

GE Healthcare A/S

Park Allé 295

2605 Brøndby

CVR No. 70979217

Annual Report 2021

9. financial year

The Annual Report was presented and adopted at the Annual General Meeting of the Company on 30 May 2022

Vibeke Gilving
Chairman

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Management's Statement

Today, Management has considered and adopted the Annual Report of GE Healthcare A/S for the financial year 1 January 2021 - 31 December 2021.

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 assets, liabilities and financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January 2021 - 31 December 2021.

In our opinion, the Management's Review includes a true and fair account of the matters addressed in the review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Brøndby, 30 May 2022

Executive Board

Vibeke Gilving
Man. Director

Supervisory Board

Arild Forland
Chairman

Vibeke Gilving
Member

Mark Fraenkel
Member

Liselotte Cordua
Member

Independent Auditors' Report

To the shareholders of GE Healthcare A/S

Opinion

We have audited the financial statements of GE Healthcare A/S for the financial year 1 January 2021 - 31 December 2021, which comprise an income statement, balance sheet and notes. 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 Company's financial position at 31 December 2021 and of the results of its operations for the financial year 1 January 2021 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditors' responsibility 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 (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statement 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 responsibility 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 considers 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 either liquidate the Company or suspend operations, or has no realistic alternative but to do so.

The auditor's responsibility for the audit of the financial statements

Our responsibility is to obtain reasonable assurance as to whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is no guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect material misstatements. Misstatements can arise from fraud or error and can be considered material if it would be reasonable to expect that these - either individually or collectively - could influence the economic decisions taken by the users of financial statements on the basis of these financial statements.

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

- * Identify and assess the risk of material misstatements in 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or 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

Independent Auditors' Report

Company's internal control.

- * Evaluate whether the accounting policies used are appropriate and whether the accounting estimates and the related disclosures made by Management are reasonable.
- * Conclude on whether Management's use of the going concern basis of accounting in preparing the financial statements is appropriate and, based on the audit evidence obtained, conclude on whether a material uncertainty exists relating to events or conditions, which could 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 auditors' 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 auditors' report. However, future events or conditions may imply that the Company can no longer remain a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including note disclosures, and whether the financial statements reflect 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 which we identify during our audit.

Statement on Management's Review

Management is responsible for the Management's review.

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

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

Moreover, it is our responsibility to consider whether the Management's review meets the disclosure requirements in the Danish Financial Statements Act.

Based on our procedures, we are of the opinion that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. In our opinion, the Management's review is not materially misstated.

København, 30 May 2022

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR-no. 33963556

Lars Siggaard Hansen

State Authorised Public Accountant

mne32208

GE Healthcare A/S

Company details

Company	GE Healthcare A/S Park Allé 295 2605 Brøndby
Telephone	0045 70 22 22 03
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CVR No.	70979217
Registered office	Brøndby
Supervisory Board	Arild Forland Vibeke Gilving, Man. Director Mark Fraenkel Liselotte Cordua
Executive Board	Vibeke Gilving, Man. Director
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 2300 København S CVR-no.: 33963556
Bank	Danske Bank Holmens Kanal 2-12 1092 København K

Management's Review

The Company's principal activities

The main activity of the Company is to trade in research- and pharmaceutical products, mainly sales of specialized products for the diagnosis of diseases. These include radiological contrast agents (X-ray / computed tomography or magnetic camera examination), ultrasound contrast agent for cardiology, and radiopharmaceuticals for diagnosis (SPECT, PET) and treatment. The Company is a distributor and part of the Pharmaceutical Diagnostics (PDx) business unit, which in turn is part of the GE Healthcare business division.

Development in activities and the financial situation

The Company's Income Statement of the financial year 1 January 2021 - 31 December 2021 shows a result of DKK 1.257.495 and the Balance Sheet at 31 December 2021 a balance sheet total of DKK 54.469.835 and an equity of DKK 46.622.039.

Despite the COVID-19 pandemic, we have continued to deliver for our customers, while taking all necessary precautions for our employees. The COVID-19 pandemic has not adversely impacted our operations, profitability and cash flows. We experienced increased demand for certain types of products and services, partially offset by decreased demand in other part of the business as patients have postponed certain procedures and hospitals have deferred spending.

On 5th May 2021, entity received a contribution of 3.263.033 DKK from group company AcceptFinans Aps.

