Registered no. 05663648

BSN medical UK Holding Limited

Strategic report, Directors' report and Financial Statements

31 December 2017

Directors
A Jordan
D Hall
P Goodman

Secretary
D Hall

Registered office
Willerby Hill Business Park
Willerby
Hull
HU10 6FE

Auditors
Ernst & Young LLP
24 Marina Court
Castle Street
Hull
HU1 1TJ

Strategic report

The directors present their strategic report for the year ended 31 December 2017.

Review of the business

The Company is a parent undertaking with a 100% shareholding in BSN's operating companies in the UK, BSN medical Limited and BSN medical Distribution Limited, along with certain other overseas companies.

On 3rd April, 2017, the BSN medical group was acquired by SCA (Svenska Cellulosa Aktiebolaget), a leading global hygiene and forest products company listed on the Stockholm Stock Exchange. Following the acquisition, SCA took the decision to split the group into two independent listed companies – the forest products company 'SCA', and the global health and hygiene company 'Essity'.

The company's key performance indicators during the year were as follows:

	2017	*2016*	*Change*
	€000	*€000*	*%*
(Loss)/profit for the financial year	(3,477)	437	(896%)
Shareholders' deficit	(20,662)	(17,185)	(20%)

The loss for the financial year of €3,477,000 was due to administrative expenses of €130,000 and net interest paid to group companies of €3,372,000, and a tax credit of €25,000 relating to the prior year.

The year on year reduction in the result for the financial year was due largely to a lower rate of interest earned on intercompany lending, following the switch of the Company's loan receivable from a subsidiary undertaking to the Essity group's treasury company, Essity Treasury AB.

The company is a parent undertaking and does not trade in its own right.

Cash pooling arrangement

During the year the Company participated in a 'zero-balancing' cash pooling arrangement with other European entities within the BSN Group, acting as the 'cash pool leader'. The cash pool leader and the participants of the arrangement have agreed to pool their cash resources in order to manage the liquidity requirements of the Group.

As part of the arrangement, balances on the participant's accounts are swept into the account of the cash pool leader on a daily basis, resulting in a zero balance on the account of each participant.

Loans made by any participant to the leader shall not accrue any interest unless and until the account to which the funds are pooled to earns interest on any credit balance.

Loans made by the leader to any participant shall not accrue any interest unless and until the account to which the funds are pooled becomes liable to pay interest on any debit balance.

In the event that the leader receives any interest earned or is liable for any interest charged, such interest shall be apportioned amongst each participant on the basis of a calculation to be made by the leader by reference to the amounts of each participants positive or negative net balance on each day during the relevant period.

On a biannual basis, balances with the cash pool leader which are deemed a permanent loan are treated as such in accordance with the existing Group loan structure where possible. This is achieved by converting

Strategic report (continued)

Principal risks and uncertainties

the short-term cash pool loans into long-term loans, which bear interest in accordance with the arm's length principle.

An overdraft limit of €8.5m has been granted on the cash pool account held by the Company.

The company's commercial risk is the impact of interest rate and exchange rate movements. The majority of both loans receivable and payable are on the basis of fixed rate interest charges. The element on variable rates is not considered to be a material uncertainty as it is based on a fixed margin over Euribor. Exchange rates have not been hedged as it is not considered to be commercially viable.

Following the introduction of the 'zero-balancing' cash pooling, the bank facilitating the cash pool, Commerzbank, requires each entity participating in the arrangement to guarantee the liabilities of the other participants up to the value of any debit balance with the cash pool leader. To manage this risk each participant will be monitored regularly and key financial information shared with the directors on a monthly basis.

Participants to the cash pool arrangement also have the option to demand exit from the scheme giving 20 days' notice without reason, or immediately where certain 'termination events' occur. In the event of a participant opting out of the cash pool, the Company would have a legal obligation to return to that participant any balance owing to it as a result of the cash pooling arrangement.

By order of the Board

D Hall
Secretary

21 ~~13th~~ September 2018

Directors' report

The directors present their report for the year ended 31 December 2017.

