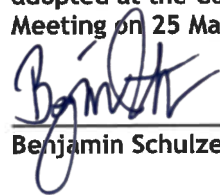


RADIOMETER MEDICAL APS
ÅKANDEVEJ 21, 2700 BRØNSHØJ
ANNUAL REPORT
1 JANUARY - 31 DECEMBER 2019

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 25 May 2020**



Benjamin Schulze Auster

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COMPANY DETAILS

Company	Radiometer Medical ApS Åkandevej 21 2700 Brønshøj CVR No.: 27 50 91 85 Established: 14 January 2004 Registered Office: Copenhagen Financial Year: 1 January - 31 December
Board of Directors	Peter Kürstein-Jensen, chairman Henrik Schimmell Nielsen Claus Lønborg Madsen Niels Fogelstrøm Rikke Anette Tengberg Lars Taeger Birgit Vilstrup Olsen Birgitte Lund Jørgensen
Board of Executives	Henrik Schimmell Nielsen Claus Lønborg Madsen
Auditor	ERNST & YOUNG Godkendt Revisionspartnerselskab Dirch Passers Allé 36 2000 Frederiksberg

STATEMENT BY BOARD OF DIRECTORS AND BOARD OF EXECUTIVES

Today the Board of Directors and Board of Executives have discussed and approved the Annual Report of Radiometer Medical ApS for the financial year 1 January - 31 December 2019.

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 financial position at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019.

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

We recommend the Annual Report be approved at the Annual General Meeting.


Copenhagen, 25 May 2020


Board of Executives



Henrik Schimmell Nielsen


Claus Lønborg Madsen

Board of Directors



Peter Kürstein-Jensen
Chairman


Niels Fogelstrøm



Birgit Vilstrup Olsen


Henrik Schimmell Nielsen


Rikke Anette Tengberg


Birgitte Lund Jørgensen


Claus Lønborg Madsen


Lars Taeger

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Radiometer Medical ApS

Opinion

We have audited the financial statements of Radiometer Medical ApS for the financial year 1 January - 31 December 2019, which comprise 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 financial position of the Company at 31 December 2019 and of the results of the Company's operations for the financial year 1 January - 31 December 2019 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 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' Code of Ethics for Professional Accountants (IESBA Code) and additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

Management's Responsibilities for the financial statements

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

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

Auditor's Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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.

INDEPENDENT AUDITOR'S REPORT

- 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 note 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 on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

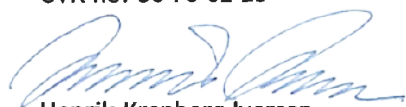
In connection with our audit of the financial statements, our responsibility is to read Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially 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 Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 25 May 2020

ERNST & YOUNG Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Henrik Kronborg Iversen
State Authorised Public Accountant
mne24687



Rasmus Bloch Jespersen
State Authorised Public Accountant
mne35503

FINANCIAL HIGHLIGHTS

	2019	2018	2017	2016	2015
	DKK million	DKK million	DKK million	DKK million	DKK million
Income statement					
Net revenue.....	4.344	3.793	3.587	3.387	3.216
Gross profit/loss.....	2.657	2.352	2.225	2.158	2.109
Operating profit.....	803	575	501	538	539
Financial income and expenses, net.....	47	84	53	255	134
Profit/loss for the year before tax.....	904	702	590	833	715
Profit/loss for the year.....	716	556	466	663	555
Balance sheet					
Balance sheet total.....	7.707	15.221	14.788	14.804	14.322
Equity.....	6.262	13.712	13.156	11.580	10.438
Investment in tangible fixed assets.....	63	36	31	44	38
Average number of full-time employees.....	1.101	1.068	1.035	1.014	1.019
Ratios					
Profit margin.....	18,5	15,2	13,9	15,9	16,8
Rate of return.....	7,0	3,9	3,2	3,7	3,7
Solvency ratio.....	81,3	90,1	89,0	78,2	72,9
Return on equity.....	7,2	4,1	4,8	7,6	7,0
Profit margin:	$\frac{\text{Operating profit/loss} \times 100}{\text{Net revenue}}$				
Rate of return:	$\frac{\text{Profit/loss on ordinary activities} \times 100}{\text{Average invested capital}}$				
Solvency ratio:	$\frac{\text{Equity, at year end} \times 100}{\text{Total equity and liabilities, at year end}}$				
Return on equity:	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$				

The key figures are prepared in accordance with the guidance of Danish Finance Society's "Recommendations and Financial Ratios". Reference is made to survey of principal figures and key figures concerning the formula for calculation of individual key figures.

