

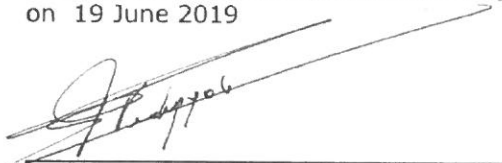
## **Agfa HealthCare Denmark A/S**

**Birkerød Kongevej 150 B, DK-3460 Birkerød**

**CVR no. 30 19 69 96**

### **Annual report for 2018**

Adopted at the annual general meeting  
on 19 June 2019



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Hans Tony Vandewyngaerde  
chairman

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## Statement by management on the annual report

The board of directors and executive board have today discussed and approved the annual report of Agfa HealthCare Denmark A/S for the financial year 1 January - 31 December 2018.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

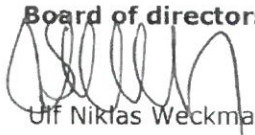
Birkerød, 19 June 2019

### Executive board




Franz Tiani

### Board of directors



Ulf Niklas Weckman



Franz Tiani



Hans Tony Vandewyngaerde

## Independent auditor's report

### *To the shareholder of Agfa HealthCare Denmark A/S*

#### **Opinion**

We have audited the financial statements of Agfa HealthCare Denmark A/S for the financial year 1 January - 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. 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 company's financial position at 31 December 2018 and of the results of the company's operations for the financial year 1 January - 31 December 2018 in accordance with the Danish Financial Statements Act.

#### **Basis for Opinion**

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' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

## Independent auditor's report

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

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional 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.

## Independent auditor's report

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.

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 Statements Act. We did not identify any material misstatement of management's review.

Copenhagen, 19 June 2019

KPMG  
Statsautoriseret Revisionspartnerselskab  
CVR no. 25 57 81 98



Klaus Rytz  
state authorised public accountant  
MNE no. mne33205

## Company details

<b>The company</b>	Agfa HealthCare Denmark A/S Birkerød Kongevej 150 B DK-3460 Birkerød  CVR no.: 30 19 69 96  Reporting period: 1 January - 31 December 2018  Domicile: Birkerød
<b>Board of directors</b>	Ulf Niklas Weckman Franz Tiani Hans Tony Vandewyngaerde
<b>Executive board</b>	Franz Tiani
<b>Auditors</b>	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28 DK-2100 København
<b>Consolidated financial statements</b>	The consolidated financial statements of Agfa HealthCare Denmark A/S may be obtained at the following address:  Agfa HealthCare NV Septestraat 27 B-2640 Belgium

## Management's review

### Business activities

Agfa HealthCare Denmark A/S is a fully owned subsidiary of Agfa HealthCare N.V, a part of the listed corporation Agfa-Gevaert N.V.

Agfa HealthCare Denmark A/S is a provider of IT-enabled clinical workflow and diagnostic image management solutions, and state-of-the-art systems for capturing and processing images in hospitals and healthcare facilities.

### Business review

The company's income statement for the year ended 31 December shows a profit of TDKK 1.526, and the balance sheet at 31 December 2018 shows equity of TDKK 6.176.

### Financial review

Agfa HealthCare Denmark A/S will continue as a member of the Agfa-Gevaert Group in the foreseeable future. Currently, there is no risk that the company will not generate or obtain sufficient resources to continue its operations. The company may close large contracts for the delivery and implementation of its products on the local market and has a sound order book.

Agfa HealthCare is well-positioned as a provider of digital radiology, IT solutions for radiology and regional imaging solutions and will continue to support and develop clients in the areas of healthcare information, archiving and digital radiology solutions. It is our assessment that the potential market of Agfa HealthCare Denmark A/S is growing with clients who are willing to invest and be innovative in the further development of IT to the healthcare sector.

Agfa HealthCare Denmark A/S is also active in the veterinarian radiology market where we see a strong trend in the switch from CR (computerised radiology) to DR (digital radiology).

### Events after the end of reporting period

No events have occurred after the balance sheet date that affect the assessment of the financial statements.



## Income statement 1 January - 31 December

	Note	2018 TDKK	2017 TDKK
<b>Gross profit</b>		<b>11.913</b>	<b>10.704</b>
Staff expenses	1	-9.719	-9.998
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-75	-100
<b>Profit/loss before net financials</b>		<b>2.119</b>	<b>606</b>
Financial income		61	115
Financial expenses	2	-220	-155
<b>Profit/loss before tax</b>		<b>1.960</b>	<b>566</b>
Tax on profit/loss for the year	3	-434	-126
<b>Profit/loss for the year</b>		<b>1.526</b>	<b>440</b>
 <b>Distribution of profit</b>			
Retained earnings		1.526	440
		<b>1.526</b>	<b>440</b>

## Balance sheet 31 December

	<u>Note</u>	<u>2018</u>	<u>2017</u>
		TDKK	TDKK
<b>Assets</b>			
Other fixtures and fittings, tools and equipment		11	122
<b>Tangible assets</b>		<b>11</b>	<b>122</b>
<b>Total non-current assets</b>		<b>11</b>	<b>122</b>
Raw materials and consumables		0	35
Work in progress		204	230
<b>Stocks</b>		<b>204</b>	<b>265</b>
Trade receivables		10.708	18.354
Receivables from group companies		29.427	17.638
Deferred tax asset		21	12
Prepayments		231	529
<b>Receivables</b>		<b>40.387</b>	<b>36.533</b>
<b>Total current assets</b>		<b>40.591</b>	<b>36.798</b>
<b>Total assets</b>		<b>40.602</b>	<b>36.920</b>

## Balance sheet 31 December

	Note	2018 TDKK	2017 TDKK
<b>Equity and liabilities</b>			
Share capital		2.650	2.650
Retained earnings		3.526	1.996
<b>Equity</b>	4	<b>6.176</b>	<b>4.646</b>
Prepayments received from customers		4.235	9.948
Trade payables		238	855
Payables to group companies		26.756	13.539
Corporation tax		442	135
Other payables		2.755	7.797
<b>Total current liabilities</b>		<b>34.426</b>	<b>32.274</b>
<b>Total liabilities</b>		<b>34.426</b>	<b>32.274</b>
<b>Total equity and liabilities</b>		<b>40.602</b>	<b>36.920</b>
Contingencies, etc.	5		

**Statement of changes in  
equity**

	<u>Share capital</u>	<u>Retained ear- nings</u>	<u>Total</u>
Equity at 1 January 2018	2.650	2.000	4.650
Net profit/loss for the year	0	1.526	1.526
<b>Equity at 31 December 2018</b>	<b><u>2.650</u></b>	<b><u>3.526</u></b>	<b><u>6.176</u></b>

## Notes

	<u>2018</u>	<u>2017</u>
	TDKK	TDKK
<b>1 Staff expenses</b>		
Wages and salaries	8.756	8.928
Pensions	897	1.016
Other social security expenses	66	54
	<u><b>9.719</b></u>	<u><b>9.998</b></u>
Average number of employees	<u>12</u>	<u>13</u>
<b>2 Financial expenses</b>		
Financial expenses, group companies	27	5
Other financial expenses	193	150
	<u><b>220</b></u>	<u><b>155</b></u>
<b>3 Tax on profit/loss for the year</b>		
Current tax for the year	443	135
Deferred tax for the year	-9	-9
	<u><b>434</b></u>	<u><b>126</b></u>
<b>4 Equity</b>		
The share capital consists of:		
26.500 shares of TDKK 100		<u>2.650.000</u>
		<u><b>2.650.000</b></u>

## Notes

### 5 Contingencies, etc.

The company has entered into lease obligations amounting to TDKK 757 at the balance sheet date (2017: TDKK 524).

Agfa HealthCare Denmark A/S has joint and severe unlimited liability with Agfa Graphics Denmark, Danish branch, and Agfa Finance Denmark, Danish branch corporation taxes and withholding taxes on dividends, interest and royalties.

## Accounting policies

The annual report of Agfa HealthCare Denmark A/S for 2018 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B with additions from reporting class C medium.

The accounting policies applied are consistent with those of last year.

The annual report for 2018 is presented in TDKK.

### **Basis of recognition and measurement**

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

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

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any instalments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

### **Income statement**

#### **Gross profit**

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

## Accounting policies

### Revenue

Income from the sale of goods, comprising the sale of hardware, owned licenses, third party licenses and services, is recognised in revenue when delivery and transfer of risk to the buyer have taken place, and the income may be measured reliably and is expected to be received.

Revenue is measured at the fair value of the agreed consideration, excluding VAT and other indirect taxes. Revenue is net of all types of discounts granted.

### Other external expenses

Other external charge comprises service expenses and advertising and exhibition expenses, office rental, office expenses, travel expenses, etc.

### Staff expenses

Staff expenses include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees. The item is net of refunds made by public authorities.

### Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

### Financial income and expenses

Financial income and expenses comprise interest income and expense and realised and unrealised exchange gains and losses on receivables and payables denominated in foreign currencies.

### Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

## Balance sheet

### Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.



## Accounting policies

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Where individual parts of an item of property, plant and equipment have different useful lives, the cost is divided into separate parts, which are depreciated separately.

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	3-5 years
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Gains or losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses, respectively.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets, respectively. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price and the value in use. The value in use is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

### Stocks

Stocks are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

### Receivables

Receivables are measured at amortised cost.

### Contract work in progress

Contract work in progress is measured at the selling price of the work performed. The selling price is measured by reference to the stage of completion at the balance sheet date and the expected aggregate income from the individual work in progress. The stage of completion is determined as the share of the expenses incurred relative to the expected total expenses for the individual work in progress.

## Accounting policies

### Prepayments

Prepayments comprise expenses incurred concerning subsequent financial years.

### Income tax and deferred tax

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

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax losses allowed for carry forward, are measured at the value to which the asset is expected to be realised, either as a set-off against tax on future income or as a set-off against deferred tax liabilities within the same legal tax entity. Any deferred net tax assets are measured at net realisable value.

### Liabilities

Other liabilities are measured at net realisable value.

### Deferred income

Deferred income recognised under 'Current liabilities' comprises payments received concerning income in subsequent financial years.

### Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency transactions are considered cash flow hedges, the value adjustments are taken directly to equity.

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