

## GE Healthcare Danmark A/S

Park Allé 295  
2605 Brøndby  
CVR no. 26 52 77 91

### Annual report 2022

The annual report was presented and approved at the Company's annual general meeting on

24 May 2023



Lydia Liva  
Chairman

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## Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of GE Healthcare Danmark A/S for the financial year 1 January – 31 December 2022.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that 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 2022.

Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and of the results of the Company's operations and its financial position.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 24 May 2023.

Executive Board:



Mie Ingemann-Paulsen

Board of Directors:

  
Lydia Liija  
chairman  
Jostein Strømmesen  
Mie Ingemann-Paulsen

## Independent auditor's report

### To the shareholders of GE Healthcare Danmark A/S

#### Opinion

We have audited the financial statements of for the financial year 1 January 2022 - 31 December 2022, which comprise the income statement, balance sheet, statement of changes in equity, and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31 December 2022 and of the results of its operations for the financial year 1 January 2022 - 31 December 2022 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board 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.

#### Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

#### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

## Independent auditor's report (cont.)

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on the Management's review

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the management commentary.

Copenhagen, 24 May 2023

#### Deloitte

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556



**Martin Pleper**  
State Authorised Public Accountant  
Identification No (MNE) mne44063



**Mads Clement Madsen**  
State Authorised Public Accountant  
Identification No (MNE) mne49067

## Management's review

### Company details

GE Healthcare Danmark A/S  
Park Allé 295  
2605 Brøndby  
Telephone:  
Fax:

+45 43 29 54 00  
+45 43 29 57 01

Website: [www.healthcare.dk](http://www.healthcare.dk)  
CVR no.: 26 52 77 91  
Established: 1 June 2002

Registered office: Brøndby  
Financial year: 1 January – 31 December

### Board of Directors

Mie Ingemann-Paulsen  
Lydia Lilja  
Jostein Strømmesen

### Executive Board

Mie Ingemann-Paulsen

### Auditor

Deloitte Statsautoriseret Revisionspartnerselskab

### Annual general meeting

The annual general meeting will be held on 24 May 2023.

## Management's review

### Financial highlights

| DKKm   | 2022        | 2021         | 2020        | 2019        | 2018        |
|--|-------------|--------------|-------------|-------------|-------------|
| <b>Key figures</b>                           |             |              |             |             |             |
| Revenue                                      | 339.4       | 378.3        | 385.7       | 392.3       | 362.6       |
| Gross profit                                 | 82.7        | 89.5         | 97.0        | 94.1        | 91.0        |
| Ordinary operating profit/loss               | 13.8        | 14.2         | 18.5        | 12.2        | 7.8         |
| Gain/loss from financial income and expenses | 0.8         | -0.1         | -1.0        | -2.5        | -1.3        |
| Tax on profit/loss for the year              | -3.3        | -3.1         | -3.9        | -2.2        | -1.5        |
| <b>Profit/loss for the year</b>              | <b>11.3</b> | <b>10.9</b>  | <b>13.6</b> | <b>7.6</b>  | <b>5.0</b>  |
| <b>Total assets</b>                          |             |              |             |             |             |
|  | 302.4       | 268.8        | 308.9       | 278.3       | 307.5       |
| Investment in property, plant and equipment  | 0.0         | 0.2          | 0.0         | 0.0         | 0.0         |
| <b>Equity</b>                                | <b>53.9</b> | <b>107.6</b> | <b>71.3</b> | <b>57.7</b> | <b>50.2</b> |
| <b>Financial ratios</b>                      |             |              |             |             |             |
| Operating margin                             | 4.1%        | 3.7%         | 4.8%        | 3.1%        | 2.1%        |
| Gross margin                                 | 24.4%       | 23.6%        | 25.2%       | 24.0%       | 25.1%       |
| Solvency ratio                               | 17.8%       | 40.0%        | 23.1%       | 20.7%       | 16.3%       |
| Return on equity                             | 14.0%       | 12.2%        | 21.1%       | 13.1%       | 14.0%       |
| <b>Average number of full-time employees</b> |             |              |             |             |             |
|  | 58          | 53           | 60          | 65          | 56          |

*For terms and definitions, please see the accounting policies.*

## Management's review

### Operating review

#### Principal activities of the Company

As in prior years, the principal activities consist of sale of medical equipment and related services. The majority of the equipment sold has been produced by other companies in the General Electric Group, primarily in France and USA. The products are primarily sold in Denmark.

#### Development in activities and financial position

##### Profit for the year

Last year's expectations are in line with this year's profit and sales. The Company realized a profit of DKK 11.3 million against a profit of DKK 10.9 million in 2021. Sales decreased by 10%, but the production costs were down by 11% which contributed to an increase in overall profit. Life Care Solutions changed name to Patient Care Solutions in 2022. PCS strengthen their Nordic organization to increase customer service and satisfaction. We have had some great success around this and will continue this development. We strengthen our partnerships with customers which can be seen in increasing business in post-sales technical service support. In Ultrasound public procurement used most of 2022 making a National Framework rather than buying equipment. GE Healthcare came out with a very strong mandate for the next four years, as we got awarded in all 12 sub agreements where we participated. We maintained stable service operations despite a challenging global situation. The market for the larger diagnostic systems that Imaging represents has been reduced in 2022 mainly due to delays in new greenfield hospitals pushing investments out. While 2022 was a challenging year compared to 2021 it was expected as imaging had several large one off orders that did not reoccur in 2022.

