

Hach Lange ApS

Åkandevej 21, 2700 Brønshøj
CVR no. 20 25 32 07

Annual report for 2022

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The company

Hach Lange ApS
Åkandevej 21
2700 Brønshøj
Tel.: 36 77 29 11
Registered office: Copenhagen
CVR no.: 20 25 32 07
Founded: 1. july 1997
Financial year: 01.01 - 31.12

Executive Board

Heidi Wie

Board of Directors

Juan Pablo Biermayr
Hans Christer Jacobsson
Heidi Wie

Auditors

EY
Godkendt Revisionspartnerselskab

Statement by the Executive Board and Board of Directors on the annual report

We have on this day presented the annual report for the financial year 01.01.22 - 31.12.22 for Hach Lange ApS.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position as at 31.12.22 and of the results of the company's activities for the financial year 01.01.22 - 31.12.22.

We believe that the management's review includes a fair review of the matters dealt with in the management's review.

The annual report is submitted for adoption by the general meeting.

Brønshøj, April 28, 2023

Executive Board

Heidi Wie

Board of Directors

Juan Pablo Biermayr

Hans Christer Jacobsson

Heidi Wie

To the shareholder of Hach Lange ApS

Opinion

We have audited the financial statements of Hach Lange ApS for the financial year 1 January - 31 December 2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including 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 Company's assets, liabilities and financial position at 31 December 2022 and of the results of the Company's operations for the financial year 1 January - 31 December in accordance with the the Danish Financial Statements Act.

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

Independence

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.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as the 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.

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 judgment and maintain professional skepticism 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.

Statement regarding the 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, we conclude that Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Acts. We did not identify any material misstatement of Management's review.

Copenhagen, April 28, 2023
EY Godkendt Revisionspartnerselskab
CVR no. 30700228

Henrik Kronborg Iversen
State Authorized Public Accountant
MNE-no. mne24687

Rasmus Bloch Jespersen
State Authorized Public Accountant
MNE-no. mne35503

Primary activities

The company's activities comprise trade with industrial products and to carry on other business in this connection.

The company operates on the Danish market as a sales entity of Hach Lange division of Danaher Corporation.

Development in activities and financial affairs

The income statement for the period 01.01.22 - 31.12.22 shows a profit/loss of DKK 3,552,852 against DKK 3,902,447 for the period 01.01.21 - 31.12.21. The balance sheet shows equity of DKK 76,762,844.

The management considers the net profit for the year to be satisfactory.

The company has not experienced material adverse impact from Covid-19 and the war in Ukraine on the financial statements for 2022.

Subsequent events

No important events have occurred after the end of the financial year.

Income statement

Note	2022 DKK	2021 DKK
Revenue	77,273,901	61,496,092
Costs of raw materials and consumables	-46,582,281	-35,799,073
Other external expenses	-9,985,163	-4,322,269
Gross profit	20,706,457	21,374,750
1 Staff costs	-16,200,145	-16,094,912
Profit before depreciation, amortisation, write-downs and impairment losses	4,506,312	5,279,838
Depreciation and impairments losses of property, plant and equipment	0	-28,932
Operating profit	4,506,312	5,250,906
2 Financial income	321,452	4,374
3 Financial expenses	-259,329	-239,487
Profit before tax	4,568,435	5,015,793
4 Tax on profit for the year	-1,015,583	-1,113,346
Profit for the year	3,552,852	3,902,447
Proposed appropriation account		
Retained earnings	3,552,852	3,902,447
Total	3,552,852	3,902,447

ASSETS		31.12.22	31.12.21
		DKK	DKK
Note			
	Other receivables	124,009	124,009
	Total investments	124,009	124,009
	Total non-current assets	124,009	124,009
	Manufactured goods and goods for resale	1,202	97,912
	Total inventories	1,202	97,912
	Trade receivables	11,012,379	7,908,069
	Receivables from group enterprises	94,104,107	97,596,404
	Deferred tax asset	10,946	14,595
	Other receivables	45,000	72,500
	Prepayments	83,825	82,529
	Total receivables	105,256,257	105,674,097
	Total current assets	105,257,459	105,772,009
	Total assets	105,381,468	105,896,018

EQUITY AND LIABILITIES		31.12.22	31.12.21
		DKK	DKK
Note			
	Share capital	19,888,000	19,888,000
	Retained earnings	56,874,844	53,321,992
	Total equity	76,762,844	73,209,992
	Deferred income	96,266	0
	Total long-term payables	96,266	0
	Trade payables	264,485	509,340
	Payables to group enterprises	11,718,157	17,146,327
	Income taxes	1,011,934	1,114,806
	Other payables	4,548,292	3,896,117
	Deferred income	10,979,490	10,019,436
	Total short-term payables	28,522,358	32,686,026
	Total payables	28,618,624	32,686,026
	Total equity and liabilities	105,381,468	105,896,018