MANAGEMENT'S REVIEW

Principal activities

Radiometer provides acute care diagnostic solutions based on a belief that a seamless relationship between people and technology is crucial. Radiometer partners with hospitals and health care professionals around the world to continuously improve the diagnostic experience and patient care. In short, Radiometer promises that whatever comes next, we make sure life comes first. The mission for Radiometer is to help caregivers make diagnostic decisions that save lives and the vision is Improving global healthcare with reliable, fast and easy patient diagnoses.

In the customers' line of work, life is not a given - it is the ultimate goal. They face constant change and challenging situations and never know what to expect when they start work each day caring for critically ill patients. Finding the right way is never a given - but it can enable new possibilities.

To support this Radiometer develops, manufactures and markets a wide selection of Analyzers and Solutions for Blood gas analysis, Blood sampling, Transcutaneous monitoring, Immunoassay testing and related IT management systems. All to support health care professionals in acute care diagnostics in e.g. intensive care units, emergency departments etc. The solutions are used in hospitals, clinics and labs in more than 130 countries. In addition the Company also distributes products from HemoCue (within the Danaher Group).

Since Radiometer started in the bloodgas market in 1954, Radiometer's mindset and purpose has revolved around empowering caregivers to make diagnostic decisions to improve patient care. And although the technology Radiometer uses and the eyes through which Radiometer sees the world have changed, Radiometer still believes that a seamless relationship between people and technology is crucial in the most critical care situations. Radiometer was founded in 1935 and has been part of Danaher Corporation since 2004.

The Company develops and produces the products together with the other product companies (having Production/R&D) in the Radiometer Group. The products are distributed to customers globally through the sales companies in the Group, external distributors, and to the end users in Denmark. Today the Radiometer Operating Group counts >30 sales companies and 7 sites of product companies.

Uncertainty as to recognition and measurement

The Company has recognized significant intangible assets in the balance sheet related to Intellectual Property Rights. In addition the company recognizes development costs as intangible assets, when certain criteria are met. Development costs related to finished projects are measured at cost price less accumulated depreciations and impairment losses.

Recognition and measurement of Intellectual Property Rights and Development costs in the balance sheet are inherently subject to uncertainty as the value of the asset depends on the expected future revenue of the products, to which the rights and development projects are related.

Development in activities and financial position

The 2019 result and financial development of the Company were satisfactory, including positive development of Revenue and Profit.

The revenue amounted to 4.344 MDKK in 2019 growing 551 MDKK/14,5% from 3.793 MDKK in 2018. The total growth of 14,5% in 2019 is related to increase in volume of 11% and positive impact from foreign currency of 3,5%. The revenue exceeds prior year's expressed expectations.

The Operating profit in 2019 amounted to 803 MDKK compared to last year of 575 MDKK. The Operating profit in 2019 is higher than expected due to the higher revenue and related gross profit. The higher profit is also impacted positively by lower amortisation of intangible fixed assets, and negatively by increase in Staff and Other external expenses.

In 2019 the Company achieved a profit for the year of 716 MDKK compared to a profit of 556 MDKK in 2018.

During the year, the equity of the Company has changed from 13.711 MDKK at the beginning of the year

MANAGEMENT'S REVIEW

Development in activities and financial position (continued)

to a total equity balance of 6.262 MDKK at the end of the year. The change consists of profit for the year of +716 MDKK, tax free contribution of capital of +586 MDKK, currency adjustments of investments in subsidiaries of -0,5 MDKK and dividend paid -8.750 MDKK. The Dividend paid to the parent Company was linked to and subsequent used to reduce Receivables from Group Companies.

The Company has increased investments in Subsidiaries of 24 MDKK in 2019 related to new sales companies in the Radiometer Group.

Special risks

The Company monitors the risk factors that may affect the operations and financial results on a regular basis. The identified risks are sought minimised by operational countermeasures and through insurance. Below is a more detailed description of these factors.

Currency risks

The Company's net payments in foreign currencies are usually sold immediately after receipt. There is no hedging of currency risk on foreign currency assets and liabilities.

Credit risks

Approximately 78% of the Company's products are sold to affiliated sales companies where the credit risk is considered insignificant. Approximately 22% of the products are sold to external non-affiliated distributors,

who are subject to ongoing credit evaluation. Some of them have a long time business relationship and therefore the risk is also considered limited for the sales to distributors.

Interest rate risk

The Company's operating activities generally create a positive cash contribution. The loans in the business are to internal Group Companies and the interest rate risk is considered low.

Regulatory by authorities

A significant part of the Company's sales is to countries which require that the products are approved by health authorities. The Company's quality organisation regularly and systematically monitors that the products are compliant with the regulatory requirements for the products.

Dependence on customers

Revenue is distributed among a large number of markets and a very large number of individual customers, so dependence on individual customers is considered small.

Technology development

It is the opinion of the Company that neither in the short nor medium term will new disruptive technologies appear which would reduce the demand for the product portfolio of the Company on at short notice.