Directors of the company

The directors who served the company during the year were as follows:

A Jordan
D Hall
P Goodman

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company.

According to the register of directors' interests, no rights to subscribe for shares in or debentures of the Company were granted to any of the directors or their immediate families, or exercised by them, during the financial year.

Dividends

The directors do not recommend a final dividend (2016 – £nil).

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding the net current liabilities position and the net liabilities position. The Company's parent undertaking confirmed that it will provide support for at least 12 months following the date of approval of these financial statements.

Future developments

The company is expected to continue as a non-trading parent undertaking for the foreseeable future.

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' report (continued)

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

By order of the board

D Hall
Secretary

21 ~~13th~~ September 2018

Statement of directors' responsibilities

The directors are responsible for preparing the annual reports and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 Reduced Disclosure Framework 101 (FRS 101).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BSN MEDICAL UK HOLDING LIMITED

Opinion

We have audited the financial statements of BSN medical UK Holding Limited for the year ended 31 December 2017 which comprise of the primary statements such as the Income Statement, the Statement of comprehensive income, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, 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 other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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, the directors are 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 unless the directors either intend to liquidate the company or to cease operations, or have 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 (UK) 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities.

Ernst & Young LLP

Richard Frostick (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
24 Marina Court
Castle Street
Hull
HU1 1TJ

Date: 21 September 2018

Profit and loss account

for the year ended 31 December 2017

	Notes	2017 €000	2016 €000
Administrative expenses		(130)	(67)
Operating loss	3	(130)	(67)
Interest receivable and similar income	6	2,258	4,132
Interest payable and similar charges	7	(5,630)	(3,167)
(Loss)/Profit on ordinary activities before taxation		(3,502)	898
Tax on (loss)/profit on ordinary activities	8	25	(461)
(Loss)/Profit on ordinary activities after taxation		(3,477)	437
(Loss)/Profit for the financial year		(3,477)	437

All amounts relate to continuing activities.

The company has no recognised gains or losses for the year other than the results above and therefore no separate statement of comprehensive income has been presented.

Balance sheet

at 31 December 2017

	Notes	2017 €000	2016 €000
Fixed assets			
Investments	9	62,805	62,805
		62,805	62,805
Current assets			
Debtors: due within one year	10	43,814	43,939
Cash at bank and in hand		5,188	3,485
		49,002	47,424
Current liabilities			
Creditors: amounts falling due within one year	11	(132,469)	(53,612)
		(132,469)	(53,612)
Net current liabilities		(83,467)	(6,188)
Total assets less current liabilities		(20,662)	56,617
Creditors: due after more than one year	12	-	(73,802)
Net liabilities		(20,662)	(17,185)
Capital and reserves			
Called up share capital	13	–	–
Share premium		25,811	25,811
Retained earnings		(46,473)	(42,996)
Shareholder's deficit		(20,662)	(17,185)

These financial statements were approved by the board of directors on 21 September 2018 and were signed on its behalf by:

D Hall
Director

Registered No. 05663648

Statement of Changes in Equity

at 31 December 2017

	Called up share capital	*Share Premium*	*Retained Earnings*	*Total equity*
	€000	*€000*	*€000*	*€000*
At 1 January 2016	-	25,811	(43,433)	(17,622)
Profit for the year	-	-	437	437
At 31 December 2016	-	25,811	(42,996)	(17,185)
Loss for the year	-	-	(3,477)	(3,477)
At 31 December 2017	-	25,811	(46,473)	(20,662)

Notes to the financial statements

at 31 December 2017

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of BSN medical UK Holding Limited (the "Company") for the year ended 31 December 2017 were authorised for issue by the board of directors on 13th September 2018 and the balance sheet was signed on the board's behalf by David Hall. BSN medical UK Holding Limited is incorporated and domiciled in England and Wales.

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 (the Act). FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS.

