Nunc A/S

Kamstrupvej 90, DK-4000 Roskilde

Annual Report for 2023

CVR No. 39 58 29 10

The Annual Report was presented and adopted at the Annual General Meeting of the company on 3/7 2024

Petrus Thomas Adrianus van der Zande
Chairman of the general meeting

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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Nunc A/S for the financial year 1 January - 31 December 2023.

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 2023 of the Company and of the results of the Company operations for 2023.

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, 3 July 2024

Executive Board

Simon Lie
Manager

Board of Directors

Petrus Thomas Adrianus van der Zande Chairman	Simon Lie	Sara Maria Carrella
Helle Pia Nielsen	Maria Elisa Rex	

Independent Auditor's report

To the shareholder of Nunc A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company´s operations for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Nunc A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the 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 Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 Financial 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 Statements 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 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.

Independent Auditor's report

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 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.

Hellerup, 3 July 2024

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR No 33 77 12 31

Morten Jørgensen
State Authorised Public Accountant
mne32806

Mads Blichfeldt Fjord
State Authorised Public Accountant
mne46065

Company information

The Company	Nunc A/S Kamstrupvej 90 4000 Roskilde Website: www.thermofisher.com CVR No: 39 58 29 10 Financial period: 1 January - 31 December Incorporated: 17 March 1953 Municipality of reg. office: Roskilde
Board of Directors	Petrus Thomas Adrianus van der Zande, chairman Simon Lie Sara Maria Carrella Helle Pia Nielsen Maria Elisa Rex
Executive Board	Simon Lie
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 DK-2900 Hellerup

Financial Highlights

Seen over a 5-year period, the development of the Company is described by the following financial highlights:

	2023	2022	2021	2020	2019
	TDKK	TDKK	TDKK	TDKK	TDKK
Key figures					
Profit/loss					
Revenue	587,417	664,393	687,380	614,250	536,426
Gross profit	232,823	235,841	268,142	223,784	177,607
Profit/loss of primary operations	153,837	163,201	179,328	165,203	119,263
Profit/loss of financial income and expenses	43,383	4,328	-1,309	-322	-719
Net profit/loss for the year	156,072	130,331	138,678	128,612	92,454
Balance sheet					
Balance sheet total	2,446,158	2,295,706	2,184,984	997,863	827,472
Investment in property, plant and equipment	10,904	38,261	57,771	19,563	31,396
Equity	2,314,878	2,158,806	2,028,475	800,620	672,008
Number of employees	333	370	375	371	373
Ratios					
Gross margin	39.6%	35.5%	39.0%	36.4%	33.1%
Profit margin	26.2%	24.6%	26.1%	26.9%	22.2%
Return on assets	6.3%	7.1%	8.2%	16.6%	14.4%
Solvency ratio	94.6%	94.0%	92.8%	80.2%	81.2%
Return on equity	7.0%	6.2%	9.8%	17.5%	14.8%

Management's review

Key activities

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 2023 shows a profit of TDKK 156,072, and at 31 December 2023 the balance sheet of the Company shows positive equity of TDKK 2,314,878.

In 2023, the Company realized a revenue of 587,417 TDKK, which is a decrease of 76,979 TDKK compared to 2022 duo to lower demand and market conditions after Covid-19.

Management considers the profit for the year satisfactory.

The past year and follow-up on development expectations from last year

For the financial year 2023, Company Management expected a revenue and a result before tax close to the level in 2022.

Outlook

The management is expecting a positive result before tax in the coming year in the range of DKK 20 – 60 million

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.

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, quality and regulatory people, technicians, and specialist workers.

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

The Company uses a Cobolt 60 gamma irradiation 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

Report on Corporate Social Responsibility, cf. Section 99 a of the Danish financial Statements Act

Business model and risk analysis

Nunc A/S's basic position is that we must show responsibility, decency, good ethics and moral as well as respect for our activities, customers, employees, business partners and other stakeholders. The Company sells plastic products of a high quality to laboratories and the pharmaceutical industry. Consequently, the Company is highly exposed and in contact with many people and business relations, and, thus, we and the Thermo Fisher Group have a significant impact on society. As part of running a responsible business, a risk assessment is made to identify the need for policies, guidelines, and actions.