Product liability and business liability

The Company has covered product and business liability risk by an adequate insurance with a premium-rated insurer.

Damage to property and business interruption

Plant and machinery, fixtures and equipment and inventories are insured at replacement value. Significant interruptions of production are covered by a business interruption insurance with a premium-rated insurer.

Supplier risk

In order to minimise disruption caused by supplier failure, the Company purchases a wide range of components from more than one supplier. For certain critical components inventory is maintained to ensure uninterrupted production in a short time period. Due to the outbreak of Covid-19 in start of 2020 this risk is considered higher and substantial mitigating actions have been implemented.

MANAGEMENT'S REVIEW

Special risks (continued)

Knowledge resources

Radiometer believes that innovation and improvement come from personal and professional development.

The success of Radiometer's business is based upon continuously providing the employees with a space to grow, learn and push for the greater solutions e.g. through clear goals and on the job learning. When the employees are constantly learning, growing and challenging themselves, Radiometer as a company is able to develop and deliver some of the world's most advanced health care solutions - now and in the future.

Through Radiometer's Performance for Growth Cycle, the employees are supported in setting clear goals that are aligned to the strategic priorities of the organisation and goals to assess performance against. Radiometer focus on both the WHAT, and the HOW and that's because how to do it is as important as what should be done.

This is why people leaders and employees collaborate every year to align not only on performance expectations, but also on the way these objectives should be met. Ultimately, the process supports employees in receiving ongoing feedback, which helps them to grow and develop and ensures success. At Radiometer, realizing the potential of the employees through development is as important as ensuring high performance throughout.

Radiometer believes in exposing the employees to situations to be able to practice and learn to master new skills that will help to realise aspirations and potential. A lot of development at Radiometer takes place on the job. Radiometer believes in unleashing potential through informal and experiential learning. As with performance objectives, people leaders and employees collaborate to formulate impactful development plans based on the adult learning model: 70-20-10. 70% of a person's learning at work comes from learning on the job by engaging and exposing themselves to new projects, tasks and responsibilities, 20% comes from coaching and feedback and 10% of learning is realised through formal training.

Being a part of Danaher provides Radiometer the opportunity to offer worldwide challenges to the employees - both within our industry and outside. With 25 world-class operating companies doing business in countries throughout the world, Danaher offers dynamic and challenging careers.

With the Danaher Business System, which is a set of tools that enable continuous improvement in lean, growth and leadership, the employees are equipped to achieve success - whether it's in Danaher or outside. Radiometer uses the Danaher Business System to guide what to do, measure execution, and drive a continuous cycle of change and improvement.

Research and development activities

The R&D activities in Radiometer have a global focus to ensure a broad emphasis on developing the best products to the individual markets to support the customers in making fast and reliable decisions.

In this way the R&D activities in the Company focus on developing and bringing new products and solutions to the market, incl. adding new parameters and functionality to current products, and development of new technologies for diagnostic measurement. This is essential to live the values and achieving the mission and vision of the Company described in the Principal Activities section.

R&D and Operations have an integrated approach to product development, where cross-functional teams ensure integration during the innovation process and establishment of the right production and cost set-up.

Future expectations

A positive development in Revenue, Operating profit and Profit for the year is expected for the next financial year.

MANAGEMENT'S REVIEW

Future expectations (continued)

The breakout of the Covid-19 virus in the start of 2020 is an global unknown factor, also for Radiometer. The impact has in the first months of 2020 been limited for the Company and risks related to associates, supply chains, sales channels etc. have been mitigated. Even still uncertain, it is not expected that the Covid-19 breakout will have substantial impact on the financial position for the Company.

Revenue is expected to grow high single-digit in fixed currencies with matching positive impact on operating profit and profit for the year. Changes in foreign currency exchange rates can have substantial impact on the expected development.

Significant events after the end of the financial year

No other events than the breakout of Covid-19 as described above have occurred after the end of the financial year of material importance for the Company's financial position.

Corporate social responsibility

As a global medical device company, Radiometer has the opportunity as well as the obligation to pursue business and strategic objectives in a way that fulfills our responsibilities to the society in which Radiometer operates.

As a UN Global Compact signatory member, Radiometer supports the Ten Principles, that cover the areas of human rights, labor, environment and anti-corruption. Radiometer has built our sustainability focus around three pillars that put health at the heart of the work:

People: People are at the heart of Radiometer's work. Supporting the engagement and well-being of the employees is of the highest priority as there is no doubt that having capable and motivated employees is key to success. Likewise, the safety and treatment of patients and Radiometer's relationship with the customers are fundamental to how Radiometer runs its business.

