

Agito Medical A/S
Bejlerholm 3B, 9400 Nørresundby

Company reg. no. 27 77 08 51

Annual report
2023

The annual report was submitted and approved by the general meeting on the 25 June 2024.

Bjørn August Kildegaard Gerhardt
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance EUR 146.940 means the amount of EUR 146,940, and that 23,5 % means 23.5 %.

Contents

	<u>Page</u>
Reports	
Management's statement	1
Independent auditor's report	2
Management's review	
Company information	5
Financial highlights	6
Management's review	7
Financial statements 1 January - 31 December 2023	
Accounting policies	8
Income statement	16
Balance sheet	17
Statement of changes in equity	19
Statement of cash flows	20
Notes	21

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Agito Medical A/S for the financial year 2023.

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

We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2023.

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

We recommend that the annual report be approved at the Annual General Meeting.

Nørresundby, 25 June 2024

Managing Director

Daniel Bernard Faccenda

Board of directors

Bjørn August Kildegaard
Gerhardt
chairman

Ioana Daniela Larsen

Daniel Bernard Faccenda

Independent auditor's report

To the Shareholders of Agito Medical A/S

Opinion

We have audited the financial statements of Agito Medical A/S for the financial year 1 January - 31 December 2023, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity, statement of cash flows and notes, for the Company. The financial statements are prepared under 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 2023, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We 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 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

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

Independent auditor's report

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review

Management is responsible for Management's Review.

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

Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

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

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

Herning, 25 June 2024

Partner Revision

State Authorised Public Accountants
Company reg. no. 15 80 77 76

Henning Jager Neldeberg

State Authorised Public Accountant
mne32205

Company information

The company

Agito Medical A/S
Bejlerholm 3B
9400 Nørresundby

Company reg. no. 27 77 08 51
Established: 2 June 2004
Domicile: Aalborg
Financial year: 1 January - 31 December

Board of directors

Bjørn August Kildegaard Gerhardt, chairman
Ioana Daniela Larsen
Daniel Bernard Faccenda

Managing Director

Daniel Bernard Faccenda

Auditors

Partner Revision statsautoriseret revisionsaktieselskab
Industrivej Nord 15
7400 Herning

Financial highlights

EUR in thousands.	2023	2022	2021	2020	2019
Income statement:					
Gross profit	13.261	15.423	12.007	10.985	8.824
Profit from operating activities	5.085	6.599	5.254	5.411	2.898
Net financials	-1.386	-499	-169	-94	-261
Net profit or loss for the year	2.532	4.754	4.240	4.162	1.986
Statement of financial position:					
Balance sheet total	63.985	60.239	62.302	45.542	34.585
Investments in property, plant and equipment	9.593	9.337	18.873	11.342	6.857
Equity	26.289	23.757	19.003	14.763	10.601
Cash flows:					
Operating activities	4.957	10.621	10.329	1.423	3.404
Investing activities	-6.802	-8.399	-17.836	-10.910	-6.778
Financing activities	1.843	-2.225	7.465	9.481	2.952
Total cash flows	-2	-3	-41	-7	-422
Employees:					
Average number of full-time employees	33	42	40	39	44
Key figures in %:					
Solvency ratio	41,1	39,4	30,5	32,4	30,7
Return on equity	10,1	22,2	25,1	32,8	20,7

Calculations of key figures and ratios follow the recommendations of the Danish Association of Finance Analysts.

Management's review

Description of key activities of the company

The activities consist of the purchase rental solutions, purchase and sale of used medical equipment and any related activities.

Development in activities and financial matters

Income or loss from ordinary activities after tax totals EUR 2.532.262 against EUR 4.754.361 last year. Management considers the net profit or loss for the year acceptable.

The company's results and financial development were slightly below expectations, which is mainly due to change in the organization's strategic objectives.

The Company operates within three different business areas; pre-owned medical equipment; spare part trade and mobile rental solutions.

Financial risks and the use of financial instruments

Financial risks

The sector is generally sensitive to the price development in used medical equipment. The company has attempted to counter this risk by ensuring a high turnover rate for the largest and most price-sensitive units.

Exchange rate risks

Due to its activities, the company's results, cash flows and equity are affected by exchange rate and interest rate fluctuations, especially in USD.