The Group's risk of impacting the environment and climate, human rights and corruption is considered limited. The risk assessment is based on an analysis of selected elements with respect to their potential risk for the Company's and the Group's stakeholders. In this connection, the risk is a product of the importance of the element in the day-to-day business and the likely impact of the element on the Group or its stakeholders. To the extent that material risks have been identified in the individual areas, they have been described together with the relevant policies.

Environment and climate at Nunc A/S

Nunc A/S is aware of the general challenges faced by society connected with the environment and the climate, including climate variations and changes. The Group takes on its share of the responsibility for contributing to solving such challenges and, therefore, focuses on limiting the negative impact on the environment and the climate that the Company might have. Nunc A/S's ambition is continuously to work on the areas in which the impact on the environment and the climate is most direct so that the effort becomes as effective as possible.

Energy consumption is one area to which we pay attention. The Company's different segments all work on reducing the amount of energy consumed for production, transport, lighting, and heating. Moreover, recycling and the number of recycled materials are important to the Group in connection with decisions regarding construction work and renovation.

The primary result in 2023 on environment and climate is a big reduction in energy consumption 1,051,361 kwh. equal to 79% used to cool water for production, and overall Nunc A/S has reduced energy consumption for transport, lighting and heating by 8 % in 2023.

Social and employee matters at Nunc A/S

Nunc A/S considers it very important to be an attractive workplace and implements measures to ensure this on a current basis, e.g. through improving the working environment. The Company supports ILO's eight fundamental conventions on employee rights. In the Group, we support and consider our employees, so that they get the best conditions for thriving at work. We have an organization that invites an open dialogue across the Company. Throughout the Company, all employees have been offered the use of a health center, healthy canteen food and the participation in social events with their colleagues and families.

The overall highest risk on social- and employee matters including human rights - are these days more a concern around the ongoing war in Ukraine. The implication on higher inflation rates, shortage on food and uncertainty for the future peace is these days the most impacting factors for employee matters as well as for human rights.

The above also indicates where the focus will be from a business perspective. To continue to be competitive in a global market the company is working to reduce gas and electricity. And at the same time reducing CO2 emissions.

Further ensuring our employees are given the best and safe working environment having flexible pension solutions, and social security benefits as well as having treatment centers if one is in need for support.

Denmark is one of the countries in the world that has the lowest level of corruption and bribe. And that's a status we have had for many years. And we expect the status to continue in the future. Further every employee within Thermo Fisher Scientific takes ethical training every year that includes sessions with focus on how to fight and eliminate bribery and corruption.

In 2023 our Employee Involvement Survey (EIS) was used as the result of our ongoing focus on which matters to keep track off and have a plan for, The status of 2023 shows that the employees are involved and for 2024 and forward there has be made more than 10 EIS plans, and every plan has a status meeting at the end of each quarter. Most of these plans are running to the end of 2024 for final status.

Human rights

Nunc A/S bases its work with human rights on UN's world goals on human rights and the interpretation that it is the role of the state to protect and the role of enterprises to respect human rights. In the Group, it is important to ensure that neither employees, customers nor other stakeholders are exposed to any type of discrimination. Besides the general attention to equal rights for all, irrespective of gender, age, religion, sexual orientation or ethnicity, the Group has special attention on ensuring that handicapped people have equal access to the various offers that the Group provides. In 2023, the employees of Nunc A/S once again received training in ethical behavior with respect to the above.

In 2023, no Human Rights incidents has been registered regarding above policies, via whistleblower or other means. This is believed to be a correct assessment of the compliance with/adherence to policies in place. In 2024, Nunc A/S will continue providing training in ethical behavior and respect for human rights.

