



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 933 183 947
Organisasjonsform: Aksjeselskap
Foretaksnavn: SMITH & NEPHEW AS
Forretningsadresse: c/o Smith & Nephew AS
Snarøyveien 36
1364 FORNEBU

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Magdalena Malkamaki
Dato for fastsettelse av årsregnskapet: 28.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 05.07.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	179 475 372	169 050 170
Annen driftsinntekt	2	11 912 305	8 232 804
Sum inntekter		191 387 677	177 282 974
Kostnader			
Varekostnad	3	69 125 527	65 325 511
Lønnskostnad	4, 12	47 321 838	38 080 134
Avskrivning	5	191 908	5 231 819
Annen driftskostnad	3, 4	66 567 416	57 891 673
Sum kostnader		183 206 690	166 529 136
Driftsresultat		8 180 987	10 753 838
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		584 839	6 207
Annen finansinntekt		44 241	42 332
Sum finansinntekter		629 080	48 539
Annen finanskostnad		30 063	37 853
Sum finanskostnader		30 063	37 853
Netto finans		599 017	10 686
Ordinært resultat før skattekostnad		8 780 004	10 764 523
Skattekostnad på ordinært resultat	6	2 015 370	2 447 962
Ordinært resultat etter skattekostnad		6 764 634	8 316 562
Årsresultat		6 764 634	8 316 562
Overføringer og disponeringer			
Overføringer annen egenkapital	10	6 764 634	8 316 562
Sum overføringer og disponeringer		6 764 634	8 316 562



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	6	4 463 097	4 948 522
Sum immaterielle eiendeler		4 463 097	4 948 522
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner ol	5	664 734	7 333 884
Sum varige driftsmidler		664 734	7 333 884
Sum anleggsmidler		5 127 831	12 282 405
Omløpsmidler			
Varer			
Sum varer	7	21 585 182	18 529 894
Fordringer			
Kundefordringer	8	32 665 879	24 253 512
Andre fordringer	8	3 820 482	5 573 874
Sum fordringer		36 486 361	29 827 386
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	9	10 653 946	15 638 704
Sum omløpsmidler		68 725 488	63 995 984
SUM EIENDELER		73 853 319	76 278 389
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	10, 11	676 000	676 000
Sum innskutt egenkapital		676 000	676 000



Balanse

Beløp i: NOK	Note	2023	2022
Opptjent egenkapital			
Annen egenkapital	10	45 225 778	37 493 164
Sum opptjent egenkapital		45 225 778	37 493 164
Sum egenkapital		45 901 778	38 169 164
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	12	371 000	2 614 000
Sum avsetninger for forpliktelser		371 000	2 614 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		371 000	2 614 000
Kortsiktig gjeld			
Leverandørgjeld	8	5 163 278	15 236 388
Betalbar skatt	6	1 802 965	1 078 441
Skyldige offentlige avgifter		10 543 063	10 433 050
Annen kortsiktig gjeld	8	10 071 235	8 747 345
Sum kortsiktig gjeld		27 580 541	35 495 224
Sum gjeld		27 951 541	38 109 224
SUM EGENKAPITAL OG GJELD		73 853 319	76 278 389



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 590213

Enheten

Organisasjonsnummer: 933 183 947
Organisasjonsform: Aksjeselskap
Foretaksnavn: SMITH & NEPHEW AS
Forretningsadresse: c/o Smith & Nephew AS
Snarøyveien 36
1364 FORNEBU

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av
årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Magdalena Malkamaki
Dato for fastsettelse av årsregnskapet: 28.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 06.07.2024



Organisasjonsnr: 933 183 947
SMITH & NEPHEW AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2	179 475 372	169 050 170
Annen driftsinntekt	2	11 912 305	8 232 804
Sum inntekter		191 387 677	177 282 974
Kostnader			
Varekostnad	3	69 125 527	65 325 511
Lønnskostnad	4, 12	47 321 838	38 080 134
Avskrivning	5	191 908	5 231 819
Annen driftskostnad	3, 4	66 567 416	57 891 673
Sum kostnader		183 206 690	166 529 136
Driftsresultat		8 180 987	10 753 838
Finansinntekter og finanskostnader			
Renteinntekt fra foretak i samme konsern		584 839	6 207
Annen finansinntekt		44 241	42 332
Sum finansinntekter		629 080	48 539
Annen finanskostnad		30 063	37 853
Sum finanskostnader		30 063	37 853
Netto finans		599 017	10 686
Ordinært resultat før skattekostnad		8 780 004	10 764 523
Skattekostnad på ordinært resultat	6	2 015 370	2 447 962
Ordinært resultat etter skattekostnad		6 764 634	8 316 562
Årsresultat		6 764 634	8 316 562
Overføringer og disponeringer			
Overføringer annen egenkapital	10	6 764 634	8 316 562
Sum overføringer og disponeringer		6 764 634	8 316 562