Generally, the related currency risks are not hedged, as the company finds that ongoing currence hedging of USD is not optimum considering the overall risk and expense entailed.

Interest rate risks

No interest rate positions have been taken to hedge the company's interest rate risks.

Expected developments

For 2024, the company expects similar activities and profits as in 2023.

Events occurring after the end of the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies

The annual report for Agito Medical A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class C enterprises (medium sized enterprises).

The accounting policies are unchanged from the previous year, and the annual report is presented in euro (EUR).

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciations amortisations, writedowns for impairment, provisions, and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it is seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Hereafter, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost, allowing a constant effective interest rate to be recognised during the useful life of the asset or liability. Amortised cost is recognised as the original cost less any payments, plus/less accrued amortisations of the difference between cost and nominal amount. In this way, capital losses and gains are allocated over the useful life of the liability.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist on the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under net financials.

Receivables, payables, and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Fixed assets acquired and paid for in foreign currency are measured at the exchange rate prevailing at the date of the transaction.

Accounting policies

Group enterprises abroad, associates, and equity investments are considered to be independent entities. The income statements are translated at an average exchange rate for the month, and the balance sheet items are translated at the closing rates. Currency translation differences, arising from the translation of the equity of group enterprises abroad at the beginning of the year to the closing rate and from the translation of income statements from average prices to the closing rate, are recognised directly in equity in the fair value reserve in the Consolidated Financial Statement. This also applies to differences arising from translation of income statements from average exchange rate to closing rate.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Income from rental solutions is recognised in the income statement for the period relating to the rental payment.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other operating income comprises items of a secondary nature as regards the principal activities of the enterprise, including profit from the disposal of intangible and tangible assets, operating loss and conflict compensation as well as salary reimbursements received. Compensation is recognized when it is overwhelmingly probable that the company will receive the compensation.

Other external costs comprise costs incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Depreciation, amortisation, and writedown for impairment

Depreciation, amortisation, and writedown for impairment comprise depreciation on, amortisation of, and writedown for impairment of intangible and tangible assets, respectively.

Accounting policies

Other operating costs

Other operating costs comprise items of secondary nature as regards the principal activities of the enterprise, including losses on the disposal of intangible and tangible assets.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Intangible assets

Development projects, patents, and licences

Development costs and internally generated rights are recognised in the income statement as costs in the acquisition year.

Development costs recognised in the statement of financial position are measured at cost less accrued amortisations and writedowns for impairment.

After completion of the development work, capitalised development costs are amortised on a straight-line basis over the estimated useful economic life. The amortisation period is usually 3-5 years.

Profit and loss from the sale of development projects as the difference between the sales price less sales costs and the carrying amount at the time of sale. Profit or loss are recognised in the income statement as other operating income or other operating expenses, respectively.

Property, plant, and equipment

Property, plant, and equipment are measured at cost less accrued depreciation and write-down for impairment.

Accounting policies

The depreciable amount is cost less any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the carrying amount, the depreciation is discontinued.

If the amortisation period or the residual value is changed, the effect on amortisation will, in future, be recognised as a change in the accounting estimates.

The cost comprises acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

The cost of a total asset is divided into separate components. These components are depreciated separately, the useful lives of each individual components differing, and the individual component representing a material part of the total cost.

Depreciation is done on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

	Useful life	Residual value
Other fixtures and fittings, tools and equipment	2-10 years	0-20 %

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

Property, plant, and equipment under construction

Property, plant, and equipment under construction are measured and recognised as the total costs incurred. When the work has been completed, the total value is transferred to the relevant item under property, plant, and equipment and is amortised from the date of entry into service.

Leases

The enterprise will be applying IAS 17 as its base of interpretation for recognition of classification and recognition of leases.

At their initial recognition in the statement of financial position, leases concerning property, plant, and equipment where the company holds all essential risks and advantages associated with the proprietary right (finance lease) are measured either at fair value of the asset being leased or at the present value of the future lease payments, whichever value is lower. When calculating the present value, the discount rate used is the internal rate of return of the lease or, alternatively, the borrowing rate of the enterprise. Hereafter, assets held under a finance lease are treated in the same way as other similar property, plant, and equipment.