GE Healthcare separated from General Electric Company. The Company's new ultimate parent is GE HealthCare Technologies Inc, replacing General Electric Company (GE). GE HealthCare Holding LLC was formed as a Delaware limited liability corporation on 16 May 2022 for the purpose of receiving all net assets of GE HealthCare. On 29 December 2022, GE HealthCare Holding LLC converted into a Delaware corporation and was renamed GE HealthCare Technologies Inc. The separation was completed on 3 January 2023 through a distribution of approximately 80.1% of the common stock of GE HealthCare Technologies Inc to holders of record of GE's common stock as of the close of business on 16 December 2022, and GE HealthCare Technologies Inc became an independent public company, listed under the symbol "GEHC" on the Nasdaq Stock Market LLC. The address of the Company's new ultimate parent is 500 W. Monroe Street, Chicago, IL 60661, USA.

### Outlook

The Company estimates that 2023 for Imaging will be in line with 2022 as there continues to be uncertainty in timing of procurement for the new superhospitals. We expect continued growth in the private sector and more upgrades opportunities as hospitals need to maintain current equipment. We see continued strong demand for our ultrasounds solutions GE Healthcare is well positioned in the national framework until 2026. For Maternal and Infant Care GE Healthcare continues to have a leading position and expect a strong market 2023, as well as for Diagnostic Cardiology segment and Monitoring and anesthesia. We expect continued growth in both the private and the public sector.

The forecasted revenue is expected to be more or less flat. Our expected range is around 340-380 million DKK. Budgeted costs is expected to increase in the following year, especially transportation resulting in a comparable operating profit. The expected result is between 12-15 million DKK.

The demand for more advanced diagnostics and treatment continues to increased and it is expected that the new hospital builds will drive investments in 2023-2025. Not least, the company has received orders for larger scanners for customers, which we have not sold to for a number of years. There is demand in the market for GE Healthcare's equipment and IT solutions and a continuing trend towards regional consolidations and enterprise IT solutions in the healthcare sector. Electronic patient records have been the first step, which has required significant integration work to maintain IT specialties. Research agreements in and around the interconnection of equipment and artificial intelligence have seen decisive progress in the last few years.



## Management's review

### Operating review

#### Particular risks

##### Price risks

Competition is very severe in the medical devices industry, and prices remain under pressure each year. The decrease in prices is partly compensated for by the introduction of new technology, which drives higher end user value.

##### Interest rate risks

As the net interest-bearing debt is not significant, moderate changes to the interest rate level will not have any essential direct effect on earnings. Thus, interest rate positions to hedge interest rate risks are not taken.

##### Currency risks

As almost all equipment is purchased abroad, profit, cash flows and equity are affected by the development in exchange rates and interest rates for several currencies, primarily EUR and USD. It is the Company's policy not to hedge commercial currency risks.

##### Credit risks

The primary credit risks relate to sales to private hospitals and clinics. All new private customers undergo a credit assessment upon entering a new sales agreement.

The majority of the company's customers are in the public sector, and the credit risk is considered low.

#### Intellectual capital

The Company's business foundation includes supplying high-tech and reliable equipment to public and private and hospitals, as well as to a lesser extent to other segments such as research institutes and veterinarians. This places particularly great demands on the employees' knowledge and the quality of the business processes. The company must therefore recruit and retain employees with a high level of education in medical systems. It is our goal that the company has the latest knowledge and a quick adaptability. As a goal for this, employee composition and employee turnover are important indicators. The employee share with a high level of education is more than 52% (target / acceptable level is 50%).

Staff turnover of employees with extensive professional qualifications was well below 5% during the year (objective/acceptable level is 10%). During 2022 the relevant positions have again been filled.

We have observed increasing lead times among sub suppliers and overall a turbulent logistics. Many countries are still impacted by Covid. Therefore GEHC have both globally and locally put processes in place to ensure diligent monitoring of deliveries, communication to customers in order to live up to our commitments and maintain customer satisfaction.

## Management's review

### Operating review

#### Statement of Environment, Social and Governance, ESG

As in prior years, the principal activities consist of sale of medical equipment and related services. The majority of the equipment sold has been produced by other companies in the General Electric Group, primarily in France and USA. The products are primarily sold in Denmark. GE Healthcare Danmark A/S is governed by the corporate social responsibility policies of the parent company GE HealthCare Technologies Inc (GEHC). GEHC has formulated policies to all mandatory areas: climate, environment, human rights, anti-corruption and social and staff matters under 99a. Therefore, we report on Corporate Social Responsibility on Group level.

GE HealthCare is currently coalescing around our long-term ESG strategy and we intend to further develop and articulate our ESG strategy after spinoff.