Environment and climate: Being a global production company, Radiometer undeniably has an impact on the environment. Radiometer acknowledges the effects that Greenhouse Gases emissions related to human activities have on climate change and follows all applicable rules and regulations in this area. Radiometer considers and implements energy efficiency measures in construction and renovation projects.

The society around us: With direct or indirect operations in more than 130 countries, Radiometer has a responsibility to ensure that the business does not have a negative impact on the societies that surround us, but that the presence of Radiometer can contribute to a sustainable development in the countries and regions in question.

Radiometer's commitment to sustainability, compliance and continuous improvement is grounded in the Code of Conduct and Sustainability Policy of the Company, both of which are essential to how Radiometer conducts business in a responsible and fair manner.

The Corporate social responsibility of Radiometer, incl. the statutory reporting requirements for Corporate Social Responsibility and the gender composition of management as prescribed by section 99a and 99b of the Danish Financial Statements Act, is described in more details in the Sustainability Report 2019*.

*) Full link to the 2019 CSR report:

https://www.radiometer.com/-/media/radiometer/corporate/files/csr/csr-report_2019.pdf

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2019 DKK '000	2018 DKK '000
NET REVENUE	1	4.344.060	3.792.825
Cost of sales.....		-1.686.662	-1.441.167
GROSS PROFIT		2.657.398	2.351.658
Other external expenses.....	2	-603.310	-547.466
Staff costs.....	3	-896.529	-842.201
Depreciation, amortisation and impairment.....	4	-354.701	-386.765
OPERATING PROFIT		802.858	575.226
Result of equity investments in subsidiaries.....		53.756	42.206
Other financial income.....	5	51.603	90.763
Other financial expenses.....	6	-4.653	-6.439
PROFIT BEFORE TAX		903.564	701.756
Tax on profit/loss for the year.....	7	-187.750	-145.847
PROFIT FOR THE YEAR	8	715.814	555.909

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2019 DKK '000	2018 DKK '000
Development projects completed.....		90.671	123.354
Intangible fixed assets acquired.....		1.729.075	1.932.496
Goodwill.....		739.279	828.002
Development projects in progress and prepayments.....		290.325	240.764
Intangible fixed assets.....	9	2.849.350	3.124.616
Production plants and machinery.....		42.197	41.736
Other plants, machinery, tools and equipment.....		30.850	26.939
Tangible fixed assets in progress and prepayment.....		74.177	46.481
Tangible fixed assets.....	10	147.224	115.156
Investments in Subsidiaries.....		1.525.592	1.448.245
Receivables from Group Companies.....		0	8.704.345
Rent deposit and other receivables.....		18.236	18.122
Fixed asset investments.....	11	1.543.828	10.170.712
FIXED ASSETS.....		4.540.402	13.410.484
Raw materials and consumables.....		81.882	73.558
Finished goods and goods for resale.....		126.815	88.068
Inventories.....		208.697	161.626
Trade receivables.....		145.004	147.694
Receivables from Group Companies.....		2.782.883	1.471.753
Other receivables.....		1.613	375
Prepayments and accrued income.....		24.857	17.252
Receivables.....	12	2.954.357	1.637.074
Cash and cash equivalents.....		3.724	11.454
CURRENT ASSETS.....		3.166.778	1.810.154
ASSETS.....		7.707.180	15.220.638

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2019 DKK '000	2018 DKK '000
Share capital.....		2.202.343	2.202.343
Reserve for development costs.....		297.178	284.013
Retained profit.....		3.762.965	2.475.148
Proposed dividend.....		0	8.750.000
EQUITY.....		6.262.486	13.711.504
Provision for deferred tax.....	13	492.240	550.777
Other provisions.....	14	23.521	16.858
PROVISION FOR LIABILITIES.....		515.761	567.635
Accruals and deferred income.....		5.691	3.697
Long-term liabilities.....		5.691	3.697
Bank debt.....		1.000	0
Prepayments received from customers.....		6.525	4.704
Trade payables.....		299.325	278.763
Payables to Group Companies.....		187.735	265.070
Corporate tax.....		246.162	219.910
Other liabilities.....		175.168	162.526
Accruals and deferred income.....	15	7.327	6.829
Current liabilities.....		923.242	937.802
LIABILITIES.....		928.933	941.499
EQUITY AND LIABILITIES.....		7.707.180	15.220.638
Contingencies etc.	16		
Related parties	17		
Consolidated financial statements	18		

EQUITY

	Share capital	Reserve for development projects	Retained profit	Proposed dividend	Total
Equity at 1 January 2019.....	2.202.343	284.013	2.475.148	8.750.000	13.711.504
Contributions received from shareholder.			585.627		585.627
Dividend paid.....				-8.750.000	-8.750.000
Foreign exchange adjustments, investment in subsidiaries.....			-459		-459
Development costs capitalised in the year.....		38.658	-38.658		
Proposed distribution of profit.....		-25.493	741.307		715.814
Equity at 31 December 2019.....	2.202.343	297.178	3.762.965	0	6.262.486

The share capital has remained unchanged for the last 5 years.