On 9 November 2021, General Electric Company (GE) announced that it would form three global listed companies that are intended to be run independently and focus on the aerospace, healthcare, and energy segments. In this context, GE plans to spin off 80.1% of its Healthcare business in early 2023 and retain a 19.9% interest in GE Healthcare after the spin-off.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Key Figures and Financial Ratios

The development in the Company's key figures and financial ratios can be described as follows:

Numbers appear in thousands

	2021	2020	2019	2018
Gross profit	9.427	10.646	12.342	12.122
Operating profit/loss	1.663	2.103	1.671	1.864
Profit before tax and extraordinary items	1.622	1.971	1.506	1.589
Profit for the year	1.257	1.532	1.095	1.295
Total assets	54.470	52.361	56.873	58.616
Total equity	46.622	42.102	40.570	39.475
Solvency ratio (%)	86	80	71	67
Avg. number of full-time employees	3	3	4	4

Solvency (equity ratio) (%):

$(\text{Total equity} \times 100) / \text{Total Equity} + \text{Liabilities}$

Income Statement

	Note	2021 kr.	2020 kr.
Gross profit		9.427.429	10.646.450
Distribution costs	1	-6.818.087	-7.227.243
Administrative expenses	1	-946.311	-1.315.821
Profit from ordinary operating activities		1.663.031	2.103.386
Finance expenses	2	-41.295	-132.881
Profit from ordinary activities before tax		1.621.736	1.970.505
Tax expense on ordinary activities		-364.242	-438.623
Profit		1.257.494	1.531.882
Proposed distribution of results			
Proposed dividend recognised in equity		35.000.000	0
Retained earnings		-33.742.506	1.531.882
Distribution of profit		1.257.494	1.531.882

Balance Sheet as of 31 December

	Note	2021 kr.	2020 kr.
Assets			
Manufactured goods and goods for resale		3.398.991	3.186.148
Inventories		3.398.991	3.186.148
Short-term trade receivables		3.529.655	5.305.684
Short-term receivables from group enterprises		47.541.189	43.868.893
Receivables		51.070.844	49.174.577
Current assets		54.469.835	52.360.725
Assets		54.469.835	52.360.725

Balance Sheet as of 31 December

	Note	2021 kr.	2020 kr.
Liabilities and equity			
Contributed capital		2.800.000	2.800.000
Retained earnings	3	8.822.039	39.301.512
Proposed dividend recognised in equity		35.000.000	0
Equity		46.622.039	42.101.512
Trade payables		129.500	525.167
Payables to group enterprises		3.327.966	5.942.940
Tax payables to group enterprises		364.242	438.623
Other payables		3.079.967	2.564.851
Vacation accrual		354.863	787.632
Deferred income, liabilities		591.258	0
Short-term liabilities other than provisions		7.847.796	10.259.213
Liabilities other than provisions within the business		7.847.796	10.259.213
Liabilities and equity		54.469.835	52.360.725
Ownership	4		
Liabilities under off-balance sheet leases	5		
Related parties	6		

Accounting Policies

The annual report of GE Healthcare A/S for 2021 has been presented in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies applied remain unchanged from last year.

Basis of recognition and measurement

The financial statement have been prepared under the historical cost principle.

Income is recognised in the income statement as it is earned, including value adjustments of financial assets and liabilities that are measured at fair value or amortized cost. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortization, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will accrue 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 attributable to the asset will flow out of the Company, and the value of the liability can be measured reliably.

At initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Certain financial assets and liabilities are measured at amortised cost, which involves the recognition of a constant effective interest rate over the term. Amortised cost is calculated as original cost less repayments and with the addition/deduction of the accumulated amortisation of the difference between the cost and the nominal amount. This way, exchange losses and gains are allocated over the term.

In connection with recognition and measurement, consideration is given to predictable losses and risks occurring prior to the presentation of the financial statement, i.e. losses and risks which prove or disprove matters which exist at the balance sheet date.

Translation policies

Transactions in foreign currencies are translated into DKK at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities in foreign currencies are translated into DKK based on the exchange rates prevailing at the balance sheet day. Realised and unrealised foreign exchange gains and losses are included in the income statement under financial income and expenses.

Income statement

Revenue

Income from the sale of goods for resale and finished goods is recognised in the income statement if the goods have been delivered and the risk has passed to the buyer before year-end if it is possible to calculate the income reliably. The revenue is exclusive of VAT and net of sales discounts.

Production costs

Production costs include costs incurred to generate the revenue for the year, including costs for raw materials, consumables, production wages and indirect production costs, such as maintenance, amortization and impairment, as well as operating activities, administration and management of plant and machinery.

Accounting Policies

Distribution costs

Distribution costs comprise costs incurred for the distribution goods sold during the year, including costs for sales staff, transport, promotion activities and similar costs as well as amortization and impairment of intangible and tangible assets.

Administration expenses

Expenses incurred during the year for Management and administration are recognised in administration expenses. This includes expenses incurred for the administrative staff, Management, offices as well as office expenses and similar expenses and amortization and impairment of intangible and tangible assets.

Gross profit/loss

The Company has decided to aggregate certain items of the income statement in accordance with the provisions of Section 32 of the Danish Financial Statements Act.

Gross profit is a combination of the items of revenue, production costs, and other operation income.

Financial income and expenses

Financial income and expenses are recognised in the income statement based at the amounts that concern the financial year. Financial income and expenses include interest revenue and expenses, financial expenses of finance leases, realised and unrealised capital gains and losses regarding securities, accounts payable and transactions in foreign currencies, repayment on mortgage loans, and surcharges and allowances under the advance-payment of tax scheme.