Accounting policies

The capitalised residual lease commitment is recognised in the statement of financial position as a liability other than provisions, and the interest part of the lease is recognised in the income statement for the term of the contract.

All other leases are regarded as operating leases. Payments in connection with operating leases and other lease agreements are recognised in the income statement for the term of the contract. The company's total liabilities concerning operating leases and lease agreements are recognised under contingencies, etc.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Writedown for impairment is done to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Investments

Deposits

Deposits are measured at amortised cost and represent lease deposits, etc.

Inventories

Inventories are measured at cost according to the FIFO method. In cases when the net realisable value of the inventories is lower than the cost, the latter is written down for impairment to this lower value.

Costs of goods for resale, raw materials, and consumables comprise acquisition costs plus delivery costs.

The net realisable value for inventories is recognised as the estimated selling price less costs of completion and selling costs. The net realisable value is determined with due consideration of negotiability, obsolescence, and the development of expected market prices.

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Accounting policies

In order to meet expected losses, impairment takes place at the net realisable value. The company has chosen to use IAS 39 as a basis for interpretation when recognising impairment of financial assets, which means that impairments must be made to offset losses where an objective indication is deemed to have occurred that an account receivable or a portfolio of accounts receivable is impaired. If an objective indication shows that an individual account receivable has been impaired, an impairment takes place at individual level.

Prepayments and accrued income

Prepayments and accrued income recognised under assets comprise incurred costs concerning the following financial year.

Cash on hand and demand deposits

Cash on hand and demand deposits comprise cash at bank.

Equity

Dividend

Dividend expected to be distributed for the year is recognised as a separate item under equity.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

According to the rules of joint taxation, Agito Medical A/S is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.

Accounting policies

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Also, capitalised residual leasing liabilities associated with financial leasing contracts are recognised in the financial liabilities.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Statement of cash flows

The cash flow statement shows the cash flows for the year, divided in cash flows deriving from operating activities, investment activities and financing activities, respectively, the changes in the liabilities, and cash and cash equivalents at the beginning and the end of the year, respectively.

The effect on cash flows derived from the acquisition and sale of enterprises appears separately under cash flows from investment activities. In the statement of cash flows, cash flows derived from acquirees are recognised as of the date of acquisition, and cash flows derived from sold enterprises are recognised until the date of sale.

Cash flows from operating activities

Cash flows from operating activities are calculated as the company's share of the profit adjusted for non-cash operating items, changes in the working capital, and corporate income tax paid.

Cash flows from investment activities

Cash flows from investment activities comprise payments in connection with the acquisition and sale of enterprises and activities as well as the acquisition and sale of intangible assets, property, plant, and equipment, and investments, respectively.

Cash flows from financing activities

Cash flows from financing activities include changes in the size or the composition of the company's share capital and costs attached to it, as well as raising loans, repayments of interest-bearing payables and payment of dividend to shareholders.

Accounting policies

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand.

Income statement 1 January - 31 December

All amounts in EUR.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	13.261.362	15.422.902
3 Staff costs	-3.376.672	-4.233.838
Depreciation, amortisation, and impairment	-4.799.909	-4.563.522
Other operating expenses	0	-26.870
Operating profit	5.084.781	6.598.672
Other financial income	12.265	0
4 Other financial expenses	-1.398.558	-498.831
Pre-tax net profit or loss	3.698.488	6.099.841
5 Tax on net profit or loss for the year	-1.166.226	-1.345.480
6 Net profit or loss for the year	2.532.262	4.754.361

Balance sheet at 31 December

All amounts in EUR.