However, in 2021, we conducted a robust stakeholder assessment to help inform the risks, impacts, and opportunities for our business across all ESG topic areas. We used the results of that assessment to identify the following ESG focus areas:

- Expanding access to healthcare
- Promoting inclusion and diversity
- Mitigating our climate impact and improving resilience
- Advancing the circular economy and environmental design
- Protecting patient data and cybersecurity.

#### Environment and climate

GE HealthCare has a goal to achieve net zero by 2050 and is part of the UN-backed "Race to Zero", which commits us to reducing emissions in line with the Paris Agreement, with transparent action plans and robust near-term targets. We have signed up to the Science Based Targets initiative (SBTi) business ambition for 1.5C, a group of visionary corporate leaders taking ambitious climate action, and we have committed to implementing science-based targets. This includes a public goal to reduce operational emissions (scope 1 and 2) by 50% by 2030 against a 2019 baseline. We are also developing scope 3 targets as part of our commitment to the Science Based Targets Initiative..

#### Our road to net zero

We take the view that every ton counts and, to achieve our goals, we have focused our operational strategy around three pillars.

##### Cutting greenhouse gas releases from our facilities

In 2022 we continued carrying out 8-week energy reduction workshops for 40 of our larger sites to develop carbon reduction roadmaps and drive the reductions needed to achieve our goal. Our larger sites develop and report on their carbon reduction roadmaps as part of an annual governance process, and it is our priority to execute the planned reduction projects identified in these roadmaps. We have an internal fund to support carbon reduction projects and during 2021/2022 this mechanism financed projects that we anticipate will reduce our greenhouse gas emissions by over 15,000 metric tons. This fund is continuing to finance reduction projects and we are starting to see the impact, anticipating increased carbon reductions in 2023 as more projects are completed.

##### Reducing emissions from our fleet

We have a global fleet of over 10,000 vehicles. The largest proportion of these are for our service engineers to carry tools and parts for installation and servicing of hospital equipment. In 2021, we started the process of transitioning vehicles in North America and Europe to electric and hybrid vehicles. We are also exploring other efficiency options to try and reduce the environmental footprint of our fleet, such as servicing equipment remotely. In 2022, we have continued to optimize our vehicle use and extend our transition to electric vehicles as availability of suitable vehicles and recharging infrastructure makes it a viable option. We have reduced greenhouse gas emissions from our fleet around 12% compared with our 2019 baseline.

##### Shifting to renewable energy sources

Our carbon reduction strategy includes transitioning to renewable energy sources, and we are increasing our purchase of renewable energy. In 2021 we moved all our UK sites onto renewable energy, and in 2022 we are continuing to execute our roadmap to increase renewable energy purchase across all regions.

## Management's review

### Operating review

#### Environment and climate (continued)

More than half of the healthcare sector's climate footprint, 53%, is attributable to energy use. As a result, we have strengthened our commitment to environmentally conscious design and sustainable practices across our product manufacturing, sourcing, distribution, installation, and service operations. This includes improving energy efficiency, optimizing the use of limited or rare materials, providing remote predictive and maintenance service throughout the product lifespan, and redeploying parts as harvesting or recycling options at the end of product life.

GE HealthCare has implemented processes to extend the lifecycle of selected products and avoid related parts entering the waste stream. Product life extension: GE HealthCare leverages systems for remote access to perform preventive, predictive or corrective maintenance. If spare parts are required, GE HealthCare has put in place an efficient service supply chain to provide service in an efficient and cost-effective manner.

- In the case of complex and critical spare parts, GE HealthCare take special attention to optimize resources with part repair/refurbishment and/or reuse (harvest). This includes programs to extend the life of spare parts with hybrid solutions (repair/harvest) to serve the older products on the installed base.

- There are also special programs to recover critical raw material such as rare earth elements. For example, X-Ray Tubes are returned to the manufacturing plant.

Product upgrade: GE HealthCare has also developed programs to upgrade existing product at the customer site. This enables reuse of critical elements of the system while providing state-of-the art diagnostic and/or treatment capability to our customer. The Revolution Evo MRI family is a good example of this strategy.

Refurbishment: The Goldseal program is designed to refurbish selected products. There is an extensive inspection and testing process, designed to bring equipment back to original certified manufacturing specifications. This not only helps reduce resource consumption, but also extends healthcare globally to those who may not otherwise have access due to budget constraints. Ensuring easy global access to these vital technologies is a major focus of GE HealthCare and of the GoldSeal refurbishment program.

- 94-96% of most systems are recycled, extending the lifetime of each product.

- Products within CT, MR, NUC, PET, Xray and Ultrasound modalities are eligible for refurbishment.

- In addition to full systems, many returned service parts are repaired or harvested covering over 3,000 unique part numbers

Harvesting: Machines that are not suitable for refurbishment are dismantled at end of life, and after successfully passing acceptance testing criteria, specific parts are harvested for reuse.

Recycling: Where harvesting is not appropriate, the parts are recycled.

Based on current rates, the typical disposition profile is: Refurbish/Resell (48%), parts harvest (42%), and responsible recycling at end of life (10%).

