

Nobel Biocare Danmark A/S

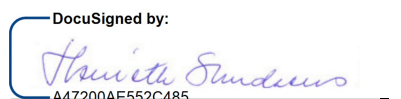
Milnersvej 43A, 3400 Hillerød

Company reg. no. 28 29 33 64

Annual report

1 January - 31 December 2023

The annual report was submitted and approved by the general meeting on the 19 June 2024.

DocuSigned by:

A47200AE552C485...
Harrieth Eva Elisabeth Sundaeus
Chairman of the meeting

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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 DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

Management's statement

Today, the Board of Directors and the Managing Director have approved the annual report of Nobel Biocare Danmark A/S for the financial year 1 January - 31 December 2023.

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

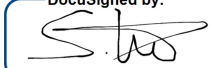
We consider the chosen accounting policy to be appropriate, and in our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

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

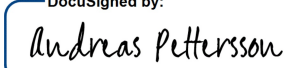
We recommend that the annual report be approved at the Annual General Meeting.

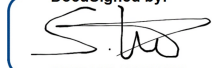
Hillerød, 19 June 2024


Managing Director

DocuSigned by:

62C2402713CF493
Stefan Fabian Lieb

Board of directors

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Magnus Karl Andreas Pettersson

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Stefan Fabian Lieb

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Harrieth Eva Elisabeth Sundaes

Independent auditor's report

To the Shareholders of Nobel Biocare Danmark A/S

Opinion

We have audited the financial statements of Nobel Biocare Danmark A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, 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 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.

Copenhagen, 19 June 2024

Grant Thornton, statsautoriseret revisionspartnerselskab

Company reg. no. 34 20 99 36



Michael Beuchert

State Authorized Public Accountant
mne32794

Company information

The company

Nobel Biocare Danmark A/S
Milnersvej 43A
3400 Hillerød

Company reg. no. 28 29 33 64
Established: 24 November 2004
Domicile: Hillerød
Financial year: 1 January - 31 December

Board of directors

Magnus Karl Andreas Pettersson
Stefan Fabian Lieb
Harrieth Eva Elisabeth Sundaeus

Managing Director

Stefan Fabian Lieb

Auditors

Grant Thornton, Statsautoriseret Revisionspartnerselskab

Parent company

Nobel Biocare AB

Subsidiary

Scanorto A/S, Lyngby-Taarbæk

Management's review

The principal activities of the company

The Company's activities consist of trade with dental and hospital items.

Uncertainties about recognition or measurement

Recognition and measurement in the annual report have not been subject to any significant uncertainty.

Development in activities and financial matters

The gross profit for the year totals DKK 3.122.730 against DKK 3.338.235 last year. Income or loss from ordinary activities after tax totals DKK -2.013.483 against DKK -488.865 last year. Management considers the net profit or loss for the year satisfactory.

Liquidity and capital resources

The company has a negative equity. The operating profit aligns with expectations; however, the financial costs (interest on cash pool) are higher than planned.

The company has no liquidity issues, and we don't foresee any during 2024.

The parent company, Nobel Biocare AB (located in Sweden) will do a capital infusion to restore the capital in Nobel Biocare Danmark A/S.

Strategy

The Company's strategy is to resell products within the dental and hospital segment.

Targets and expectations for the year ahead

Nobel Biocare Danmark A/S expect 2024 results to be in line with 2023.

Risks and Uncertainties

Russia's invasion of Ukraine and the global response to this invasion, including sanctions imposed by the U.S. and other countries, could have an adverse impact on the Company's business, by creating disruptions in the global supply chain, and by potentially having an adverse impact on the global economy, financial markets, energy markets, currency rates and otherwise.

Subsequent events

No significant subsequent have occurred.

Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2023</u>	<u>2022</u>
Gross profit	3.122.730	3.338.235
2 Staff costs	-2.836.919	-3.281.093
Operating profit	285.811	57.142
Other financial income from group enterprises	1.191.618	301.120
Other financial income	395.440	0
3 Other financial expenses	-4.425.297	-943.106
Pre-tax net profit or loss	-2.552.428	-584.844
4 Tax on net profit or loss for the year	538.945	95.979
Net profit or loss for the year	-2.013.483	-488.865
Proposed distribution of net profit:		
Allocated from retained earnings	-2.013.483	-488.865
Total allocations and transfers	-2.013.483	-488.865

Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Non-current assets		
5 Investments in group enterprises	16.204.727	16.204.727
Total investments	16.204.727	16.204.727
Total non-current assets	16.204.727	16.204.727
Current assets		
Raw materials and consumables	491.813	535.410
Total inventories	491.813	535.410
Trade receivables	1.741.857	1.163.251
Receivables from group enterprises	135.498.694	728.765
Deferred tax assets	129.305	0
Income tax receivables	442.740	0
Tax receivables from subsidiaries	0	105.086
Prepayments and accrued income	20.104	8.475
Total receivables	137.832.700	2.005.577
Cash on hand and demand deposits	0	42.223.270
Total current assets	138.324.513	44.764.257
Total assets	154.529.240	60.968.984

Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2023</u>	<u>2022</u>
Equity		
Contributed capital	500.000	500.000
Retained earnings	-2.144.237	-130.754
Total equity	-1.644.237	369.246
Liabilities other than provisions		
Bank loans	153.195.937	0
Prepayments received from customers	105.085	201.521
Trade payables	131.169	895.228
Payables to group enterprises	1.301.103	58.588.210
Other payables	1.440.183	914.779
Total short term liabilities other than provisions	<u>156.173.477</u>	<u>60.599.738</u>
Total liabilities other than provisions	156.173.477	60.599.738
Total equity and liabilities	154.529.240	60.968.984

1 Uncertainties relating to going concern

6 Contingencies

7 Related parties

Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2022	500.000	358.111	858.111
Retained earnings for the year	<u>0</u>	<u>-488.865</u>	<u>-488.865</u>
Equity 1 January 2023	500.000	-130.754	369.246
Retained earnings for the year	<u>0</u>	<u>-2.013.483</u>	<u>-2.013.483</u>
	<u>500.000</u>	<u>-2.144.237</u>	<u>-1.644.237</u>

Notes

All amounts in DKK.

	<u>2023</u>	<u>2022</u>
1. Uncertainties relating to going concern		
The company has a negative equity. The operating profit aligns with expectations; however, the financial costs (interest on cash pool) are higher than planned.		
The company has no liquidity issues, and we don't foresee any during 2024.		
The parent company, Nobel Biocare AB (located in Sweden) will do a capital infusion to restore the capital in Nobel Biocare Danmark A/S.		
2. Staff costs		
Salaries and wages	2.512.195	2.992.872
Pension costs	281.991	236.668
Other costs for social security	42.733	51.553
	<u>2.836.919</u>	<u>3.281.093</u>
Average number of employees	<u>4</u>	<u>3</u>
3. Other financial expenses		
Financial costs, group enterprises	587.311	871.191
Other financial costs	3.837.986	71.915
	<u>4.425.297</u>	<u>943.106</u>
4. Tax on net profit or loss for the year		
Tax on net profit or loss for the year	-409.640	-97.086
Adjustment of deferred tax for the year	-129.305	0
Adjustment of tax for previous years	0	1.107
	<u>-538.945</u>	<u>-95.979</u>

Notes

All amounts in DKK.