Assets		2023	2022
<u>Note</u>		<u></u>	<u></u>
Non-current assets			
7	Completed development projects, including patents and similar rights arising from development projects	0	0
8	Concessions, patents, licenses, trademarks, and similar rights	41.402	70.738
	Total intangible assets	<u>41.402</u>	<u>70.738</u>
9	Other fixtures and fittings, tools and equipment	37.937.320	37.269.867
10	Property, plant, and equipment under construction and prepayments for property, plant, and equipment	5.277.459	3.913.215
	Total property, plant, and equipment	<u>43.214.779</u>	<u>41.183.082</u>
11	Deposits	8.599	8.599
	Total investments	<u>8.599</u>	<u>8.599</u>
	Total non-current assets	<u>43.264.780</u>	<u>41.262.419</u>
Current assets			
	Manufactured goods and goods for resale	10.957.561	12.115.940
	Prepayments for goods	238.812	0
	Total inventories	<u>11.196.373</u>	<u>12.115.940</u>
	Trade receivables	7.927.488	5.386.323
	Receivables from subsidiaries	785.897	1.029.683
	Other receivables	371.154	248.658
12	Prepayments	439.020	194.313
	Total receivables	<u>9.523.559</u>	<u>6.858.977</u>
	Cash and cash equivalents	<u>0</u>	<u>1.866</u>
	Total current assets	<u>20.719.932</u>	<u>18.976.783</u>
	Total assets	<u>63.984.712</u>	<u>60.239.202</u>

Balance sheet at 31 December

All amounts in EUR.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity and liabilities		
Equity		
13 Contributed capital	1.341.050	1.341.050
Retained earnings	24.948.305	22.416.043
Total equity	26.289.355	23.757.093
Provisions		
14 Provisions for deferred tax	3.340.807	2.832.053
Total provisions	3.340.807	2.832.053
Liabilities other than provisions		
Prepayments received from customers	1.124.998	1.222.461
Trade payables	5.092.657	5.314.459
Payables to subsidiaries	26.774.907	25.208.864
Income tax payable	657.472	667.040
Other payables	704.516	1.237.232
Total short term liabilities other than provisions	34.354.550	33.650.056
Total liabilities other than provisions	34.354.550	33.650.056
Total equity and liabilities	63.984.712	60.239.202
1 Subsequent events		
2 Fees for auditor		
15 Charges and security		
16 Contingencies		
17 Related parties		

Statement of changes in equity

All amounts in EUR.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	1.341.050	17.661.682	19.002.732
Profit or loss for the year brought forward	<u>0</u>	<u>4.754.361</u>	<u>4.754.361</u>
Equity 1 January 2023	1.341.050	22.416.043	23.757.093
Profit or loss for the year brought forward	<u>0</u>	<u>2.532.262</u>	<u>2.532.262</u>
	<u>1.341.050</u>	<u>24.948.305</u>	<u>26.289.355</u>

Statement of cash flows 1 January - 31 December

All amounts in EUR.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Net profit or loss for the year	2.532.262	4.754.361
18 Adjustments	7.352.212	6.434.703
19 Change in working capital	-2.985.871	303.671
Cash flows from operating activities before net financials	6.898.603	11.492.735
Interest received, etc.	12.265	0
Interest paid, etc.	-1.286.562	-498.830
Cash flows from ordinary activities	5.624.306	10.993.905
Income tax paid	-667.040	-373.319
Cash flows from operating activities	4.957.266	10.620.586
Purchase of intangible assets	0	-67.154
Purchase of property, plant, and equipment	-9.592.910	-9.336.850
Sale of property, plant, and equipment	2.790.856	1.005.090
Cash flows from investment activities	-6.802.054	-8.398.914
Repayments of long-term payables	0	-196.714
Change in cashpool, group	1.842.922	-2.028.363
Cash flows from investment activities	1.842.922	-2.225.077
Change in cash and cash equivalents	-1.866	-3.405
Cash and cash equivalents at 1 January	1.866	5.271
Cash and cash equivalents at 31 December	0	1.866
Cash and cash equivalents		
Cash and cash equivalents	0	1.866
Cash and cash equivalents at 31 December	0	1.866

Notes

All amounts in EUR.

1. Subsequent events

No other events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

	<u>2023</u>	<u>2022</u>
2. Fees for auditor		
Total fee for Partner Revision, State Authorised Public Accountants	31.074	18.007
Fee concerning compulsory audit	18.792	17.434
Tax consultancy	470	573
Other services	11.812	0
	<u>31.074</u>	<u>18.007</u>
3. Staff costs		
Salaries and wages	3.257.826	4.075.932
Other costs for social security	35.421	42.067
Other staff costs	83.425	115.839
	<u>3.376.672</u>	<u>4.233.838</u>
Average number of employees	<u>33</u>	<u>42</u>
Management cost is not disclosed in accordance with section 98b of the Danish Financial Statements Act.		
4. Other financial expenses		
Financial costs, group enterprises	1.362.378	377.519
Other financial costs	36.180	121.312
	<u>1.398.558</u>	<u>498.831</u>

Notes

All amounts in EUR.