Organisasjonsnr: 933 183 947
SMITH & NEPHEW AS

BALANSE

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	6	4 463 097	4 948 522
Sum immaterielle eiendeler		4 463 097	4 948 522
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner ol	5	664 734	7 333 884
Sum varige driftsmidler		664 734	7 333 884
Sum anleggsmidler		5 127 831	12 282 405
Omløpsmidler			
Varer			
Sum varer	7	21 585 182	18 529 894
Fordringer			
Kundefordringer	8	32 665 879	24 253 512
Andre fordringer	8	3 820 482	5 573 874
Sum fordringer		36 486 361	29 827 386
Bankinnskudd, kontanter og lignende			
Sum bankinnskudd, kontanter og lignende	9	10 653 946	15 638 704
Sum omløpsmidler		68 725 488	63 995 984
SUM EIENDELER		73 853 319	76 278 389
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital	10, 11	676 000	676 000
Sum innskutt egenkapital		676 000	676 000
Opptjent egenkapital			
Annen egenkapital	10	45 225 778	37 493 164
Sum opptjent egenkapital		45 225 778	37 493 164
Sum egenkapital		45 901 778	38 169 164
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	12	371 000	2 614 000



Sum avsetninger for forpliktelser		371 000	2 614 000
Annen langsiktig gjeld			
Sum langsiktig gjeld		371 000	2 614 000
Kortsiktig gjeld			
Leverandørgjeld	8	5 163 278	15 236 388
Betalbar skatt	6	1 802 965	1 078 441
Skyldige offentlige avgifter		10 543 063	10 433 050
Annen kortsiktig gjeld	8	10 071 235	8 747 345
Sum kortsiktig gjeld		27 580 541	35 495 224
Sum gjeld		27 951 541	38 109 224
SUM EGENKAPITAL OG GJELD		73 853 319	76 278 389



Organisasjonsnr: 933 183 947
SMITH & NEPHEW AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
11

Antall aksjer og aksjeeiere

<u>Sum</u>	<u>Sum antall</u>	<u>Sum eierandel</u>
	0.00	

At 31 December 2023, the company's immediate parent undertaking is Smith & Nephew USD Ltd, a company incorporated in the United Kingdom. The ultimate parent company which consolidates these financial statements is Smith & Nephew plc, which is incorporated in the United Kingdom. Copies of the group financial statements can be obtained from the company's website at www.smith-nephew.com.

Note

Antall årsverk i regnskapsåret

Virksomheten har hatt følgende antall årsverk:
0.00

<u>Omløpsmidler</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
---------------------	------------------	------------------	----------------

<u>Skattemessig fremf.undersk.</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
------------------------------------	------------------	------------------	----------------

<u>Kortsiktig gjeld</u>	<u>Startdato</u>	<u>Sluttdato</u>	<u>Endring</u>
-------------------------	------------------	------------------	----------------



Skatteetaten

Vår dato
10.03.2021

Din/Deres dato
10.02.2021

Saksbehandler
Vibeke Horne

800 80 000
Skatteetaten.no

Din/Deres referanse

Telefon
90518192

Org.nr
974761076

Vår referanse
2021/5212132

Postadresse
Postboks 9200 Grønland
0134 OSLO

ERNST & YOUNG AS
Postboks 1156 Sentrum
0107 OSLO

Att. Lars Helland

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Smith & Nephew AS, org.nr. 933 183 947

Vi viser til deres brev av 10. februar 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Smith & Nephew AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Smith & Nephew AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Smith & Nephew AS er eid av et utenlandsk selskap. Selskapet driver virksomhet rettet mot salg og distribusjon av medisinsk utstyr.

Engelsk er selskapets arbeidsspråk. Hovedsakelig all kommunikasjon med primære kunder og kreditorer foregår på engelsk. Selskapets aksjonærer er utenlandske personer eller selskaper (gjennom direkte og indirekte eierskap) som behersker engelsk. Styrets leder og et styremedlem er utenlandske.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig



prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.”