Tax on net profit for the year

Tax on net profit/loss for the year comprises current tax on expected taxable income of the year and the year's adjustment of deferred tax less the part of the tax of the year that relates to changes in equity. Current and deferred tax regarding changes in equity is recognised directly in equity.

The Company and the Danish associates are taxed jointly. The Danish income tax is distributed between profit- and loss-making Danish enterprises in relation to their taxable income (full distribution).

Balance sheet

Inventories

Inventories are measured at cost on the basis of the FIFO principle. Where the net realizable value is lower than cost, the inventories are written down to this lower value.

The net realizable value of inventories is calculated as the selling price less costs of completion and costs incurred to make the sale. The value is determined taking into account the negotiability of inventories, obsolescence and expected development in sales price.

Merchandises are measured at cost comprising purchase price plus delivery costs.

Receivables

Receivables are measured at amortized cost which usually corresponds to the nominal value. The value is reduced by write-downs for expected bad debts.

Impairment of accounts receivables past due is established on individual assessment of receivables.

Equity

Equity comprises of the contributed capital and a number of equity items that may be statutory or stipulated in the articles of association.

Proposed dividend for the year is recognised as a separate item in equity.

Accounting Policies

Deferred tax

Deferred tax and the associated adjustments for the year are determined according to the liability method as the tax base of all temporary differences between carrying amounts and the tax bases of assets and liabilities.

Deferred tax assets, including the tax base of tax losses allowed for carryforward, are recognised at the value at which they are expected to be used, either by elimination in tax on future earnings or by set-off against deferred tax liabilities in enterprises within the same legal entity and jurisdiction.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation applicable at the balance sheet date when the deferred tax is expected to crystallize as current tax.

Current tax liabilities

Current tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Joint Taxation

After joint taxation rules LM Group Holding A/S (25 71 17 77) as the administration company assumes liability for the companies corporation to the tax authorities as the companies' payment of the joint taxation contributions. Joint tax payable and receivable are recognised as separate items on the balance.

Other payables

Other payables are measured at amortized cost, which usually corresponds to the nominal value.

Accruals and deferred income entered as liabilities

Accruals and deferred income entered as liabilities consist of payments received regarding income in the subsequent financial years.

Explanation of financial ratios

Key figures and financial ratios are determined based on "Recommendations & Financial Ratios" issued by the Danish Society of Financial Analysts.

Notes

1. Employee benefits expense

Wages and salaries	3.414.633	3.410.639
Post-employment benefit expense	412.195	396.701
Social security contributions	7.599	15.533
Other employee expense	330.708	263.244
	4.165.135	4.086.117

Employee benefits expense are allocated as follows in the income statement

Distribution costs	4.165.135	4.086.117
	4.165.135	4.086.117

Average number of employees	3	3
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2. Finance expenses

Finance expenses arising from group enterprises	0	113.419
Other finance expenses	41.295	19.462
	41.295	132.881

3. Retained earnings

Balance at the beginning of the year	39.301.512	37.769.630
Additions during the year	1.257.494	1.531.882
Disposals during the year	-35.000.000	0
Contribution from Group Company	3.263.033	0
Balance at the end of the year	8.822.039	39.301.512

4. Ownership

The following shareholders are recorded in the Company's register of shareholders as holding at least 5% of the votes or at least 5% of the share capital:

One GE Healthcare UK, Pollards Wood, Nightingales Lane, Chalfont St Giles, Buckinghamshire, HP8 4SP, England

Notes

5. Liabilities under leases

Rental and lease liabilities at 31 December 2021 amounts to TDKK 24 (2020: TDKK 65)

Joint and several liability:

GE Healthcare A/S is in the national Danish joint taxation with the other Danish companies in the GE group. The company is jointly and severally liable for withholding tax and joint taxation with the other companies in the Danish joint taxation. Possible corrections in the future of the withholding tax might cause that the joint and several liability will change compared to the debt recognized as of 31 December.

6. Related parties

Controlling interest:

One GE Healthcare UK exercises control over GE Healthcare A/S

Other related parties:

Ultimate parent:

General Electric Company, 5 Necco Street, Boston, Massachusetts, 02210, USA

General Electric Company is registered in the State of New York with its corporate office in Boston, Massachusetts, USA, prepares consolidated financial statements for the smallest and biggest Group, in which GE Healthcare A/S is a subsidiary. The annual accounts of the parent companies are available at www.ge.com.

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Liselotte Cordua

Bestyrelsesmedlem

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Arild Forland

Bestyrelsesformand

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Vibeke Gilving

Adm. direktør

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Vibeke Gilving

Bestyrelsesmedlem

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Vibeke Gilving

Dirigent

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IP: 165.225.xxx.xxx

2022-05-30 13:57:10 UTC



Mark Fraenkel

Bestyrelsesmedlem

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IP: 165.225.xxx.xxx

2022-05-30 14:25:51 UTC



Lars Siggaard Hansen

Revisor

Serienummer: PID:9208-2002-2-999653638663

IP: 192.66.xxx.xxx

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