the parties are different, we have separated the receivables and payables. The amounts were netted off in 2018 annual accounts. In order to be able to present comparable figures, the amounts for 2018 have been adjusted accordingly.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Accounting Policies

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Financial debts

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