NOTES

Note

Net revenue

1

The revenue amounted to 4.344 MDKK in 2019 compared to 3.793 MDKK in 2018 - growth of 551 MDKK/14,5% of which approx. 11% is due to increase in volume and 3,5% is due to a increase in foreign currency rates.

The main share of the Company's revenue comes from export. The majority of the Company's products are distributed abroad via own sales companies and non-affiliated distributors. Of the total sales approx. 78% is to affiliated companies.

Segment details

The revenue of the Company is within one business segment related to caregivers diagnostic decisions that save lives.

Geographically the revenue of the Company for 2019 is divided between 2.721 MDKK on developed markets and 1.623 MDKK on emerging markets. In 2018 the split was 2.457 MDKK on developed markets and 1.336 MDKK on emerging markets. Developed markets are defined as Western Europe, North America, Japan, Australia/New Zealand whereas emerging markets are defined as Eastern Europe, Middle East, Latin America, Asia (excl. Japan) and Africa.

The 2019 growth on developed markets was 10,8% (5,8% in fixed currency) from 2.457 MDKK in 2018 to 2.721 MDKK in 2019.

The 2019 growth on emerging markets was 21,5% (20,6% in fixed currency) from 1.336 MDKK in 2018 to 1.623 MDKK in 2019.

	2019 DKK '000	2018 DKK '000
Fee to statutory auditors		
Total fee:		
Ernst & Young.....	1.142	1.154
	1.142	1.154
 Specification of fee:		
Statutory audit.....	1.127	1.127
Other assurance services.....	15	27
	1.142	1.154

2

NOTES

	2019 DKK '000	2018 DKK '000	Note
Staff costs			3
Average number of employees 1.101 (2018: 1.068)			
Wages and salaries.....	831.154	782.098	
Pensions.....	55.233	50.403	
Social security costs.....	10.142	9.700	
	896.529	842.201	
<p>Staff costs include expenses for a Stock option and Restricted Stock Unit program of the parent company in the USA. This is a global program mainly for managers on several levels in the Group. The total cost for exercised options for all managers in the program allocated to the Company was in 2019 38.179 t.DKK (In 2018: 43.389 t.DKK).</p> <p>Board of Executives and Board of Directors: Total amount for Board of Executives and Board of Directors can be specified as: Salary, Board of Executives 12.801 t.DKK (In 2018: 11.036 t.DKK) Salary, Board of Directors 180 t.DKK (In 2018: 180 t.DKK)</p> <p>The Board of Executives is participating in the Stock options and Restricted Stock units program mentioned above. The value of the program using the Black Scholes model assigned in the fiscal year for the Board of Executives of the Company amounts to 3.898 t.DKK (In 2018: 3.358 t.DKK).</p>			
Depreciation, amortisation and impairment			4
Development projects completed	32.683	14.091	
Tangible fixed assets	29.874	28.799	
Intangible fixed assets acquired and goodwill	292.144	343.875	
	354.701	386.765	
Other financial income			5
Interest, Group companies.....	50.437	89.843	
Other interest income.....	1.166	920	
	51.603	90.763	
Other financial expenses			6
Interest, Group companies.....	4.509	6.385	
Other interest expenses.....	144	54	
	4.653	6.439	

NOTES

	2019 DKK '000	2018 DKK '000	Note
Tax on profit/loss for the year			7
Calculated tax on taxable income of the year.....	246.163	222.787	
Adjustment of tax for previous years.....	123	87	
Adjustment of deferred tax.....	-58.536	-77.027	
	187.750	145.847	
Proposed distribution of profit			8
Proposed dividend for the year.....	0	8.750.000	
Allocation to reserve for net revaluation according to equity value.....	0	-31.967	
Reserve for development costs, net of deferred tax.....	-25.493	-10.991	
Retained profit.....	741.307	-8.151.133	
	715.814	555.909	
Intangible fixed assets			9
	Development projects completed	Intangible fixed assets acquired	
Cost at 1 January 2019.....	303.718	5.603.085	
Cost at 31 December 2019.....	303.718	5.603.085	
Amortisation at 1 January 2019.....	180.364	3.670.589	
Amortisation for the year.....	32.683	203.421	
Amortisation at 31 December 2019.....	213.047	3.874.010	
Carrying amount at 31 December 2019.....	90.671	1.729.075	
	Goodwill	Development projects in progress and prepayments	
Cost at 1 January 2019.....	1.742.969	240.764	
Additions.....	0	49.561	
Cost at 31 December 2019.....	1.742.969	290.325	
Amortisation at 1 January 2019.....	914.967	0	
Amortisation for the year.....	88.723	0	
Amortisation at 31 December 2019.....	1.003.690	0	
Carrying amount at 31 December 2019.....	739.279	290.325	