The Company's financial statements are presented in Euros and all values are rounded to the nearest thousand Euros (€000) except when otherwise indicated.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of BSN medical Netherlands Holding B.V. The results of BSN medical Netherlands Holding B.V. are included in the consolidated financial statements of Essity Aktiebolaget (publ), which are publicly available and can be obtained from BSN medical, Willerby Hill Business Park, Willerby, Hull, HU10 6FE.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2017.

(a) the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:

(i) paragraph 79(a)(iv) of IAS 1;

(b) the requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;

(c) the requirements of IAS 7 Statement of Cash Flows;

(d) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;

(e) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;

(f) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;

(g) the requirements of IFRS 7 Financial Instruments: Disclosures

Notes to the financial statements (continued)

at 31 December 2017

2.2 New or amended accounting standards effective after 2017

At the date of issue of the financial statements the following accounting standards, which have not yet been adopted, were in issue but not yet effective. These accounting standards are described below; other new or amended standards are not expected to have a material impact on the Company's financial statements.

(a) IFRS 15 'Revenue from contracts with customers'

IFRS 15 'Revenue from contracts with customers' establishes a new regulatory framework for the manner in which a company should recognise revenue. The new standard will replace IAS 11 'Construction contracts', IAS 18 'Revenue', IFRIC ('International Financial Reporting Interpretations Committee') 13 'Customer loyalty programmes', IFRIC 15 'Agreements for the construction of real estate', IFRIC 18 'Transfers of assets from customers' and SIC ('Standing Interpretation Committee' of the IASC, predecessor to the IFRIC) 31 'Revenue – Barter transactions involving advertising services'. The standard will apply from 1 January 2018.

The standard regulates commercial agreements (contracts) with customers in which delivery of goods/services is divided into separately identifiable performance obligations that are recognised independently. The standard establishes rules for calculating the transaction price for delivery of goods and services and the manner in which this can be allocated among the various performance obligations. Revenue is recognised when control has passed to the customer by the customer being able to use or benefit from the good/service, at which point it is deemed to have been transferred. IFRS 15 aims to create more comparable and transparent financial reporting, which will be achieved by separating customer contracts and by providing significantly expanded disclosure regarding how and when revenue is generated.

Following the issue of IFRS 15, Essity initiated a project to evaluate the group impact of implementing the new standard. The project team identified various types of contracts that exist within the group and provided training in what is entailed by the transition to IFRS 15. The conclusion drawn was that Essity's sales mainly comprise sales of products and, to a limited extent, services, but to ensure separate accounting of sales and services, separate accounts have been created for this.

(b) IFRS 16 'Leases'

In January 2016, the IASB published IFRS 16; a new standard on leases which will replace IAS 17. The standard requires that all assets and liabilities attributable to leases, with the exception of those with a term of less than 12 months or assets with a low value, are recognised in the balance sheet. The standard is applicable to fiscal years beginning on or after 1 January 2019; the Company will transition to the new standard from this date.

Essity has formed a project team that will prepare the group to adapt its reporting to the new standard and have commenced preparations for the transition. During the second quarter of 2018, a systems provider has been selected in order to support compliance with the new standard and an evaluation of existing lease agreements in order to assess the impact of the transition has commenced. The initial assessment has concluded that the new standard will impact Essity insofar as all rental contracts for premises, vehicles and other large leasing objects will be recognised in the balance sheet.

Notes to the financial statements (continued)

at 31 December 2017

2.2 New or amended accounting standards effective after 2017 (continued)

(c) IFRS 9 'Financial Instruments'

IFRS 9 Financial Instruments was issued in July 2014 and is a new standard that replaces IAS 39. The standard is divided into three areas: classification and measurement of financial assets and liabilities, impairment and hedging.

The standard introduces a new model for impairment of financial assets based on expected losses and not as previously under IAS 39 until the loss event has already occurred. Under the model, provisions are established for credit losses that may arise within the next 12 months for assets with low credit risk. In other cases where the credit risk is now low, provisions are established for credit losses that are expected to occur during the full life-time of the asset.

The new standard focuses to a great extent on reflecting an entity's risk management strategies in hedge accounting and allowing more hedging strategies to qualify for hedge accounting. Essity have evaluated the new rules for hedge accounting and have concluded that these may provide greater scope to apply hedge accounting across the group.