	<u>31/12 2023</u>	<u>31/12 2022</u>
5. Investments in group enterprises		
Cost 1 January 2023	21.292.586	21.292.586
Cost 31 December 2023	<u>21.292.586</u>	<u>21.292.586</u>
Writedown, opening balance 1 January 2023	-5.087.859	-5.087.859
Writedown 31 December 2023	<u>-5.087.859</u>	<u>-5.087.859</u>
Carrying amount, 31 December 2023	<u>16.204.727</u>	<u>16.204.727</u>

Financial highlights for the enterprises according to the latest approved annual reports

	Equity interest	Equity	Results for the year	Carrying amount, Nobel Biocare Danmark A/S
Scanorto A/S, Lyngby-Taarbæk	100 %	9.378.029	1.455.641	16.204.727
		<u>9.378.029</u>	<u>1.455.641</u>	<u>16.204.727</u>

6. Contingencies

Contingent liabilities

Lease liabilities

In addition to finance leases, the company has entered into operational leases with an average annual lease payment of TDKK 219. The leases have 4-43 months to maturity and total outstanding lease payments total TDKK 638.

Joint taxation

The company acts as administration company for the group of companies subject to the Danish scheme of joint taxation and is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, to pay 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.

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

Notes

All amounts in DKK.

7. Related parties

Consolidated financial statements

The company is included in the Group Annual Report for the Ultimate Parent Company:

Envista Holdings Corporation
200 S. Kraemer Blvd.,
Building E, Brea, California 92821
USA

The consolidated financial statement for Envista Holdings Corporation group can be acquired at the following link:

<https://investors.envistaco.com/home>

Accounting policies

The annual report for Nobel Biocare Danmark A/S has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

No consolidated financial statements have been prepared pursuant to section 112 (1) of the Danish Financial Statements Act. The financial statements of Nobel Biocare Danmark A/S and its group enterprises are included in the consolidated financial statements for Envista Holdings Corporation, 200 S Kraemer Blvd., Brea, California 92821, USA, reg. no. 001-39054.

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. If currency positions are considered to hedge future cash flows, the value adjustments are recognised directly in equity in a fair value reserve.

Accounting policies

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.

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.

Translation adjustment of balances with group enterprises abroad that are considered part of the total investment in group enterprises are recognised directly in equity in the fair value reserve. Likewise, foreign exchange gains and losses on loans and derived financial instruments for currency hedging independent group enterprises abroad are recognised directly in equity.

When recognising foreign group enterprises which are integral units, the monetary items are translated using the closing rate. Non-monetary items are translated using the exchange rate prevailing at the time of acquisition or at the time of the subsequent revaluation or write-down for impairment of the asset. Income statement items are translated using the exchange rate prevailing at the date of the transaction. However, items in the income statement derived from non-monetary items are translated using historical prices.

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.

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.

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

Accounting policies

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.

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.

Results from investments in group enterprises

Dividend from investments in group enterprises is recognised in the financial year in which the dividend is declared.

If the dividend received exceeds the proportionate share of the year's result, this is considered an indication of impairment, which entails a requirement to prepare an impairment test.

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 company acts as an administration company in relation to the joint taxation. This means that the total Danish tax payable by the Danish consolidated companies is paid to the tax authorities by the company.

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

Impairment loss relating to non-current assets

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

Accounting policies

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

Investments in group enterprises

Investments in group enterprises are recognised and measured at cost. If the recoverable amount is lower than the cost price, it shall be written down for impairment to this lower value.

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.

Costs of manufactured goods and work in progress comprise the cost of raw materials, consumables, direct wages, and indirect production costs. Indirect production costs comprise indirect materials and wages, maintenance and depreciation of machinery, factory buildings, and equipment used in the production process, and costs for factory administration and factory management. Borrowing expenses are not recognised in cost.

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.

Accounts receivable for which there is no objective indication of impairment at the individual level are evaluated at portfolio level for objective indication of impairment. The portfolios are primarily based on the debtors' domicile and credit rating in accordance with the company's and the group's credit risk management policy. Determination of the objective indicators applied for portfolios are based on experience with historical losses.

Accounting policies

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 and on hand.

Balances in group's pool scheme are not, due to the nature of the scheme, considered cash, but are recognised under "Receivables from group enterprises" or "Payables to group entities" as applicable.

Income tax and deferred tax

As administration company, Nobel Biocare Danmark A/S is liable to the tax authorities for the subsidiaries' corporate income taxes.

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.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

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.

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.

Accounting policies

Liabilities other than provisions

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