NOTES

				Note
Intangible fixed assets (continued)				9
Recognition and measurement of Intellectual Property Rights and Development costs in the balance sheet are inherently subject to uncertainty as the value of the asset depends on the expected future revenue of the products, to which the rights and development projects are related.				
Management has performed a review of impairment indicators and has prepared an impairment test and thereby calculated the recoverable amount of the Company's intangible fixed assets at 31 December 2019.				
The impairment method used is based on Danaher's standard internal valuation methodology. The impairment test did not result in need for impairment.				
Tangible fixed assets				10
	Production plants and machinery	Other plants, machinery, tools and equipment	Tangible fixed assets in progress and prepayment	
Cost at 1 January 2019.....	284.972	135.770	46.481	
Transferred.....	17.403	12.910	-30.316	
Additions.....	0	5.045	58.012	
Disposals.....	-18.784	-19.944	0	
Cost at 31 December 2019.....	283.591	133.781	74.177	
Depreciation and impairment losses at 1 January 2019.....	243.236	108.832		
Reversal of depreciation of assets disposed of..	-18.526	-19.091		
Depreciation for the year.....	16.684	13.190		
Depreciation and impairment losses at 31 December 2019.....	241.394	102.931		
Carrying amount at 31 December 2019.....	42.197	30.850	74.177	
Fixed asset investments				11
	Investments in Subsidiaries	Receivables from Group Companies	Rent deposit and other receivables	
Cost at 1 January 2019.....	2.161.513	8.704.345	18.122	
Additions.....	22.702	50.437	253	
Additions, capital increase.....	1.347	0	0	
Disposals.....	0	-8.754.782	-139	
Cost at 31 December 2019.....	2.185.562	0	18.236	
Revaluation at 1 January 2019.....	-713.267	0	0	
Currency adjustment, balances.....	-395	0	0	
Share of profit/loss for the year.....	53.947	0	0	
Amortisation of goodwill.....	-191	0	0	
Currency adjustment of the P&L for the period.	-64	0	0	
Revaluation at 31 December 2019.....	-659.970	0	0	
Carrying amount at 31 December 2019.....	1.525.592	0	18.236	

NOTES

	Note																		
Fixed asset investments (continued)	11																		
Investment in subsidiaries, share:																			
Danaher Medical ApS, Denmark 100%																			
Radiometer d.o.o., Croatia 100%																			
Radiometer Mexico S.A. de R.L. de C.V., Mexico 99%																			
Prepayments and accrued income	12																		
Is related to prepaid expenses, insurance, rent etc.																			
Provision for deferred tax	13																		
Provision for deferred tax comprises deferred tax on intangible and tangible fixed assets, inventory and provisions.																			
	<table border="0" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="text-align: right;">2019</th> <th style="text-align: right;">2018</th> </tr> <tr> <th></th> <th style="text-align: right;">DKK '000</th> <th style="text-align: right;">DKK '000</th> </tr> </thead> <tbody> <tr> <td>Deferred tax specification:</td> <td></td> <td></td> </tr> <tr> <td>Provision for deferred tax 1 January.....</td> <td style="text-align: right;">550.777</td> <td style="text-align: right;">627.804</td> </tr> <tr> <td>Adjustment deferred tax for the year.....</td> <td style="text-align: right;">-58.536</td> <td style="text-align: right;">-77.027</td> </tr> <tr> <td></td> <td style="text-align: right;">492.241</td> <td style="text-align: right;">550.777</td> </tr> </tbody> </table>		2019	2018		DKK '000	DKK '000	Deferred tax specification:			Provision for deferred tax 1 January.....	550.777	627.804	Adjustment deferred tax for the year.....	-58.536	-77.027		492.241	550.777
	2019	2018																	
	DKK '000	DKK '000																	
Deferred tax specification:																			
Provision for deferred tax 1 January.....	550.777	627.804																	
Adjustment deferred tax for the year.....	-58.536	-77.027																	
	492.241	550.777																	
Other provisions for liabilities	14																		
Other provisions is related to estimated warranty liabilities etc.																			
The due amount within 1 year is estimated to be approximately 21,5 MDKK (2018: 16,3 MDKK)																			
Accruals and deferred income	15																		
Accruals and deferred income is related to deferred income regarding service contracts etc.																			