#### Social- and employee matters

GE Healthcare will strive to provide a safe and healthy working environment to avoid illness and injury to its employees and adverse impacts to the communities in which we do business and ensure every aspect of our business incorporates the principles of sustainability. We aim to continuously improve our Environmental, Health and Safety (EHS) systems and performance as an integral part of our operational strategy. At GE HealthCare, we believe in the value of our employees' unique identity, background, and experiences. We are committed to fostering an inclusive culture where everyone feels empowered to do their best work because they feel accepted, respected, and that they belong.

GE Healthcare is committed to achieve EHS Excellence. This is a responsibility of management and employees in all functions. Our programs combine clear and strong leadership commitment and include participation and consultation of all employees. We shall achieve our EHS priorities by implementing all relevant ISO standards, abiding by the regulations set out in local legislations, and deploying GE EHS Framework 2.0 management system, all relevant programs, and legal requirements.

During 2022 the GE Healthcare team was focused first and foremost on protecting the health and safety of our employees and communities. GE healthcare continued strong safety precautions for its global workforce and pledged financial support to employees and their families through GE Healthcare's Employee Relief Fund. GE Healthcare is engaged with leadership in taking steps to keep our workplaces around the world safe, to accelerate the manufacture of life-saving equipment and to assure GE Healthcare's operations are functioning well in a digital and remote work environment.

## Management's review

### Operating review

#### Human rights

We respect all internationally recognized human rights in line with the United Nations Guiding Principles on Business & Human Rights. We seek to treat everyone affected by our business and value chain with fairness and dignity. Our commitment is to do our best to identify and address relevant risks by keeping our eyes always open to suspicious conditions and conducting reasonable due diligence.

GE Healthcare, as a global company, recognize the potential risks of safety, labour, and human rights throughout its supply chain. To address such risks, the Company's Supplier Integrity Guide governs the expectations of all suppliers and includes specific prohibitions against forced, prison or indentured labor and against subjecting workers to any form of compulsion, coercion or human trafficking. The Supplier Integrity Guide is reinforced by its industry-leading global supply chain audit program under which it audits suppliers in high risk countries before approval for on-boarding and periodically thereafter.

GE Healthcare Danmark A/S has not seen any violations of the policies during 2022.

More information on our policies on environment and climate, social- and employee matters and human rights can be found in the Company sustainability and human rights reports:

<https://www.gehealthcare.com/about/sustainability/reports>

#### Anti-corruption and bribery

GE Healthcare has long taken a leading role in pushing for transparency and integrity in the global marketplace. Its policy against improper payments in business transactions is a key element of its code of conduct, and represents a cores belief for how the company do business.

GE Healthcare takes various measures including, but not limited to; the implementation of corporate policies and procedures towards prohibiting improper payments in every transaction, prompt investigation and remediation of any concerns, and robust internal control and accounting processes. GE Healthcare continuously pays high attention to key risk areas such as gifts and entertainment, travel and living expenses, donations, and facilitating payments. To address these risks, the Group conduct extensive controls, including thorough due diligence, careful screening and training on GE Healthcare policies for third-party intermediaries and strategic use of Corporate Audit Staff to identify and assess potential improper payments.

GE Healthcare Danmark A/S has not seen any violations of the policies during 2022.

More information about our policies on anti-corruption and bribery can be found here:

<https://www.gehealthcare.com/about/compliance#anti-corruption>

#### Statement of Gender equality

For 2022, the Company has 3 members part of the Board of Directors, of whom two are female. According to 99b requirements of the Danish Financial Statements Act is considered an equal distribution.

GE Healthcare Danmark A/S has among its 61 employees as per year end distribution of female and male (61% / 39%). The leadership team consists of 3 males and 4 females, which according to 99b requirements of the Danish Financial Statements Act is considered an equal distribution.

Furthermore, GE Healthcare Danmark A/S acts in accordance to GE's Code of Conduct, the company and its employees will help to create an atmosphere where fair employment terms apply to all members of a diverse GE community.

## Management's review

### Operating review

#### Statement of Gender equality (continued)

Below table shows the proportion of male and female members within Board of Directors and Leadership team.

| Board of Directors |      |        |                         | Leadership team |      |        |                         |  |
|--------------------|------|--------|-------------------------|-----------------|------|--------|-------------------------|--|
| Year               | Male | Female | Underrepresented gender | Year            | Male | Female | Underrepresented gender |  |
| 2022               | 1    | 2      | 33.3%                   | 2022            | 3    | 4      | 42.9%                   |  |
| 2021               | 1    | 2      | 33.3%                   | 2021            | 2    | 5      | 28.6%                   |  |
| 2020               | 2    | 1      | 33.3%                   | 2020            | 5    | 4      | 44.4%                   |  |
| 2019               | 2    | 1      | 33.3%                   | 2019            | 5    | 4      | 44.4%                   |  |
| 2018               | 2    | 1      | 33.3%                   | 2018            | 5    | 4      | 44.4%                   |  |

#### Data ethics

The Spirit & The Letter defines GE's approach to data ethics pursuant to section 99d of the Danish Financial Statements Act. The Spirit embodies GE's promise to act ethically at all times. At GE all employees commit to doing the right thing, always with unyielding integrity. The Letter covers The Spirit & The Letter compliance policies. These policies apply to all employees in every business, everywhere in the world. Policies can be found here: <https://inside.integrity.ge.com/>

Data ethics concerns the ethical considerations which GE as a company must take into account when we use data and new technologies globally.