	<u>2023</u>	<u>2022</u>
5. Tax on net profit or loss for the year		
Tax of the results for the year, parent company	337.788	667.040
Adjustment for the year of deferred tax	508.754	661.511
Adjustment of tax for previous years	0	16.929
Other taxes	319.684	0
	<u>1.166.226</u>	<u>1.345.480</u>
6. Proposed distribution of net profit		
Transferred to retained earnings	<u>2.532.262</u>	<u>4.754.361</u>
Total allocations and transfers	<u>2.532.262</u>	<u>4.754.361</u>
	<u>31/12 2023</u>	<u>31/12 2022</u>
7. Completed development projects, including patents and similar rights arising from development projects		
Cost 1 January	<u>34.000</u>	<u>34.000</u>
Cost 31 December	<u>34.000</u>	<u>34.000</u>
Amortisation and writedown 1 January	<u>-34.000</u>	<u>-34.000</u>
Amortisation and writedown 31 December	<u>-34.000</u>	<u>-34.000</u>
Carrying amount, 31 December	<u>0</u>	<u>0</u>

Notes

All amounts in EUR.

	<u>31/12 2023</u>	<u>31/12 2022</u>
8. Concessions, patents, licenses, trademarks, and similar rights		
Cost 1 January	331.600	254.739
Additions during the year	0	67.154
Transfers	0	9.707
Cost 31 December	<u>331.600</u>	<u>331.600</u>
Amortisation and writedown 1 January	-260.862	-232.629
Amortisation for the year	-29.336	-28.233
Amortisation and writedown 31 December	<u>-290.198</u>	<u>-260.862</u>
Carrying amount, 31 December	<u>41.402</u>	<u>70.738</u>
9. Other fixtures and fittings, tools and equipment		
Cost 1 January	47.026.389	36.421.080
Additions during the year	5.074.285	5.796.253
Disposals during the year	-4.977.278	-3.428.002
Transfers	2.570.180	8.237.058
Cost 31 December	<u>49.693.576</u>	<u>47.026.389</u>
Depreciation and writedown 1 January	-9.756.522	-7.624.765
Depreciation for the year	-4.770.573	-4.535.289
Reversal of depreciation, amortisation and writedown, assets disposed of	2.770.839	2.403.532
Depreciation and writedown 31 December	<u>-11.756.256</u>	<u>-9.756.522</u>
Carrying amount, 31 December	<u>37.937.320</u>	<u>37.269.867</u>
Lease assets are recognised at a carrying amount of	<u>456.140</u>	<u>551.715</u>

Notes

All amounts in EUR.

	<u>31/12 2023</u>	<u>31/12 2022</u>
10. Property, plant, and equipment under construction and prepayments for property, plant, and equipment		
Cost 1 January	3.913.215	8.626.874
Additions during the year	4.518.625	3.540.597
Disposals during the year	-584.201	-7.491
Transfers	<u>-2.570.180</u>	<u>-8.246.765</u>
Cost 31 December	<u>5.277.459</u>	<u>3.913.215</u>
Carrying amount, 31 December	<u>5.277.459</u>	<u>3.913.215</u>
11. Deposits		
Cost 1 January	8.599	0
Additions during the year	<u>0</u>	<u>8.599</u>
Cost 31 December	<u>8.599</u>	<u>8.599</u>
Carrying amount, 31 December	<u>8.599</u>	<u>8.599</u>
12. Prepayments		
Other prepayments	<u>439.020</u>	<u>194.313</u>
	<u>439.020</u>	<u>194.313</u>
13. Contributed capital		
Contributed capital 1 January	<u>1.341.050</u>	<u>1.341.050</u>
	<u>1.341.050</u>	<u>1.341.050</u>

The share capital consists of 10.001 shares, each with a nominal value of DKK 1.000. No shares hold particular rights.

Notes

All amounts in EUR.

