

IDEXX Laboratories Danmark ApS

c/o Harbour House

Sundkrogsgade 21

2100 Copenhagen

CVR nr. 26 99 62 79

Annual Report for 1 January - 31 December 2022

(19th year)

The annual report is presented and approved at the Annual

General Meeting 6 July 2023

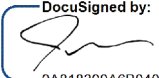
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 Jeff Chadbourne
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Chairman

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Management's review

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Statement by the Executive Board

The Executive Board have today discussed and approved the annual report of IDEXX Laboratories Danmark ApS (the "Company") for the financial year 1 January - 31 December 2022.

The annual report has been 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 2022.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.


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

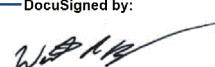
Copenhagen, 6 July 2023

Executive Board:

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Jeffery Donn Chadbourne

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Liiv Joann Lu

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Willard R. Bianche Jr.

Independent auditor's extended review report on the financial statements

To the shareholders of IDEXX Laboratories Danmark ApS

Conclusion

We have performed an extended review of the financial statements of IDEXX Laboratories Danmark ApS for the financial year 1. January – 31. December 2022 comprising 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.

Based on the work performed, 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 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our extended review in accordance with the Danish Business Authority's Assurance Standard for Small Enterprises and FSR – Danish Auditors' standard on extended review of financial statements prepared in accordance with the Danish Financial Statements Act. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibility for the extended review of the financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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

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 that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditor's extended review report on the financial statements

Auditor's responsibility for the extended review of the financial statements

Our responsibility is to express a conclusion on the financial statements. This requires that we plan and perform procedures in order to obtain limited assurance for our conclusion on the financial statements and in addition perform specifically required supplementary procedures in order to obtain further assurance for our conclusion.

An extended review comprises procedures primarily consisting of making enquiries of Management and others within the entity, as appropriate, applying analytical procedures and the specifically required supplementary procedures, and evaluating the evidence obtained.

The procedures performed in an extended review are less than those performed in an audit, and accordingly, we do not express an audit opinion on these financial statements.

Statement on the Management's review

Management is responsible for the Management's review.

Our conclusion 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 extended review of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the extended review, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

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

Aalborg, 6 July 2023

KPMG

Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98



Steffen S. Hansen
State Authorised
Public Accountant
mne32737

Management's review

Company details

IDEXX Laboratories Danmark ApS
c/o Harbour House
Sundkrogsgade 21
DK-2100 Copenhagen

CVR no.:	26 99 62 79
Registered office:	Copenhagen
Date of incorporation:	30 December 2003
Financial year:	1 January - 31 December

Executive board

Jeffery Donn Chadbourne
Lily Joann Lu
Willard R. Blanche Jr.

Auditors

KPMG
Statsautoriseret Revisionspartnerselskab
Østre Havegade 22D
DK-9000 Aalborg

Management's review

Main Activities

The Company provides products and related services primarily for the veterinary, livestock, poultry and dairy and water testing markets and conducts analytics/research, interpretation of laboratory results as well as advising on veterinary medical issues (including clinical chemistry, virology, hematology, microbiology, histology).

Development in activities and financial affairs

Net profit amounts to kr. 1,454,654

Equity amounts to kr. 15,414,521

Event after balance sheet date

After balance sheet date, no events have occurred that would materially affect the company's financial position.

Expected development

The Company anticipates to have a profitable result for the financial year 2023.

Financial statements 1 January - 31 December**Income Statement**

DKK	Notes	2022	2021
GROSS PROFIT		9,539,837	8,442,997
Personnel costs	2	(7,513,734)	(6,734,581)
Depreciation		(9,934)	(15,160)
PROFIT BEFORE FINANCIAL ITEMS		2,016,169	1,693,256
Financial Expenses	3	(99,841)	(91,719)
PROFIT BEFORE TAXES		1,916,328	1,601,537
Corporate Income taxes		(461,674)	1,130
PROFIT FOR THE YEAR		1,454,654	1,602,667