NOTES

	Note
Contingencies etc.	16
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 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 2019, the jointly taxed companies' net liability to SKAT is disclosed in the annual report for Danaher Tax Administration ApS, registration no. 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.	
Rent liabilities.	
The Company's intercompany rent liabilities is per 31 December 2019 36.194 TDKK (in 2018: 35.951 TDKK). The rent is indexed yearly via the net price index and is interminable until 1st of January 2021.	
Rent liabilities regarding external leases, equal to lease liability in the notice period, is 0 TDKK (in 2018: 442 TDKK).	
The Company has car lease liabilities of 4.996 TDKK (in 2018: 7.102 TDKK) .	
Bank guarantees of 1.418 TDKK have been established through the Company's banks (in 2018: 2.428 TDKK).	
The Company guarantees a credit limit of 40.000 TDKK for the Group companies' cash pool (in 2018: 60.000 TDKK).	

NOTES

Note

Related parties

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Related parties having performed transactions with the Company

The Company's related parties having a significant influence comprise subsidiaries and associates as well as the companies' Board of Directors, Board of Executives and executive officers and their relatives. Related parties also include companies in which the above mentioned group of persons has material interests.

Transactions with related parties

The related parties transactions for 2019 are shown below. All amounts in T.DKK

	Group Companies	Subsidiaries	Parent	Total
Transactions				
Revenue	3.403.656			3.403.656
Cost of sales	-1.163.935			-1.163.935
Management fee, IC fee etc., received	5.062	862		5.924
Managemen fee, IC fee etc., paid	-27.717		-6.666	-34.383
Rent paid	-36.111			-36.111
Stock options			-38.179	-38.179
Royalties paid		-170.424		-170.242
Interest received, loans	50.437			50.437
Dividend paid	-8.750.000			-8.750.000
Capital injections		-24.049		-24.049
Shareholder contribution	585.627			585.627
Balances per 31.12.19				
Cash Pool, receivable	2.116.888			2.116.888
Other receivable (trade)	201.059			201.059
Tax payable from joined taxation	-125.217			-125.217
Payables (trade)	-187.735			-187.735

Transactions with Board of Executives and Board of Directors are stated in note 3.

NOTES

	Note
Consolidated financial statements	18
The parent and the ultimate parent of the Group are:	
<i>Parent:</i> RADCUE Holding AB (parent company, shareholder) Kuvettegatan 2 262 23 Ängelholm Sweden	
<i>Ultimate parent:</i> Danaher Corporation (main parent company in the Group) 2200 Pennsylvania Avenue, NW Suite 800W Washington, DC 20037 USA (NYSE: DHR)	
Consolidated financial statement is only prepared by the ultimate parent company.	

ACCOUNTING POLICIES

The annual report of Radiometer Medical ApS for 2019 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class C, large enterprise.

The accounting policies are consistent with those of last year.

Consolidated financial statements

The Group comply with the exemption clause of the § 112 for financial reporting in the Danish Financial Statements Act, and therefore consolidated financial statements have not been prepared.

Consolidated Financial Statement for Danaher Corporation Inc., USA, is available at:

<http://app.quotemedia.com/data/downloadFiling?webmasterId=101533&ref=114813569&type=PDF&symbol=DHR&companyName=Danaher+Corporation&formType=10-K&dateFiled=2020-02-21&CK=313616>

INCOME STATEMENT

Net revenue

The Company applies IAS 18 as interpretation for recognition of revenue.

Net revenue from sale of merchandise and finished goods is recognised in the income statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received. Net revenue is recognised exclusive of VAT, duties and less discounts related to the sale.

Revenue from contracts on terms like operating leases and maintenance is accrued, while finance leases are recognised at the fair value of future lease payments.

Cost of sales

Cost of sales comprises costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other external expenses

Other external expenses include expenses related to production, distribution, sale, marketing, research and product development, IT, HR, Finance, administration, premises etc.

The development cost for the year that does not meet the criterias for capitalisation is recognised in the income statement under the items other external costs and staff costs.

Staff costs

Staff costs comprise wages and salaries, including holiday pay and pensions and other costs for social security etc. for the Company's employees. Repayments from public authorities are deducted from staff costs. Staff cost also include pay-outs under the stock option program that senior management is participating in.

Result of equity investments in subsidiaries

The proportional share of the result of the subsidiaries after elimination of intercompany profits/losses and deduction of amortised goodwill is recognised in the income statement of the Company.

Financial income and expenses

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from investments in financial assets, debt and transactions in foreign currencies, amortisation of financial assets and liabilities as well as charges and allowances under the tax-on-account scheme etc. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

ACCOUNTING POLICIES

Tax on profit for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

The Company is jointly taxed with wholly-owned Danish enterprises. The current Danish corporation tax is distributed between the jointly taxed Danish companies in proportion to their taxable income and with full distribution of refund regarding taxable losses.