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til “informative regnskaper for ulike grupper av regnskapsbrukere”. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet er direkte eid av et utenlandsk selskap. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Vibeke Horne
rådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



KPMG AS
Sørkedalsveien 6
P.O. Box 7000 Majorstuen
N-0306 Oslo

Telephone +47 45 40 40 63
Internet www.kpmg.no
Enterprise 935 174 627 MVA

To the General Meeting of Smith & Nephew AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Smith & Nephew AS (the Company), which comprise the balance sheet as at 31 December 2023, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards 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 as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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.

Other Information

The Board of Directors (management) is responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Offices in:

© KPMG AS, a Norwegian limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Oslo	Elverum	Mo i Rana	Tromsø
Alta	Finnsnes	Molde	Trondheim
Arendal	Hamar	Sandefjord	Tynset
Bergen	Haugesund	Stavanger	Ulsteinvik
Bode	Knarvik	Stord	Ålesund
Drammen	Kristiansand	Strøme	

Pemneo Dokumentnøkkel: SDH20-5Z4DQ-5TQ20-KVOP4-0H80F-U3ZK7



Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 in accordance with ISAs, we exercise professional judgment 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. We 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 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.



We communicate with the Board of Directors 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.

Oslo

KPMG AS

Øivind Karlsen
State Authorised Public Accountant
(This document is signed electronically)

Pemseo Dokumentnøkkel: SDH20-5Z4DQ-5TQ20-KVOP4-0H80F-U3ZK7



PENNEO

Signaturene i dette dokumentet er juridisk bindende. Dokument signert med "Penneo™ - sikker digital signatur". De signerende parter sin identitet er registrert, og er listet nedenfor.

"Med min signatur bekrefter jeg alle datoer og innholdet i dette dokument."

Karlsen, Øivind

Statsautorisert revisor

Serienummer: no_bankid:9578-5997-4-377389

IP: 80.232.xxx.xxx

2024-06-07 12:48:12 UTC



Penneo Dokumentnøkkel:SDH2O-5Z4DQ-5TQ20-KVOP4-0H80H-U3ZK7

Dokumentet er signert digitalt, med **Penneo.com**. Alle digitale signatur-data i dokumentet er sikret og validert av den datamaskin-utregnede hash-verdien av det opprinnelige dokument. Dokumentet er låst og tids-stemplet med et sertifikat fra en betrodd tredjepart. All kryptografisk bevis er integrert i denne PDF, for fremtidig validering (hvis nødvendig).

Hvordan bekrefter at dette dokumentet er originalen?

Dokumentet er beskyttet av ett Adobe CDS sertifikat. Når du åpner dokumentet i

Adobe Reader, skal du kunne se at dokumentet er sertifisert av **Penneo e-signature service <penneo@penneo.com>**. Dette garanterer at innholdet i dokumentet ikke har blitt endret.

Det er lett å kontrollere de kryptografiske beviser som er lokalisert inne i dokumentet, med Penneo validator - <https://penneo.com/validator>



Smith & Nephew AS

Annual report 2023

Board of directors' report

Annual accounts

- Income statement
- Balance sheet
- Cash flow statement
- Notes

Auditors' report



DIRECTORS' REPORT FOR 2023

The company is a wholly owned subsidiary of Smith & Nephew USD Limited, which in turn is part of a larger group of which Smith & Nephew plc, is the parent company. The parent company is listed on the London Stock Exchange as well as the New York Stock Exchange. The group's Sustainability Report, which includes activities relevant to the company, is prepared by the parent company and is available at www.smith-nephew.com/sustainability. The Transparency Act report for Smith & Nephew AS is published on company website under the link <https://www.smith-nephew.com/en-GB/contact-us#local-regions-card-section>.

Smith & Nephew markets, sells and distributes products in the medical device areas of orthopedics, endoscopy and advanced wound management. The majority of the products that Smith & Nephew AB markets are manufactured by companies within the Smith & Nephew group.

Smith & Nephew AS was established in Norway in 1979 with one employee and with NOK 1 million in turnover. Today we are 26 employees with total sales of 191 million from wound management, orthopedics, and endoscopy products. The company's premises are in Asker.

Revenue amounted to NOK 191,387,677 in 2023 which is an increase of 8% in comparison to 2022 (NOK 177,282,974).