Proposed profit appropriation**Proposed dividends for the financial year**

		-	-
Retained earnings		1,454,654	1,602,667

Financial statements 1 January - 31 December**Balance Sheet*****TOTAL ASSETS***

DKK	Notes	2022	2021
NON-CURRENT ASSETS			
<i>Fixed Assets:</i>			
<i>Equipment and furniture</i>		233,401	255,199
TOTAL FIXED ASSETS		233,401	255,199
Long-term prepayments and deferred costs		2,205,171	1,752,278
TOTAL NON-CURRENT ASSETS		2,438,572	2,007,477
CURRENT ASSETS			
<i>Receivables:</i>			
Trade receivables		7,975,409	13,119,814
Receivables from affiliates		0	50,000
Prepayments and deferred costs		756,618	578,320
Corporate Income tax receivable		24,092	0
Total Receivables		8,756,119	13,748,134
Cash and cash equivalents		10,857,269	11,595,847
TOTAL CURRENT ASSETS		19,613,388	25,343,981
TOTAL ASSETS		22,051,960	27,351,458
NON-CURRENT ASSETS			

Financial statements 1 January - 31 December**Balance Sheet*****TOTAL LIABILITIES AND EQUITY***

DKK	Notes	2022	2021
EQUITY			
Share Capital		125,000	125,000
Retained earnings		15,289,521	13,834,867
TOTAL EQUITY	4	15,414,521	13,959,867
PROVISIONS			
Provision for deferred taxes		0	(1)
TOTAL PROVISIONS		0	(1)
LIABILITIES			
Current liabilities other than provisions:		6,613,347	13,391,593
Deferred Revenue		341,199	360,550
Trade payables		591,986	3,966,943
Corporate Income tax payable		0	97,144
Other Payables		2,565,734	3,308,253
Payable to affiliates		3,138,520	5,658,703
TOTAL SHORT-TERM LIABILITIES		6,637,439	13,391,593
TOTAL LIABILITIES		6,637,439	13,391,592
TOTAL LIABILITIES AND EQUITY		22,051,960	27,351,458

Statement of Changes Equity

DKK	01/01/2022	Proposal for the result appropriation	12/31/2022
Share Capital	125,000	-	125,000
Retained earnings	13,834,867	1,454,654	15,289,521
Total Equity	13,959,867		15,414,521

Notes

1. Accounting policies

The annual report of IDEXX Laboratories Danmark ApS (the "Company") for 2022 has been prepared in accordance with the provisions applying to reporting class B entities under the Danish Financial Statements Act with option from certain provisions applying to reporting class C entities.

Recognition and measurement

The financial statements are prepared following the historical cost value principle.

Income is recognized in the income statement as it is earned. All costs incurred to generate the year's earnings, including depreciation, amortization, provisions and reversals due to changed accounting estimates of amounts previously recognized in the income statement are also recognized in the income statement.

Assets are recognized in the balance sheet when it is probable that future economic benefits will flow to the company and the asset can be measured reliably.

Liabilities are recognized in the balance sheet when it is probable that future economic benefits will flow from the Company, and the value can be measured reliably.

Certain financial assets and liabilities are measured at amortized cost, implying the recognition of a constant effective interest rate to maturity. Amortized cost is calculated as original cost less principal payments and plus / less the accumulated amortization of the difference between cost and nominal amount. Capital losses and gains are allocated over the term.

Recognition and measurement consider predictable losses and risks that arise before the end of the fiscal year and that confirm or invalidate matters existing at the balance sheet date.

The functional currency used DKK. All other currencies are considered foreign currencies.

Foreign currencies

Translation in/from foreign currencies are made using the rate at the transaction date. Exchange differences arising between the transaction date and the date of payment are recognized in the income statement as a financial item.

Receivables, liabilities and other monetary items in foreign currencies that have not been settled at the balance sheet date are evaluated using the rate applicable at the balance sheet date.

Fixed assets purchased in foreign currencies are measured at the exchange rate on the transaction date.

Income statement

Net Sales

Revenue comprises invoiced sales of goods and services as well as non-invoiced income regarding outstanding ongoing service delivery, recognized in the income statement if delivery and transfer of risk to the buyer has taken place before year end. Revenue is recognized excluding VAT and net of discounts relating to sales.

Other operating incomes and expenses

Other operating incomes and expenses comprise items of a secondary nature relative to the company's main business, including gains and losses on disposal of intangible and tangible fixed assets.

Other external costs

Other external expenses include expenses for distribution, sale, advertising, administration, premises and operating leases, etc.

Financial income and expenses

Financial items include interest income and expenses, realized and unrealized gains and losses on securities, debt and transactions in foreign currencies, amortization of mortgage loans, surcharges and allowances under the tax.