6 Contingent liabilities

7 Related parties

Statement of changes in equity

Figures in DKK	Share capital	Retained earnings	Total equity
Statement of changes in equity for 01.01.21 - 31.12.21			
Balance as at 01.01.21	19,888,000	49,419,545	69,307,545
Net profit/loss for the year	0	3,902,447	3,902,447
Balance as at 31.12.21	19,888,000	53,321,992	73,209,992
Statement of changes in equity for 01.01.22 - 31.12.22			
Balance as at 01.01.22	19,888,000	53,321,992	73,209,992
Net profit/loss for the year	0	3,552,852	3,552,852
Balance as at 31.12.22	19,888,000	56,874,844	76,762,844

	2022	2021
	DKK	DKK

1. Staff costs

Wages and salaries	14,493,111	14,393,594
Pensions	1,262,507	1,250,678
Other social security costs	369,875	400,742
Other staff costs	74,652	49,898
Total	16,200,145	16,094,912
Average number of employees during the year	20	21

2. Financial income

Other interest income	315,683	3,483
Foreign currency translation adjustments	5,769	891
Total	321,452	4,374

3. Financial expenses

Interest, group enterprises	23,911	35,964
Other interest expenses	47,937	48,202
Foreign currency translation adjustments	67,917	33,537
Other financial expenses	119,564	121,784
Other financial expenses total	235,418	203,523
Total	259,329	239,487

	2022	2021
	DKK	DKK

4. Tax on profit for the year

Current tax for the year	1,011,934	1,114,806
Adjustment of deferred tax for the year	3,649	-1,501
Adjustment of tax in respect of previous years	0	41
Total	1,015,583	1,113,346

5. Property, plant and equipment

Figures in DKK	Other fixtures and fittings, tools and equipment
Cost as at 01.01.22	1,210,307
Cost as at 31.12.22	1,210,307
Depreciation and impairment losses as at 01.01.22	-1,210,307
Depreciation and impairment losses as at 31.12.22	-1,210,307
Carrying amount as at 31.12.22	0

6. Contingent liabilities

Lease commitments

The company has concluded lease agreements with terms to maturity of a total DKK 386.100.

The company has concluded operating lease agreements for cars with terms maturity of a total of DKK 1.379.274 (2021 DKK 954.475).

Guarantee commitments

The company has guarantees for warranty obligations with a total risk of DKK 376,616. Management does not expect the guarantees to be called.

Joint Taxation

The company is jointly taxed with Danaher Tax Administration ApS, which is the management company (Administrationssselskab) for the Danish joint taxation. The company is jointly and severally unlimited liable with the other jointly taxed companies for payment of corporation tax for the income year 2013 and later, and for withholding tax on interest, royalties and dividends, which are payable on 1 July 2012 or later.

At 31 december 2022, the jointly taxed companies' net liability to SKAT is disclosed in the annual report for Danaher Tax Administration ApS, registration number 28 31 68 87. Any subsequent assessments of the taxable income subject to joint taxation or withholding taxes on dividends, interest and royalties may entail that the Company's liability will increase.

7. Related parties

Hach Lange ApS is included in the consolidated financial statements of the parent, Danaher Corporation, Delaware, USA. Requisitioning of the parents consolidated financial statements can be seen at:

<https://investors.danaher.com/2022-Annual-Report/HTML1/tiles-twopage.htm>.

8. Accounting policies

GENERAL

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act (*Årsregnskabsloven*) for enterprises in reporting class B with application of provisions for a higher reporting class.

The accounting policies have been applied consistently with previous years.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including depreciation, amortisation, impairment losses and write-downs, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company, and the value of such assets can be measured reliably. Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company, and the value of such liabilities can be measured reliably. On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

On recognition and measurement, account is taken of foreseeable losses and risks arising before the date at which the annual report is presented and proving or disproving matters arising on or before the balance sheet date.

CURRENCY

The annual report is presented in Danish kroner (DKK).

On initial recognition, transactions denominated in foreign currencies are translated using the exchange rates applicable at the transaction date. Exchange rate differences between the exchange rate applicable at the transaction date and the exchange rate at the date of payment are recognised in the income statement as a financial item. Receivables, payables and other monetary items denominated in foreign currencies are translated using the exchange rates applicable at the balance sheet date. The difference between the exchange rate applicable at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest annual report is recognised under financial income or expenses in the income statement. Fixed assets, inventories and other non-monetary assets acquired in foreign currencies are translated using historical exchange rates.

8. Accounting policies - continued -**LEASES**

The Company applies IAS 17 as interpretation for lease recognition.

Lease payments relating to operating leases are recognised in the income statement on a straight-line basis over the lease term.

INCOME STATEMENT**Revenue**

The company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Income from the sale of goods is recognised in the income statement if delivery has taken place and the risk has passed to the buyer before the end of the financial year and where the selling price can be determined reliably and is expected to be paid. Revenue is measured at fair value and is determined exclusive of VAT and other taxes collected on behalf of third parties and less discounts.