Anti-corruption

There are many reasons for Nunc A/S giving high priority to anti-corruption and anti-bribery. The Group acknowledges that a society and a business environment characterized by trust between customers, enterprises and citizens are for the common good. Moreover, corruption and bribery prevent the development of a responsible and sustainable business. The Company will do its utmost to ensure that business partners comply with current rules. The Group is dedicated to preventing any type of corruption as early as possible. We are moreover committed not to offer, promise, give or receive any type of bribery. Thus, in 2023, all employees in Nunc A/S received training in Global Anti-corruption and Code of Business Conduct and Ethics. The training will be continued going forward.

We moreover observe the approval hierarchy established in the Group.

Management's review

Report on the Gender Composition in Management, cf. Section 99 b of the Danish Financial Statements Act

Gender representation in Management

	2023
Top Management	
Numbers of board members	5
Underrepresented gender in Pct.	40
Target in Pct.	N/A
Target fulfillment year	N/A
Other Management	
Total number in other management	24
Underrepresented gender in Pct.	33
Target in Pct.	37
Target fulfillment year	2024

Nunc A/S finds that diversity in Management and among employees, including gender representation, strengthens the Company's performance and competitiveness.

Nunc A/S does not tolerate any type of discrimination, and employees are employed based on qualifications only.

In 2023, Nunc A/S continued to offer equal opportunities to men and women who want to make a career in the Company. This includes paid supplementary training, annual appraisal interviews as well as particular focus on ensuring that all members in other management share experience and seek inspiration both from each other and from networks across Nunc A/S.

Top management - Board of Directors

In 2023, Nunc A/S achived an equal gender balance in top management, why the company is exempt from the obligation to set a target for the underrepresented gender.

Other management levels

Similarly, the Company has a target of increasing the ratio of the underrepresented gender at other management levels to 37%.

Management's review

Status 2023

Board of Directors

The members of the Board of Directors of Nunc A/S elected by the General Meeting include two men and three women. At the most recent General Meeting, all members of the Board of Directors ran for reelection and, thus, the adopted target figure was met.

Other management levels

There are twenty four persons in the Nunc A/S management group 33% are women and the adopted target ratio has been met.

Report on data ethics, cf. Section 99 d of the Danish Financial Statements Act

We are focused to ensure all ERST- guidance are met and we are at any time focused to stay in compliance within this area as well as any other area on data ethics. The company ensure any personal data is secured during the period of employment and ensure that private data is deleted after termination of any contract.

The general data usage follows our company policies set of rules. The company does not use AI. We use AOI and is a part of our controlling environment in our manufacturing and products (temperature tracking etc.) which ensure we are compliance with both ERST-guidance and internal set of rules.

Uncertainty relating to recognition and measurement

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

Unusual events

The financial position at 31 December 2023 of the Company and the results of the activities and cash flows of the Company for the financial year for 2023 have not been affected by any unusual events.

Income statement 1 January - 31 December

	Note	2023	2022
		TDKK	TDKK
Revenue	1	587,417	664,390
Production expenses	2	-354,594	-428,549
Gross profit		**232,823**	**235,841**
Distribution expenses	2	-4,362	-4,727
Administrative expenses	2	-74,624	-67,913
Profit/loss before financial income and expenses		**153,837**	**163,201**
Financial income	3	43,387	4,344
Financial expenses	4	-4	-16
Profit/loss before tax		**197,220**	**167,529**
Tax on profit/loss for the year	5	-41,148	-37,198
Net profit/loss for the year	6	**156,072**	**130,331**