	<u>31/12 2023</u>	<u>31/12 2022</u>
14. Provisions for deferred tax		
Provisions for deferred tax 1 January	2.832.053	2.170.542
Deferred tax of the results for the year	<u>508.754</u>	<u>661.511</u>
	<u>3.340.807</u>	<u>2.832.053</u>
The following items are subject to deferred tax:		
Intangible assets	8.853	14.239
Property, plant, and equipment	3.527.919	2.953.526
Prepayments	56.268	42.749
Trade receivables	-28.985	0
Provisions	<u>-223.248</u>	<u>-178.461</u>
	<u>3.340.807</u>	<u>2.832.053</u>

15. Charges and security

None.

16. Contingencies

Contingent assets

None.

Contingent liabilities

The company is part of a Group cash pooling scheme and acts as co.guarantor for the bank debt.

Joint taxation

With Philips Danmark A/S, company reg. no 43 25 30 18 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

The jointly taxed enterprises' total known net liability to the Danish tax authorities emerges from the financial statements of the administration company.

Notes

All amounts in EUR.

16. Contingencies (continued)

Joint taxation (continued)

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.

17. Related parties

Controlling interest

Koninklijke Philips N.V.

Majority shareholder

Breitner Center, Amselplein 2

Amsterdam, 1070 MX

Netherlands

Transactions

Transactions with related parties are made on normal market conditions why these are not disclosed in accordance with section 98c Act. 7th of the Danish Financial Statements Act.

Consolidated financial statements

The company is included in the consolidated annual accounts of Koninklijke Philips N.V.

18. Adjustments

Depreciation, amortisation, and impairment	4.799.909	4.563.522
Profit from disposal of non-current assets	-216	26.870
Other financial income	-12.265	0
Other financial expenses	1.398.558	498.831
Tax on net profit or loss for the year	1.166.226	1.345.480
	<u>7.352.212</u>	<u>6.434.703</u>

19. Change in working capital

Change in inventories	919.567	968.997
Change in receivables	-2.776.582	4.898.960
Change in trade payables and other payables	-1.128.856	-5.564.286
	<u>-2.985.871</u>	<u>303.671</u>

Daniel Bernard Faccenda

The name returned by Danish MitID was:
Daniel Bernard Faccenda
Direktør
ID: 753323f5-c679-45d7-a237-26a37bd4a736
Time of signature: 25-06-2024 at: 14:50:40
Signed with MitID



Bjørn August Kildegaard Gerhardt

The name returned by Danish MitID was:
Bjørn August Kildegaard Gerhardt
Bestyrelsesformand
ID: 276583ff-35ad-494b-b2f4-ef325c278405
Time of signature: 25-06-2024 at: 10:00:23
Signed with MitID



Ioana Daniela Larsen

The name returned by Danish MitID was:
Ioana Daniela Larsen
Bestyrelsesmedlem
ID: a7160213-b458-4a64-866f-669124961efe
Time of signature: 25-06-2024 at: 09:03:03
Signed with MitID



Daniel Bernard Faccenda

The name returned by Danish MitID was:
Daniel Bernard Faccenda
Bestyrelsesmedlem
ID: 753323f5-c679-45d7-a237-26a37bd4a736
Time of signature: 25-06-2024 at: 15:25:52
Signed with MitID



Henning Jager Neldeberg

The name returned by Danish MitID was:
Henning Jager Neldeberg
Revisor
ID: 7c266d84-b008-415a-a47d-577f05169735
CVR-match with Danish MitID
Time of signature: 25-06-2024 at: 16:19:12
Signed with MitID



Bjørn August Kildegaard Gerhardt

The name returned by Danish MitID was:
Bjørn August Kildegaard Gerhardt
Dirigent
ID: 276583ff-35ad-494b-b2f4-ef325c278405
Time of signature: 25-06-2024 at: 17:56:30
Signed with MitID



This document is signed with esignatur. Embedded in the document is the original agreement document and a signed data object for each signatory. The signed data object contains a mathematical hash value calculated from the original agreement document, which secures that the signatures is related to precisely this document only. Prove for the originality and validity of signatures can always be lifted as legal evidence.

The document is locked for changes and all cryptographic signature certificates are embedded in this PDF. The signatures therefore comply with all public recommendations and laws for digital signatures. With esignatur's solution, it is ensured that all European laws are respected in relation to sensitive information and valid digital signatures. If you would like more information about digital documents signed with esignatur, please visit our website at www.esignatur.dk.