GE collects, handles and protects Personal Information responsibly. GE does this in compliance with applicable privacy laws and with company's Commitment to the Protection of Personal Information.

The company processes personal information lawfully, fairly and transparently, and provide for individual rights, consistent with applicable law.

GE uses GE Proprietary Information and GE Information Resources responsibly.

More information on the Spirit & the Letter and data ethics can be found here:

[https://www.ge.com/sites/default/files/S&L\\_Booklet\\_English\\_0.pdf](https://www.ge.com/sites/default/files/S&L_Booklet_English_0.pdf)

#### Research and development activities

Research and development activities are primarily carried out in other companies in the GE Healthcare group. However, during 2022 we had several pilot programs of new products running in Denmark in collaboration with Danish University hospitals. This has been especially on the CT-scanner side where we had evaluations prior to commercial launch. We also continue many of our long standing partnership with customers on software development and evaluations. A number of new agreements have also been entered where the R&D projects will be carried out during 2023 and 2024.

GE HealthCare launched a new approach to training and education with a new offering to customers. In addition to onsite application for our products we now offer a much more advanced online and on demand library for courses and training. This is both for product training and more general technical and clinical background to specific procedures to allow for continuous education of health care professionals. We have so far received very positive feedback and that this is highly relevant as many customers face high turnover of staff and need to train in a more flexible way. Several Education institutions have expressed an interest to leverage the new platform.

## Financial statements for the period 1 January – 31 December

### Income statement

| DKK'000                    | Note | 2022                 | 2021                 |
|----------------------------|------|----------------------|----------------------|
| Revenue                    | 2    | 339,391              | 378,296              |
| Production costs           | 3    | <u>-256,713</u>      | <u>-288,833</u>      |
| <b>Gross profit</b>        |      | <b>82,678</b>        | <b>89,463</b>        |
| Distribution costs         | 3    | -66,312              | -74,037              |
| Administrative expenses    | 3,4  | <u>-2,562</u>        | <u>-1,261</u>        |
| <b>Operating profit</b>    |      | <b>13,804</b>        | <b>14,165</b>        |
| Financial income           | 5    | 10,803               | 68                   |
| Financial expenses         | 6    | <u>-10,042</u>       | <u>-161</u>          |
| <b>Profit before tax</b>   |      | <b>14,564</b>        | <b>14,072</b>        |
| Tax on profit for the year | 7    | <u>-3,250</u>        | <u>-3,132</u>        |
| <b>Profit for the year</b> | 8    | <b><u>11,314</u></b> | <b><u>10,940</u></b> |

## Financial statements for the period 1 January – 31 December

### Balance sheet

| DKK'000                                    | Note | 2022           | 2021           |
|--|------|----------------|----------------|
| <b>ASSETS</b>                              |      |                |                |
| <b>Fixed assets</b>                        |      |                |                |
| <b>Property, plant and equipment</b>       |      |                |                |
| Fixtures and fittings, tools and equipment |      | 70             | 117            |
| Leasehold Improvements                     |      | 161            | 97             |
| Asset under construction                   |      | 0              | 207            |
| <b>Total fixed assets</b>                  | 9    | <b>231</b>     | <b>421</b>     |
| <b>Current assets</b>                      |      |                |                |
| <b>Inventories</b>                         |      |                |                |
| Finished goods                             |      | 33,006         | 5,999          |
| <b>Total Inventories</b>                   |      | <b>33,006</b>  | <b>5,999</b>   |
| <b>Receivables</b>                         |      |                |                |
| Trade receivables                          |      | 52,546         | 77,401         |
| Joint taxation contribution receivable     |      | 957            | 0              |
| Receivables from group entities            |      | 186,230        | 154,528        |
| Other receivables                          |      | 27,873         | 27,851         |
| Deferred tax asset                         | 10   | 1,543          | 2,596          |
| <b>Total Receivables</b>                   |      | <b>269,149</b> | <b>262,376</b> |
| <b>Total current assets</b>                |      | <b>302,156</b> | <b>268,376</b> |
| <b>TOTAL ASSETS</b>                        |      | <b>302,387</b> | <b>268,797</b> |