2.3 Significant accounting policies

(a) Going concern

The financial statements have been prepared on a going concern basis, notwithstanding the net current liabilities position and the net liabilities position. The ultimate parent undertaking confirmed that it will provide support for at least 12 months following the date of approval of these financial statements.

(b) Investments

Investments held as fixed assets are dated at cost less provision for any permanent diminution in value.

(c) Foreign currency translation

The company's financial statements are presented in Euros, which is also the company's functional currency.

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(d) Cash at bank and in hand

Cash and short term deposits in the balance sheet comprise cash at banks and in hand.

Notes to the financial statements (continued)

at 31 December 2017

2.3 Significant accounting policies (continued)

(e) Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax

assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

3. Operating loss

This is stated after charging:

	2017	*2016*
	€000	*€000*
Auditors' remuneration:		
Audit of these financial statements	5	3

4. Directors' remuneration

	2017	*2016*
	€000	*€000*
Directors' remuneration	3	3

The Company incurs a management charge from BSN affiliates which incorporates charges for other BSN medical directors.

Anita Jordan, David Hall and Paul Goodman's remuneration during the period is both paid for and disclosed in the financial statements of BSN medical Germany Holding GmbH, BSN medical Distribution limited and BSN medical Limited respectively. Directors are not remunerated directly by the company, an allocation of their remuneration has been recognised above, of €1k per director in relation to their qualifying services provided to the company.

Notes to the financial statements (continued)

at 31 December 2017

5. Staff costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2017	*2016*
Administration	3	3
	3	3

The aggregate payroll costs of these persons were as follows:

	2017	*2016*
	€000	*€000*
Wages and salaries	551	464
Social security costs	76	63
Other pension costs	114	110
Other benefits	32	31
	773	668

6. Interest receivable and similar income

	2017	*2016*
	€000	*€000*
On amounts owed by group undertakings	2,258	4,132

7. Interest payable and similar charges

	2017	*2016*
	€000	*€000*
On amounts owed to group undertakings	5,628	6,716
Foreign exchange (gain)/loss	2	(3,549)
	5,630	3,167

Notes to the financial statements (continued)

at 31 December 2017

8. Tax

(a) Tax charged in the profit and loss account

	2017 €000	2016 €000
Current income tax:		
UK corporation tax on the profit for the year	0	461
UK corporation tax prior year	(25)	
Total current income tax	(25)	461
Deferred tax:		
Origination and reversal of timing differences	–	–
Adjustments in respect of prior periods	–	–
Total deferred tax	–	–
Tax expense in the profit and loss account (note 8(b))	(25)	461

(b) Reconciliation of the total tax charge

The tax expense in the income statement for the year is higher (2016 – lower) than the standard rate of corporation tax in the UK of 19.25% (2016 – 20%). The differences are explained below.

	2017 €000	2016 €000
Profit (loss) on ordinary activities before tax	(3,502)	898
Profit on ordinary activities multiplied by standard rate of corporation Tax in the UK of 19.25% (2016: 20%)	(674)	180
	€000	€000
Prior year tax adjustment	(25)	
Non-deductible expenditure	157	281
Group relief	517	-
Total current tax charge	(25)	461

(c) Deferred tax

The company forms part of a tax group under UK tax rules. Included in this group is BSN medical Distribution Limited and BSN medical Limited, where losses in the company may be surrendered against taxable profits.

Notes to the financial statements (continued)

at 31 December 2017

8. Tax (continued)

(d) Factors that may affect future current and total tax charges

The Finance No 2 Act 2015 obtained Royal Assent on 18 November 2015 and enacted a reduction in the UK corporation tax rate from 20% to 19% effective from 1st April 2017 and a further reduction to 18% effective from 1st April 2020.

Furthermore the Finance Act 2016 obtained Royal Assent on 15th September 2016, and announced that the 18% rate given above will, in fact, be 17%.