Income tax expenses

Income tax expense, which consists of current tax and deferred tax, is recognized in the income statement by the portion attributable to the profit for the year and directly in equity with the portion attributable to equity transactions. The tax recognized in the income statement are classified as tax on ordinary activities and tax on extraordinary items.

Changes in deferred tax due to changes in tax rates is recognized in the income statement.

Balance Sheet

Tangible assets

Plant and machinery, tools and equipment and leasehold improvements are measured at cost less accumulated depreciation and impairment losses. The basis for depreciation is cost less estimated residual value after useful life.

Cost includes the purchase price and costs directly attributable to the acquisition until the asset is ready to be used.

Depreciation, calculated at cost less any residual value, is distributed linearly over the assets estimated useful lives, as follows:

Operating time	
Equipment and furniture	3-5 years

The residual value of property, plant and equipment is reassessed on an ongoing basis.

Gains or losses on disposal of fixed assets are calculated as the difference between the selling price less selling costs and the carrying amount at the time of sale. Gains and losses are recognized in the income statement under other income or expenses.

Impairment of fixed assets

The carrying value of tangible fixed assets is reviewed annually to determine whether there is any indication of impairment in addition to the depreciation. In this case, an impairment test to determine whether the recoverable amount is lower than the book value and the asset is written down to its recoverable amount.

Recoverable amount is the higher value between the net selling price and the usage value. As it is not possible to determine a recoverable amount of an individual asset, the assets are assessed in the smallest group of assets where overall measurement may provide a reliable recoverable amount.

Receivables

Receivables are measured at amortized cost or net realizable value. Impairment losses are calculated based on an individual assessment of the receivables and trade receivables also with a collective impairment, based on its experience from previous years.

Prepayments

Prepayments recognized in assets comprise costs to be incurred concerning subsequent financial years.

Dividends

Proposed dividend for the financial year are recognized as a separate component of equity. Proposals are recognized as a liability at the time of adoption at the general meeting.

Provisions

Provisions are recognized when, because of an event occurred before or on the balance sheet date, a legal or constructive obligation arises and it is probable that economic benefits follow to settle the obligation.

Current tax receivables and liabilities

Current tax liabilities and current tax receivables are recognized in the balance sheet as calculated tax on the taxable income, adjusted for tax on prior years' taxable income and for prepayments. Tax receivables and liabilities are offset to the extent that there are legal set-off and the items are expected to be settled net or simultaneously.

Deferred tax assets and liabilities

Deferred tax is measured using the balance sheet liability method on temporary differences between accounting and tax values of assets and liabilities based on the planned use of the asset or settlement of the liability.

Deferred tax assets including the tax value of tax loss carryforwards are measured at the value at which the asset is expected to be realized, either by elimination in tax on future earnings or against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realizable value.

Deferred tax is measured based on the tax rules and tax rates at the balance sheet law will be in effect when the deferred tax is expected to crystallize as current tax. Changes in deferred tax due to changes in tax rates is recognized in the income statement. For the current year, a tax rate of 22%.

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

Other liabilities

Other liabilities are measured at amortized cost, which usually corresponds to nominal value.

2. Personnel costs

DKK	2022	2021
Average number of full-time employees	6	9
Salaries and wages	6,947,238	5,983,558
Pension	562,153	572,442
Other personnel expenses (to gross profit)	4,344	178,581
Total Personnel Costs	7,513,734	6,734,581

3. Financial expenses

DKK	2022	2021
Unrealized exchange loss	1,206	179
Exchange loss on intercompany balances	7,298	3,892
Interest expenses	91,337	87,648
Total financial expenses	99,841	91,719

4. Equity

DKK	2022	2021
Share capital is divided as follows:		
125 shares, each of nominal value of kr. 1.000	125,000	125,000

No capital increase or decrease occurred in the previous 5 years

5. Contractual obligations

Leases obligations

The Company has entered operating leases at the following amount: 509,812 DKK.

The remaining term of leases is 24 months with an average of monthly lease payment of 21,242 DKK.

7. Related parties

The Company is a wholly-owned subsidiary of Vet Med Labor GmbH. The Company is a member of and its results are included in the consolidated financial statements of its ultimate parent company, IDEXX Laboratories, Inc. located in Westbrook, Maine 04092, United States of America,

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CVR no: 26 99 62 79

Financial year: 1 January - 31 December

which financial statements for the year ended 31 December 2022 are available at:
<https://www.idexx.com/files/10k20230216.pdf>