## Financial statements for the period 1 January – 31 December

### Balance sheet

| DKK'000  | Note | 2022           | 2021           |
|--|------|----------------|----------------|
| <b>EQUITY AND LIABILITIES</b>                          |      |                |                |
| <b>Equity</b>  |      |                |                |
| Share capital  | 11   | 500            | 500            |
| Proposed Dividend                                      |      | 0              | 65,000         |
| Retained earnings                                      |      | 53,368         | 42,054         |
| <b>Total equity</b>                                    |      | <b>53,868</b>  | <b>107,554</b> |
| <b>Provisions</b>                                      |      |                |                |
| Other provisions                                       | 12   | 2,480          | 5,389          |
| <b>Total provisions</b>                                |      | <b>2,480</b>   | <b>5,389</b>   |
| <b>Liabilities other than provisions</b>               |      |                |                |
| <b>Current liabilities other than provisions</b>       |      |                |                |
| Trade payables   |      | 9,937          | 6,892          |
| Payables to group entities                             |      | 123,036        | 36,510         |
| Joint taxation contribution payable                    |      | 0              | 2,043          |
| Other payables   |      | 43,066         | 49,550         |
| Deferred income  | 13   | 70,000         | 60,859         |
| <b>Total current liabilities other than provisions</b> |      | <b>246,039</b> | <b>155,854</b> |
| <b>Total liabilities including provisions</b>          |      | <b>248,519</b> | <b>161,243</b> |
| <b>TOTAL EQUITY AND LIABILITIES</b>                    |      | <b>302,387</b> | <b>268,797</b> |
| <b>Mortgages and collateral</b>                        | 14   |                |                |
| <b>Contingencies, etc.</b>                             | 15   |                |                |
| <b>Related party disclosures</b>                       | 16   |                |                |



## Financial statements for the period 1 January – 31 December

### Statement of changes in equity

| DKK'000                    | <u>Share capital</u> | <u>Retained earnings</u> | <u>Proposed dividend</u> | <u>Total</u>  |
|----------------------------|----------------------|--------------------------|--------------------------|---------------|
| Equity at 1 January 2022   | 500                  | 42,054                   | 65,000                   | 107,554       |
| Declared dividend          | -                    | -                        | -65,000                  | -65,000       |
| Profit for the year        | -                    | 11,314                   | -                        | 11,314        |
| Equity at 31 December 2022 | <u>500</u>           | <u>53,368</u>            | <u>0</u>                 | <u>53,868</u> |

## Financial statements for the period 1 January – 31 December

### Notes

#### 1 Accounting policies

The annual report of GE Healthcare Danmark A/S for 2022 has been prepared in accordance with the provisions applying to reporting class C entities (large-sized) under the Danish Financial Statements Act.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

The annual report of GE Healthcare Danmark A/S is included in the consolidated financial statements of General Electric Company.

#### Cash flow statement

Pursuant to section 86(4) of the Danish Financial Statements Act, a cash flow statement has not been prepared as the Company's cash flows are included in the consolidated cash flow statement of General Electric Company.

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

#### Income statement

##### Revenue

As in prior years, revenue comes from sale of medical equipment and related services.

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Revenue for selling healthcare equipment is recognised when control is transferred to customers at a point in time when delivery is complete. Revenue from part sales is also recognised at a point in time when control is transferred to customers typically upon completion of delivery.

Revenue from service contracts is recognised in the income statement on a straight-line basis over the term of the service contract. Installation of equipment sold is considered a separate performance obligation for which revenue is to be recognised over time.

Revenue is recognised excluding VAT, taxes and discounts in connection with the sale.

## Financial statements for the period 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Production costs

Production costs comprise costs incurred in generating revenue for the year that are a direct consequence of revenue. As the Company has no production and is solely a distributor, costs primarily include cost of sales in connection with the sale of MedTech equipment, costs for installation and service on equipment sold as well as commission for sales staff.

##### Distribution costs

Costs incurred in distributing goods and services sold during the year and in conducting sales campaigns, etc., during the year are recognised as distribution costs. Also, costs relating to sales staff, rent, advertising, exhibitions and depreciation are recognised as distribution costs.

##### Administrative expenses

Administrative expenses comprise expenses incurred during the year for company management and administration, including expenses for administrative staff and accounting staff and other administrative expenses.

##### Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on transactions denominated in foreign currencies as well as surcharges and refunds under the on-account tax scheme, etc.

##### Tax on profit/loss for the year

Tax for the year comprises current tax for the year and changes in deferred tax. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts directly recognised in equity is recognised directly in equity.

The Company is subject to the Danish rules on mandatory joint taxation of the GE Group's Danish companies. As a result, the Company settles all payments of corporation tax via payment of joint taxation contribution to the administrative company.

## Financial statements for the period 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Balance sheet

##### Property, plant and equipment

Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. Depreciation is provided on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Fixtures and fittings, tools and equipment 3-5 years

Leasehold improvements amortized over leasehold period.

The useful life and residual value are reassessed annually. Changes are treated as accounting estimates, and the effect on depreciation is recognised prospectively.

##### Impairment of assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by amortisation or depreciation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or the group of assets.

##### Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realisable value is lower than cost, inventories are written down to this lower value.

Goods for resale and raw materials and consumables are measured at cost, comprising purchase price plus delivery costs.

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

##### Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable has been impaired. If there is an objective indication that an individual receivable has been impaired, write-down is made on an individual basis.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of forecast cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

## Financial statements for the period 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Equity – dividend

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

##### Provisions

Provisions comprise anticipated costs related to warranties and asset retirement obligation. Warranties comprise obligations to make good any defects within the warranty period of 1-3 years. Provisions for warranties are measured and recognised based on past experience. Asset retirement obligation comprises of the liability to return the company's rented offices to its original state and measured at fair value.