9. Fixed asset investments

	Shares in group undertakings
	€000
Cost and net book value:	
At 31 December 2016	62,805
At 31 December 2017	62,805

	Country of incorporation	*Registered office*	*Principal activity*	*Class and percentage of shares held*
Subsidiary undertakings:				
BSN medical Limited	UK	Willerby Business Park, Willerby, East Riding Of Yorkshire, HU10 6FE, UK	Trading	Ordinary - 100%
BSN medical Distribution Limited	UK	Willerby Business Park, Willerby, East Riding Of Yorkshire, HU10 6FE, UK	Trading	Ordinary - 100%
BSN medical UK Acquisition Holding Limited	UK	Willerby Business Park, Willerby, East Riding Of Yorkshire, HU10 6FE, UK	Dormant	Ordinary - 100%
BSN medical Sdn.Bhd	Malaysia	Corporate Office, B-07-06, Level 7, Block B Skypark @ One City, Jalan USJ 25/1, 47650 Subang Jaya, Selangor, Malaysia	Trading	Ordinary - 100%
BSN medical SpA	Chile	Avda. Presidente Kennedy 5735 of 1401 + Torre Poniente, Las Condes, Santiago, Chile	Trading	Ordinary - 100%
BSN medical (Shanghai) Co. Ltd	China	Room 2201R, 22F, No 1228 Yan'an Middle Road, Jing An Kerry Centre Tower 3, Shanghai 200040, China.	Trading	Ordinary - 100%
BSN medical KK	Japan	Lira Nogisaka 5F, 1-15-18 Minami-aoyama, Minato-ku, Tokyo 107-0062, Japan	Trading	Ordinary - 100%
BSN medical Latin America LLC	USA	20283 State Rd 7, Suite 300, Boca Raton, Fl 33498, USA	Trading	Ordinary - 100%

Notes to the financial statements (continued)

at 31 December 2017

10. Debtors: due within one year

	2017	2016
	€000	€000
Amounts from group undertakings	43,789	7,793
Amounts from subsidiary undertakings	25	36,146
	43,814	43,939

11. Creditors: amounts falling due within one year

	2017	2016
	€000	€000
Amounts owed to group undertakings	123,080	19,504
Amounts owed to subsidiary undertakings	6,692	28,780
Amounts owed to cash pool participants	2,697	4,863
Amounts owed to third parties	-	4
Tax provision	-	461
	132,469	53,612

Amounts owed to cash pool participants represent the net amount swept to the cash pool account during the period.

12. Creditors: amounts falling due after more than one year

	2017	2016
	€000	€000
Amounts owed to parent undertaking	-	73,802

Following the acquisition by SCA, the loan payable to BSN medical Netherlands Holding B.V. was repaid and taken out with the Group's treasury company, Essity Treasury AB, with a short term maturity. Thus the loan payable is now presented within 'Creditors: amounts falling due within one year'.

As a result of this reallocation the interest rate payable has reduced to 1.1% (2016: 6.32%).

13. Issued share capital

		2017		2016
Allotted, called up and fully paid	*No.*	*€*	*No.*	*€*
Ordinary shares of €1 each	2	2	2	2

Notes to the financial statements (continued)

at 31 December 2017

14. Related party transactions

During the year the Company entered into transactions with other related parties. The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow wholly owned subsidiaries.

15. Ultimate parent undertaking and controlling party

On 3rd April 2017, the BSN medical group was acquired by SCA (Svenska Cellulosa Aktiebolaget), a leading global hygiene and forest products company listed on the Stockholm Stock Exchange. Following the acquisition, SCA took the decision to split the group into two independent listed companies – the forest products company 'SCA', and the global health and hygiene company 'Essity'.

At the balance sheet date, the ultimate parent undertaking and controlling party was Essity Aktiebolag (publ), a company incorporated in Sweden.

For the year ended 31st December 2017, the largest and smallest group in which the results of the company are consolidated is that headed by Essity Aktiebolaget (publ). Copies of the group financial statements, which are publicly available, can be obtained from BSN medical, Willerby Hill Business Park, Willerby, Hull, HU10 6FE.