Balance sheet 31 December

Assets

	Note	2023	2022
		TDKK	TDKK
Completed development projects		1,985	3,122
Intangible assets	7	**1,985**	**3,122**
Land and buildings		60,708	63,412
Other fixtures and fittings, tools and equipment		110,559	121,767
Property, plant and equipment in progress		8,103	7,604
Property, plant and equipment	8	**179,370**	**192,783**
Investments in subsidiaries	9	230,717	230,717
Fixed asset investments		**230,717**	**230,717**
Fixed assets		**412,072**	**426,622**
Inventories	10	**65,559**	**79,890**
Trade receivables		727	18,469
Receivables from group enterprises		1,952,360	1,752,437
Other receivables		11,695	14,424
Prepayments	11	3,745	3,864
Receivables		**1,968,527**	**1,789,194**
Current assets		**2,034,086**	**1,869,084**
Assets		**2,446,158**	**2,295,706**

Balance sheet 31 December

Liabilities and equity

	Note	2023	2022
		TDKK	TDKK
Share capital		1,000	1,000
Retained earnings		2,313,878	2,157,806
Equity		**2,314,878**	**2,158,806**
Provision for deferred tax	12	26,122	28,291
Provisions		**26,122**	**28,291**
Prepayments received from customers		2,926	2,795
Trade payables		27,295	34,293
Payables to group enterprises		32,724	24,277
Corporation tax		22,514	14,013
Other payables		18,620	31,019
Deferred income	13	1,079	2,212
Short-term debt		**105,158**	**108,609**
Debt		**105,158**	**108,609**
Liabilities and equity		**2,446,158**	**2,295,706**
Contingent assets, liabilities and other financial obligations	14		
Related parties	15		
Fee to auditors appointed at the general meeting	16		
Accounting Policies	17		

Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	1,000	2,157,806	2,158,806
Net profit/loss for the year	0	156,072	156,072
Equity at 31 December	**1,000**	**2,313,878**	**2,314,878**

	2023	2022
	TDKK	TDKK

1. Revenue

Geographical segments		
Revenue, Denmark	10	704
Revenue, exports	587,407	663,686
	587,417	**664,390**
Business segments		
Medical devices	587,417	664,390
	587,417	**664,390**

	2023	2022
	TDKK	TDKK

2. Staff

Wages and salaries	159,401	179,285
Pensions	15,041	15,805
Other social security expenses	3,722	4,178
Other staff expenses	3,940	12,868
	182,104	**212,136**
Wages and salaries, pensions, other social security expenses and other staff expenses are recognised in the following items:		
Production expenses	129,455	177,171
Distribution expenses	2,009	1,886
Administrative expenses	50,640	33,079
	182,104	**212,136**
Including remuneration to the Executive Board:		
Executive board	1,354	0
	1,354	**0**
Average number of employees	**333**	**370**

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act for the income year 2022.

Notes to the Financial Statements

3. Financial income

	2023 TDKK	2022 TDKK
Interest received from group enterprises	13,521	443
Other financial income	29,834	2,405
Exchange adjustments	32	1,496
	43,387	**4,344**

4. Financial expenses

	2023 TDKK	2022 TDKK
Other financial expenses	4	16
	4	**16**

5. Income tax expense

	2023 TDKK	2022 TDKK
Current tax for the year	43,317	37,198
Deferred tax for the year	266	0
Adjustment of deferred tax concerning previous years	-2,435	0
	41,148	**37,198**

6. Profit allocation

	2023 TDKK	2022 TDKK
Retained earnings	156,072	130,331
	156,072	**130,331**

7. Intangible fixed assets

	Completed development projects
	TDKK
Cost at 1 January	18,203
Cost at 31 December	18,203
Impairment losses and amortisation at 1 January	15,081
Amortisation for the year	1,137
Impairment losses and amortisation at 31 December	16,218
Carrying amount at 31 December	**1,985**
Amortised over	3-5 years

8. 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	119,002	660,657	7,604
Additions for the year	0	9,716	1,189
Disposals for the year	0	-377	0
Transfers for the year	0	0	-690
Cost at 31 December	119,002	669,996	8,103
Impairment losses and depreciation at 1 January	55,590	538,890	0
Depreciation for the year	2,704	20,769	0
Reversal of impairment and depreciation of sold assets	0	-222	0
Impairment losses and depreciation at 31 December	58,294	559,437	0
Carrying amount at 31 December	**60,708**	**110,559**	**8,103**
Amortised over	50 years	3-15 years	