##### Financial liabilities

Other liabilities, comprising payables to suppliers, group entities as well as other payables, are recognised at amortised cost.

##### Deferred income

Deferred income recognized under liabilities comprises accrued income concerning service contracts, etc.

##### Corporation tax and deferred tax

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

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where alternative tax rules can be applied to determine the tax value, for instance in respect of shares, deferred tax is measured based on the planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity.

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax.

Changes in deferred tax as a result of changes in tax rates are recognised in the income statement.

## Financial statements for the period 1 January – 31 December

### Notes

#### 1 Accounting policies (continued)

##### Financial ratios

The financial ratios stated in the survey of financial highlights have been calculated as follows:

|                  |  |
|------------------|--|
| Operating margin | $\frac{\text{Operating profit} \times 100}{\text{Revenue}}$                                    |
| Gross margin     | $\frac{\text{Gross profit} \times 100}{\text{Revenue}}$  |
| Solvency ratio   | $\frac{\text{Equity at year end} \times 100}{\text{Total equity and liabilities at year end}}$ |
| Return on equity | $\frac{\text{Profit from ordinary activities after tax} \times 100}{\text{Average equity}}$    |

#### 2 Segment information

Segment information is provided on business segments and geographical markets. The segment information is in line with the Company's accounting policies, risks and internal financial management.

| DKK'000                                      | <u>Denmark</u>        | <u>Exports</u>       | <u>Total</u>          |
|--|-----------------------|----------------------|-----------------------|
| <b>2022</b>                                  |                       |                      |                       |
| Sale of goods and service contracts          | 321,260               | 0                    | 321,260               |
| Sale of goods and services to group entities | <u>0</u>              | <u>18,131</u>        | <u>18,131</u>         |
|  | <b><u>321,260</u></b> | <b><u>18,131</u></b> | <b><u>339,391</u></b> |
| <b>2021</b>                                  |                       |                      |                       |
| Sale of goods and service contracts          | 360,250               | 0                    | 360,250               |
| Sale of goods and services to group entities | <u>0</u>              | <u>18,046</u>        | <u>18,046</u>         |
|  | <b><u>360,250</u></b> | <b><u>18,046</u></b> | <b><u>378,296</u></b> |

## Financial statements for the period 1 January – 31 December

### Notes

#### 3 Staff costs

| DKK'000                     | <u>2022</u>          | <u>2021</u>          |
|-----------------------------|----------------------|----------------------|
| Wages and salaries          | 54,853               | 53,260               |
| Pensions                    | 4,716                | 4,192                |
| Other social security costs | <u>270</u>           | <u>114</u>           |
|                             | <b><u>59,839</u></b> | <b><u>57,566</u></b> |
| Average number of employees | <u>58</u>            | <u>53</u>            |

Information about remuneration of the Board of Directors and the Executive Board has been omitted in accordance with section 98b(3)(ii) of the Danish Financial Statements Act.

#### 4 Fees to auditor

| DKK'000         | <u>2022</u>       | <u>2021</u>       |
|-----------------|-------------------|-------------------|
| Statutory audit | <u>213</u>        | <u>193</u>        |
|                 | <b><u>213</u></b> | <b><u>193</u></b> |

#### 5 Financial income

| DKK'000                         | <u>2022</u>          | <u>2021</u>      |
|---------------------------------|----------------------|------------------|
| Interest income, group entities | 10,803               | 0                |
| Foreign exchange gains          | <u>0</u>             | <u>68</u>        |
|                                 | <b><u>10,803</u></b> | <b><u>68</u></b> |

#### 6 Financial expenses

| DKK'000                          | <u>2022</u>          | <u>2021</u>       |
|----------------------------------|----------------------|-------------------|
| Interest expense, group entities | 9,377                | 0                 |
| Foreign exchange losses          | 78                   | 0                 |
| Other interest expense           | <u>587</u>           | <u>161</u>        |
|                                  | <b><u>10,042</u></b> | <b><u>161</u></b> |

**Financial statements for the period 1 January – 31 December**

**Notes**

**7 Tax on profit/loss for the year**

| DKK'000                              | <u>2022</u>         | <u>2021</u>         |
|--------------------------------------|---------------------|---------------------|
| Current tax for the year             | 2,196               | 2,043               |
| Deferred tax adjustment for the year | <u>1,054</u>        | <u>1,089</u>        |
|                                      | <b><u>3,250</u></b> | <b><u>3,132</u></b> |

**8 Profit appropriation/distribution of loss**

| DKK'000           | <u>2022</u>          | <u>2021</u>          |
|-------------------|----------------------|----------------------|
| Proposed dividend | 0                    | 65,000               |
| Retained earnings | <u>11,314</u>        | <u>-54,060</u>       |
|                   | <b><u>11,314</u></b> | <b><u>10,940</u></b> |