BALANCE SHEET

Intangible fixed assets

Acquired intangible fixed assets etc. are measured at cost less accumulated amortisation. Intangible fixed assets are amortised on a straight-line basis over the expected useful life. The economic lifetime for most of the intangible fixed assets, which include trademarks, technology, knowledge, channels of distribution etc. have been estimated individually and for some assets estimated to 20 years. The trademarks are globally registered on relevant markets without time limitations why the amortisation period is set at 20 years as a fair estimate of lifetime for these assets.

Patents and licences are measured at the lower of cost less accumulated amortisation or the recoverable amount. Patents are amortised over the residual patent term and licences are amortised over the term of the agreements.

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 20 years.

Development costs comprise costs, including wages and salaries, which directly or indirectly can be related to the company's development activities. Development costs that are clearly defined and identifiable and where the technical feasibility, sufficient resources and a potential future market or development potential are evidenced, and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Capitalised development costs are measured at the lower of cost less accumulated amortisation or recoverable amount.

Capitalised development costs are amortised over the estimated useful life after completion of the development work. The annual amortisation of capitalised research and development activities is determined based on annual sales as a percentage of the total expected sales according to the latest business case. The amortisation period is determined at the acquisition date and will be reassessed at an annual basis.

Tangible fixed assets

Production plant and machinery, other plants, fixtures and equipment are measured at cost less accumulated depreciation and write-down.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

ACCOUNTING POLICIES

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life
Lease instruments.....	App. 2-5 years
Production plant and machinery.....	5 years
Other plant, fixtures and equipment.....	3-5 years

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

The depreciation base is calculated taking the residual value into account and will be reduced with any write-downs. The depreciation period and the residual value is determined at the acquisition date and will be reassessed at an annual basis. If the residual value is higher than the carrying amount depreciation will be ended.

Investments in subsidiaries

Investments in subsidiaries are measured in the Company's balance sheet under the equity method.

Investments in subsidiaries are measured in the balance sheet at the proportional share of the enterprises' carrying equity value, calculated in accordance with the Company's accounting policies with deduction or addition of unrealised intercompany profits or losses and with addition or deduction of the residual value of goodwill calculated in accordance with the acquisition method.

Net revaluation of investments in subsidiaries are transferred under the equity to reserve for net revaluation under the equity value method to the extent that the carrying amount exceeds the acquisition value. The acquisition method is used for purchase of subsidiary enterprises.

Subsidiaries with a negative carrying equity value are measured to DKK 0 and any amounts due from these enterprises are written down by the Company's share of the negative equity to the extent that it is deemed to be irrecoverable. If the carrying negative equity value exceeds accounts receivables, the residual amount is recognised under provision for liabilities to the extent that the Company's has a legal or actual liability to cover the subsidiary's deficit.

Deposits

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible assets together with investments that are not measured at fair value are reviewed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the carrying amount.

ACCOUNTING POLICIES

Inventories

Inventories are measured at cost using the FIFO-principle. If the net realisable value is lower than cost, the inventories are written down to the lower value.

The cost of merchandise as well as raw materials and consumables are calculated at acquisition price with addition of transportation and similar costs.

The cost of finished goods and work in progress include costs of raw materials, consumables, direct payroll cost and indirect production cost. Produced items also include added Indirect production expenses.

The net realisable value of inventories is stated at sales price less completion costs and costs incurred to execute the sale and is determined with due regard to marketability, obsolescence and development in expected sales price.

Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by write-down to meet expected losses.

Prepayments and accruals

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank balances.

The cashpool with Group Companies is classified as receivables from Group Companies.

Equity

The reserve for development costs comprises recognised development costs, adjusted for deferred tax. The reserve cannot be used to distribute dividend or cover losses. The reserve will be reduced or dissolved if the recognised development costs are amortised or if they are no longer part of the Company's operations by a transfer directly to distributable reserves under equity.

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Dividend proposed for the year is recognised as a liability at the date when it is adopted at the general meeting (declaration date). Dividend expected to be distributed for the financial year is presented as a separate line item under "Equity".

Other provisions

Other provisions for liabilities include the expected cost of warranty commitments, loss on work in progress, restructuring etc. and deferred tax.

ACCOUNTING POLICIES

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to materialise as current tax.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the term of loan.

Other liabilities are measured at amortised cost equal to nominal value.

Other liabilities which include debt to supplier, affiliates and associates and other debt are measured at amortised cost which usually corresponds to the nominal value.

Accruals, liabilities

Accruals recognised as liabilities include payments received from customers regarding income in subsequent years.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

If the foreign exchange position is considered to hedge future cash flows, the unrealised exchange adjustments are recognised directly in the equity.

Receivables, payables and other monetary items in foreign currencies that are not settled on the balance sheet date are translated at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivables or payables is recognised in the income statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.

CASH FLOW STATEMENT

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement is prepared for the Company, as its cash flows are reflected in the consolidated cash flow statement of the ultimate parent