Other operating income**Costs of raw materials and consumables**

Costs of raw materials and consumables comprise raw materials and consumables used for the year as well as any changes in inventories, including any inventory wastage.

Write-downs of inventories of raw materials and consumables are also recognised under raw materials and consumables to the extent that these do not exceed normal write-downs.

Other external expenses

Other external expenses comprise costs relating to distribution, sales and advertising and administration, premises and bad debts to the extent that these do not exceed normal write-downs.

Staff costs

Staff cost include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

8. Accounting policies - continued -**Depreciation and impairment losses**

The depreciation of property, plant and equipment aim at systematic depreciation over the expected useful lives of the assets. Assets are depreciated according to the straight-line method based on the following expected useful lives and residual values:

	Useful life, year	Residual value DKK
Other plant, fixtures and fittings, tools and equipment	3-10	0

The basis of depreciation is the cost of the asset less the expected residual value at the end of the useful life. Moreover, the basis of depreciation is reduced by any impairment losses. The useful life and residual value are determined when the asset is ready for use and reassessed annually.

Other net financials

Interest income and interest expenses, foreign exchange gains and losses on transactions denominated in foreign currencies etc. are recognised in other net financials.

Tax on profit/loss for the year

The current and deferred tax for the year is recognised in the income statement as tax on the profit/loss for the year with the portion attributable to the profit/loss for the year, and directly in equity with the portion attributable to amounts recognised directly in equity.

The company is jointly taxed with Danish consolidated enterprises.

In connection with the settlement of joint taxation contributions, the current Danish income tax is allocated between the jointly taxed enterprises in proportion to their taxable incomes. This means that enterprises with a tax loss receive joint taxation contributions from enterprises which have been able to use this loss to reduce their own taxable profit.

8. Accounting policies - continued -**BALANCE SHEET****Property, plant and equipment**

Property, plant and equipment comprise other fixtures and fittings, tools and equipment.

Property, plant and equipment are measured in the balance sheet at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price and expenses resulting directly from the purchase until the asset is ready for use. Interest on loans arranged to finance production is not included in the cost.

Property, plant and equipment are depreciated using the straight-line method based on useful lives and residual values, which are stated in the 'Depreciation and impairment losses' section.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the selling price, if any, less selling costs and the carrying amount at the date of disposal less any costs of disposal.

Impairment losses on fixed assets

The carrying amount of fixed assets which are not measured at fair value is assessed annually for indications of impairment over and above what is reflected in depreciation.

If the company's realised return on an asset or a group of assets is lower than expected, this is considered an indication of impairment.

If there are indications of impairment, an impairment test is conducted of individual assets or groups of assets.

The assets or groups of assets are impaired to the lower of recoverable amount and carrying amount.

The higher of net selling price and value in use is used as the recoverable amount. The value in use is determined as the present value of expected net cash flows from the use of the asset or group of assets as well as expected net cash flows from the sale of the asset or group of assets after the expiry of their useful lives.

Impairment losses are reversed when the reasons for the impairment no longer exist.

8. Accounting policies - continued -**Inventories**

Inventories are measured at cost calculated according to the FIFO-method. Inventories are written down to the lower of cost and net realisable value.

The cost of raw materials and consumables as well as goods for resale is determined as purchase prices plus expenses resulting directly from the purchase.

The net realisable value of inventories is determined as the selling price less costs of completion and costs necessary to make the sale and is determined taking into account marketability, obsolescence and the expected development in the selling price.

Receivables

As interpretation for impairment of financial receivables IAS 39 has been used.

Receivables are measured at amortised cost, which usually corresponds to the nominal value, less write-downs for bad debts.

Write-downs for bad debts are determined based on an individual assessment of each receivable if there is no objective evidence of individual impairment of a receivable.

Prepayments

Prepayments recognised under assets comprise costs incurred in respect of subsequent financial years.

Current and deferred tax

Current tax payable and receivable is recognised in the balance sheet as tax computed on the basis of the taxable income for the year, adjusted for tax paid on account.

Joint taxation contributions payable and receivable are recognised as income tax under receivables or payables in the balance sheet.

8. Accounting policies - continued -

Deferred tax liabilities and tax assets are recognised on the basis of all temporary differences between the carrying amounts and tax bases of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is non-amortisable for tax purposes and other items where temporary differences, except for acquisitions, have arisen at the date of acquisition without affecting the net profit or loss for the year or the taxable income. In cases where the tax value can be determined according to different taxation rules, deferred tax is measured on the basis of management's intended use of the asset or settlement of the liability.

Deferred tax assets are recognised, following an assessment, at the expected realisable value through offsetting against deferred tax liabilities or elimination in tax on future earnings.

Deferred tax is measured on the basis of the tax rules and at the tax rates which, according to the legislation in force at the balance sheet date, will be applicable when the deferred tax is expected to crystallise as current tax.

Payables

Short-term payables are measured at amortised cost, normally corresponding to the nominal value of such payables.

Deferred income

Deferred income under liabilities comprises payments received in respect of income in subsequent financial years.