## Financial statements for the period 1 January – 31 December

### Notes

#### 9 Property, plant and equipment

| DKK'000  | Fixtures and fittings, tools and equipments | Leasehold improvements | Asset under construction |
|--|---|------------------------|--------------------------|
| Costs beginning of year                              | 1031  | 100                    | 207                      |
| Additions  | 0   | 0                      | 0                        |
| Disposals  | 0   | 0                      | 0                        |
| Transfer   | 0   | 207                    | -207                     |
| Cost end of year                                     | <u>1031</u>                                 | <u>307</u>             | <u>0</u>                 |
| Depreciation and impairment losses beginning of year | -914  | -3                     | 0                        |
| Depreciation for the year                            | -47   | -143                   | 0                        |
| Depreciation and impairment losses end of year       | <u>-961</u>                                 | <u>-146</u>            | <u>0</u>                 |
| Carrying amount end of year                          | <u><u>70</u></u>                            | <u><u>161</u></u>      | <u><u>0</u></u>          |

#### 10 Deferred tax

| DKK'000                        | 2022                | 2021                |
|--------------------------------|---------------------|---------------------|
| Deferred tax asset 1 January   | 2,597               | 3,686               |
| Deferred tax adjustment        | -1,054              | -1,089              |
| Deferred tax asset 31 December | <u><u>1,543</u></u> | <u><u>2,597</u></u> |

The tax asset is recognised in accordance with Management's expectations of the Company's future earnings and expects to be utilized within 3-5 years.

#### 11 Share capital

The share capital consists of 5,000 shares of nom. DKK 100 each. All shares rank equally.

The share capital has not changed in the last five years.

## Financial statements for the period 1 January – 31 December

### Notes

#### 12 Other provisions

| DKK'000   | 2022         | 2021         |
|---|--------------|--------------|
| Warranty  | 1,622        | 4,531        |
| Asset retirement obligation reserve                     | 858          | 858          |
|   | <b>2,480</b> | <b>5,389</b> |
| The provisions are expected to be activated as follows: |              |              |
| 0-1 year  | 1,622        | 4,506        |
| 1-5 year  | 858          | 883          |
| > 5 years   | 0            | 0            |
|   | <b>2,480</b> | <b>5,389</b> |

Assuming that asset retirement obligation reserve will be used when contract expires in November 2024.

#### 13 Deferred income

The item comprises deferred income related to future upgrading of scanners and deferred income related to service contracts.

#### 14 Mortgages and collateral

The Company's bank has provided collateral towards third parties in the amount of DKK 1.2 million (2021: DKK 1.2 million).

#### 15 Contingencies, etc.

##### Operating leases

The Company has entered into operating leases regarding cars. The remaining terms of the leases are 1-33 months, and the total residual lease payment amounts to DKK 1,781 thousand (2021: DKK 2,100 thousand).

##### Lease obligation

Office facilities are leased from Newsec at an annual lease payment of DKK 816 thousand (2021: DKK 800 thousand). The contract has been renewed in 2020 and the lease is non-cancellable for the tenant until 30 November 2024. Subsequently, it is cancellable by GE Healthcare Danmark A/S at 12 months' notice. The minimum lease obligation amounts to DKK 1,681 thousand (2021: DKK 2,497 thousand).

##### Taxation

The Company is jointly taxed with all Danish entities in the GE Group. The Company has joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

## Financial statements for the period 1 January – 31 December

### Notes

#### 17 Related parties disclosures

GE Healthcare Danmark A/S' related parties comprise the following:

##### Parties exercising control

GE Healthcare BVBA, Kouterveldstraat 20, 1831 Diegem, Belgium and this company's parent companies.

##### Related party transactions

The Company is included in a cash pool scheme with associates administered by General Electric International (Benelux) B.V. Receivable from group entities consist of DKK 82,469 thousand (2021: DKK 148,509 thousand) receivable from cash pooling.

All other intercompany balances comprise trade balances related to purchase and sale of goods and services.

| DKK'000                                     | 2022     |
|---|----------|
| Sale of goods to group enterprises, revenue | 2,866    |
| Sale of services to group enterprises       | 15,264   |
| Purchase of goods from group enterprises    | -310,470 |
| Purchase of services from group enterprises | -5,393   |

Intercompany balances as of balance sheet date is disclosed under assets and liabilities.

Purchase of services from group enterprises consists of licencing fee and management fee. Interest income and expenses with respect to group entities are disclosed in Note 6.

No transaction have been carried out with the Board of Directors, the Executive Management, senior employees, major shareholders or other related parties, apart from ordinary remuneration.

##### Ownership

The following shareholder is registered in the Company's register of shareholders as holding 100% of the votes and 100% of the share capital:

GE Healthcare BVBA  
Kouterveldstraat 20  
1831 Diegem  
Belgium

GE Healthcare Danmark A/S is part of the Consolidated financial statements of General Electric Company, which is the smallest and largest group in which the Company is included as a subsidiary.

The consolidated financial statements of the ultimate parent company, General Electric Company, 5 Necco Street, Boston, Massachusetts 02210, USA, are available at the Company's address.

<https://www.ge.com/investor-relations/annual-report>