9. Investments in subsidiaries

	2023 TDKK	2022 TDKK
Cost at 1 January	230,717	230,717
Cost at 31 December	230,717	230,717
Carrying amount at 31 December	**230,717**	**230,717**

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Share capital	Owner-ship	Equity	Net profit/loss for the year
Proxeon Biosystems ApS	Roskilde	4,000,000	100%	379,937	-7,432
				379,937	**-7,432**

10. Inventories

	2023 TDKK	2022 TDKK
Raw materials and consumables	29,035	35,477
Work in progress	25,968	24,644
Finished goods and goods for resale	10,556	19,769
	65,559	**79,890**

11. Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, and subscriptions as well.

12. Provision for deferred tax

	2023 TDKK	2022 TDKK
Deferred tax liabilities at 1 January	28,291	26,346
Adjustment previous year	-2,435	0
Amounts recognised in the income statement for the year	266	0
Amounts recognised in equity for the year	0	1,945
Deferred tax liabilities at 31 December	**26,122**	**28,291**

13. Deferred income

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

	2023	2022
	TDKK	TDKK

14. Contingent assets, liabilities and other financial obligations

Rental and lease obligations

Lease obligations under operating leases. Total future lease payments:		
Within 1 year	393	563
Between 1 and 5 years	270	536
	663	**1,099**

Other contingent liabilities

The Company has at 31 December 2023 a total purchase obligation of TDKK 3.652 related to raw materials and consumables.

Danish group companies are jointly and severally liable for tax on the jointly taxed incomes of the Group. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Group's liability.

15. Related parties and disclosure of consolidated financial statements

	Basis
Controlling interest	
Fisher Luxembourg Danish Holdings S.a.r.l., Luxembourg	Controlling shareholder

Transactions

The Company has chosen only to disclose transactions which have not been made on an arm's length basis in accordance with section 98(c)(7) of the Danish Financial Statements Act.

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.

Consolidated Financial Statements

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

Name	Place of registered office
Thermo Fisher Scientific Inc	Massachusetts, USA

The Group Annual Report of Thermo Fisher Scientific Inc may be obtained at the following address:
Thermo Fischer Scientific Inc., 168 Third Avenue, Waltham, MA 02451, USA.

16. Fee to auditors appointed at the general meeting

	2023 TDKK	2022 TDKK
Audit fee	495	484
Tax advisory services	752	0
Non-audit services	92	88
	1,339	**572**

17. Accounting policies

The Annual Report of Nunc A/S for 2023 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.

The Financial Statements for 2023 are presented in TDKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2023 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 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.

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 alternative borrowing rate 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. Exchange differences 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 rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Segment information on revenue

Information on business segments and geographical segments based on the Companys risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

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.

Production expenses

Production expenses comprise 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.

Production expenses also include amortisation of goodwill to the extent that goodwill relates to production activities.

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.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

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 deferred tax for the year. The tax attributable to the profit for 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 with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Development projects

Software are measured at the lower of cost less accumulated amortisation and recoverable amount.

Software are measured at the lower of cost less accumulated amortisation and recoverable amount. Software are amortised over the remaining software period; however not exceeding 5 years.

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
Other fixtures and fittings, tools and equipment	3-15 years

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments 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, the asset is written down to its lower recoverable amount.

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 of the inventories 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 selling price.

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.

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 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 or in equity if the deferred tax relates to items recognised in equity.

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 liabilities

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.

Financial Highlights

Explanation of financial ratios

Gross margin	Gross profit x 100 / Revenue
Profit margin	Profit/loss of ordinary primary operations x 100 / Revenue
Return on assets	Profit/loss of ordinary primary operations x 100 / Total assets at year end
Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity