

## **Argon Medical Devices Danmark ApS**

Lautruphøj 5, 1.  
2750 Ballerup  
CVR No. 30739191

### **Annual report 2022**

The Annual General Meeting adopted the  
annual report on 14.07.2023

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**Sharon McNally**

Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2022	8
Balance sheet at 31.12.2022	9
Statement of changes in equity for 2022	11
Notes	12
Accounting policies	15

# Entity details

## Entity

Argon Medical Devices Danmark ApS  
Lautruphøj 5, 1.  
2750 Ballerup

Business Registration No.: 30739191  
Date of foundation: 01.07.2007  
Registered office: Ballerup  
Financial year: 01.01.2022 - 31.12.2022

## Board of Directors

Sharon Cynthia McNally  
George Alexander Leondis

## Executive Board

Sharon Cynthia McNally

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab  
Weidekampsgade 6  
2300 Copenhagen S

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Argon Medical Devices Danmark ApS for the financial year 01.01.2022 - 31.12.2022.

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

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Ballerup, 14.07.2023

## Executive Board

**Sharon Cynthia McNally**

## Board of Directors

**Sharon Cynthia McNally**

**George Alexander Leondis**

# Independent auditor's report

## To the shareholders of Argon Medical Devices Danmark ApS

### Opinion

We have audited the financial statements of Argon Medical Devices Danmark ApS for the financial year 01.01.2022 - 31.12.2022, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2022 and of the results of its operations for the financial year 01.01.2022 - 31.12.2022 in accordance with the Danish Financial Statements Act.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

#### **Statement on the management commentary**

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, 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 the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required under the Danish Financial Statements Act.

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

Ballerup, 14.07.2023

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Jens Sejer Pedersen**

State Authorised Public Accountant  
Identification No (MNE) mne14986

# Management commentary

## Primary activities

The Company's activities are sale of products in the hospital sector to the core area of interventional radiology. The products are sold in Denmark, Norway, Sweden and Finland.

## Development in activities and finances

The income statement of the Company for 2022 shows a profit of DKK 2,038 thousand, and at December 31, 2022 the balance sheet of the Company shows equity of DKK 11,749 thousand.

The management considers the net result for the year to be satisfactory.

Management expects a net result in 2023 at the same level as 2022.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.



# Income statement for 2022

	Notes	2022 DKK	2021 DKK
<b>Gross profit/loss</b>		<b>12,287,255</b>	<b>13,263,187</b>
Staff costs	1	(9,559,053)	(10,518,598)
Depreciation, amortisation and impairment losses		(5,845)	(665)
<b>Operating profit/loss</b>		<b>2,722,357</b>	<b>2,743,924</b>
Other financial income	2	14,065	0
Other financial expenses	3	(151,325)	(100,001)
<b>Profit/loss before tax</b>		<b>2,585,097</b>	<b>2,643,923</b>
Tax on profit/loss for the year	4	(547,550)	(427,961)
<b>Profit/loss for the year</b>		<b>2,037,547</b>	<b>2,215,962</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		2,037,547	2,215,962
<b>Proposed distribution of profit and loss</b>		<b>2,037,547</b>	<b>2,215,962</b>

# Balance sheet at 31.12.2022

## Assets

	Notes	2022 DKK	2021 DKK
Other fixtures and fittings, tools and equipment		55,754	11,830
<b>Property, plant and equipment</b>	5	<b>55,754</b>	<b>11,830</b>
Deposits		23,940	23,940
<b>Financial assets</b>	6	<b>23,940</b>	<b>23,940</b>
<b>Fixed assets</b>		<b>79,694</b>	<b>35,770</b>
Trade receivables		5,898,643	7,446,536
Receivables from group enterprises		2,135,664	2,038,186
Deferred tax		15,000	0
Other receivables		22,000	0
Income tax receivable		1,778,669	2,149,019
Prepayments		298,072	139,490
<b>Receivables</b>		<b>10,148,048</b>	<b>11,773,231</b>
<b>Cash</b>		<b>7,732,325</b>	<b>3,614,762</b>
<b>Current assets</b>		<b>17,880,373</b>	<b>15,387,993</b>
<b>Assets</b>		<b>17,960,067</b>	<b>15,423,763</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2022 DKK</b>	<b>2021 DKK</b>
Contributed capital		1,000,000	1,000,000
Retained earnings		10,748,718	8,817,117
<b>Equity</b>		<b>11,748,718</b>	<b>9,817,117</b>
Trade payables		248,351	167,471
Payables to group enterprises		1,044,711	0
Income tax payable		212,787	180,782
Other payables		4,705,500	5,258,393
<b>Current liabilities other than provisions</b>		<b>6,211,349</b>	<b>5,606,646</b>
<b>Liabilities other than provisions</b>		<b>6,211,349</b>	<b>5,606,646</b>
<b>Equity and liabilities</b>		<b>17,960,067</b>	<b>15,423,763</b>
Unrecognised rental and lease commitments	7		
Contingent liabilities	8		
Assets charged and collateral	9		
Related parties with controlling interest	10		
Group relations	11		

# Statement of changes in equity for 2022

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	1,000,000	8,817,117	9,817,117
Exchange rate adjustments	0	(105,946)	(105,946)
Profit/loss for the year	0	2,037,547	2,037,547
<b>Equity end of year</b>	<b>1,000,000</b>	<b>10,748,718</b>	<b>11,748,718</b>

# Notes

## 1 Staff costs

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	8,373,663	9,209,321
Pension costs	844,710	922,448
Other staff costs	340,680	386,829
	<b>9,559,053</b>	<b>10,518,598</b>
Average number of full-time employees	<b>9</b>	<b>10</b>

## 2 Other financial income

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Other interest income	14,065	0
	<b>14,065</b>	<b>0</b>

## 3 Other financial expenses

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Other interest expenses	23,838	87,919
Exchange rate adjustments	127,487	12,082
	<b>151,325</b>	<b>100,001</b>

## 4 Tax on profit/loss for the year

	<b>2022</b>	<b>2021</b>
	<b>DKK</b>	<b>DKK</b>
Current tax	543,550	427,961
Change in deferred tax	4,000	0
	<b>547,550</b>	<b>427,961</b>

## 5 Property, plant and equipment

	<b>Other fixtures and fittings, tools and equipment DKK</b>
Cost beginning of year	576,403
Additions	53,349
Disposals	(184,019)
<b>Cost end of year</b>	<b>445,733</b>
Depreciation and impairment losses beginning of year	(564,573)
Exchange rate adjustments	(3,580)
Depreciation for the year	(5,845)
Reversal regarding disposals	184,019
<b>Depreciation and impairment losses end of year</b>	<b>(389,979)</b>
<b>Carrying amount end of year</b>	<b>55,754</b>

## 6 Financial assets

	<b>Deposits DKK</b>
Additions	23,940
<b>Cost end of year</b>	<b>23,940</b>
<b>Carrying amount end of year</b>	<b>23,940</b>

## 7 Unrecognised rental and lease commitments

	<b>2022 DKK</b>	<b>2021 DKK</b>
Liabilities under rental or lease agreements until maturity in total	577,806	2,108,605

## 8 Contingent liabilities

The Entity is taxed jointly with the other Danish entities in the group and is liable for income taxes on a pro rata basis and must comply with any obligations to withhold tax at source on interest, royalties and dividends for the jointly taxed entities. The maximum liability totals an amount corresponding to the share of the capital in the company which is owned directly or indirectly by the ultimate parent. The liability also includes any subsequent corrections to the calculated tax liability as a consequence of changes made to the jointly income etc.

## 9 Assets charged and collateral

The company has no assets charged or collateral

## 10 Related parties with controlling interest

Shandong Weigao Group Medical Polymer Co. Ltd., No 18 Xingshan Road, Torch Hi-Tech Industry Development Zone, 264209 Weihai, Shandong Province, China, owns all shares in the company and thus has a controlling influence on this.

## **11 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

Shandong Weigao Group Medical Polymer Co. Ltd.  
No 18 Xingshan Road,  
Torch Hi-Tech Industry Development Zone,  
264209 Weihai,  
Shandong Province,  
China

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, other operating income, cost of raw materials and consumables and external expenses.

### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.



**Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

**Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of plant and equipment.

**Other financial income**

Other financial income comprises interest income.

**Other financial expenses**

Other financial expenses comprise interest expenses

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

**Balance sheet****Plant and equipment**

Plant and machinery, and other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	<b>Useful life</b>
Other fixtures and fittings, tools and equipment	2-10 years

Estimated useful lives and residual values are reassessed annually.

Items of plant and equipment are written down to the lower of recoverable amount and carrying amount.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset. However, no deferred tax is recognised for amortisation of goodwill disallowed for tax purposes and temporary differences arising at the date of acquisition that do not result from a business combination and that do not have any effect on profit or loss or on taxable income.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises cash in hand and bank deposits.

**Operating leases**

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

**Other financial liabilities**

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