Operating profit in 2023 amounted to NOK 8,180,987, vs. operating profit of NOK 10,753,838 in 2022. Ordinary result before tax was NOK 8,780,004. Net profit for the year (after taxation) was NOK 6,764,634.

Allocation of the profit of NOK 6,764,634:

Transferred to other equity	6,764,634
Total transfers	6,764,634

Liquidity in the company is satisfactory, and the capital structure is healthy. The company's equity amounts to NOK 45 901 778 of which NOK 676,000 is share capital.

The cash flow statement shows a negative cash flow from operating activities in amount of NOK -10,041,857. The difference in cash flow from operations and profit before tax is mainly driven by a decrease in accounts payable and an increase in inventory.

The Board of Directors confirm that to the best of their knowledge, the presented income statement and the balance sheet and associated notes provide a complete view of the Company's operations and financial position as at 31.12.2023. The accounts have been prepared on a going concern basis in accordance with Section 3-3a of the Accounting Act.

There have been no circumstances following 31.12.2023 which are of significance when assessing the company and that do not appear in the annual accounts and associated notes.

Smith & Nephew AS has a strong share position within the Norwegian market in some of its product areas. The reorganization of the major health trusts in Norway has been going on for some time. The company takes a positive view of this situation and considers the possibility of further growth and low risk of losing



the market share. The company has existing agreements with many of its major customers, which will continue in the coming year.

The company has no significant credit risk and did not have any significant bad debts to be written off in 2023. The customer base consists of large public customers and sole proprietorships where the volume is not large, but where closer follow-up of timely payments is required.

In 2023, the company did not have any significant research and development activities.

The working environment at the company's premises in Nye Vakås vei 64 in Asker is satisfactory. Sickness absence in the company totaled to ca. 303 days in 2023, which accounted for about 3,85% of the total working hours in the company. The company does not operate as a polluter or otherwise to the detriment of the external environment.

The company is positive about gender equality and does not discriminate on the basis of gender. As of 31.12.2023, the company has 26 employees of which women make up 53%.

Smith & Nephew does mitigate a director's personal exposure through Directors and Officers (D&O) insurance. Intentional illegal acts, however, are not covered under D&O policies.

Oslo 7th June 2024

Renata M Banasik
Chairman

Stevar Klausen
Board Memeber



Smith & Nephew AS

Income statement

	Note	2023	2022
Revenue			
Sales revenue	2	179 475 372	169 050 170
Other operating income	2	11 912 305	8 232 804
Total revenue		<u>191 387 677</u>	<u>177 282 974</u>
Operating expenses			
Cost of goods sold	3	69 125 527	65 325 511
Payroll expenses	4, 12	47 321 838	38 080 134
Depreciation	5	191 908	5 231 819
Other operating expenses	3, 4	66 567 416	57 891 673
Total operating expenses		<u>183 206 690</u>	<u>166 529 136</u>
Operating result		<u>8 180 987</u>	<u>10 753 838</u>
Financial income and expenses			
Interest income from group companies		584 839	6 207
Other financial income		44 241	42 332
Other financial expenses		30 063	37 853
Net financial items		<u>599 017</u>	<u>10 686</u>
Result before tax		<u>8 780 004</u>	<u>10 764 523</u>
Tax expense	6	<u>2 015 370</u>	<u>2 447 962</u>
Net profit for the year		<u>6 764 634</u>	<u>8 316 562</u>
Allocated as follows			
Transferred to other equity	10	<u>6 764 634</u>	<u>8 316 562</u>



Smith & Nephew AS

Balance sheet as of December 31

	Note	2023	2022
Fixed assets			
<i>Intangible assets</i>			
Deferred tax asset	6	4 463 097	4 948 522
Total intangible assets		<u>4 463 097</u>	<u>4 948 522</u>
<i>Tangible assets</i>			
Fixtures and fittings, tools, office machinery etc.	5	664 734	7 333 884
Total tangible assets		<u>664 734</u>	<u>7 333 884</u>
Total fixed assets		<u>5 127 831</u>	<u>12 282 405</u>
Current assets			
Inventories	7	<u>21 585 182</u>	<u>18 529 894</u>
<i>Receivables</i>			
Accounts receivable	8	32 665 879	24 253 512
Other receivables	8	<u>3 820 482</u>	<u>5 573 874</u>
Total receivables		<u>36 486 361</u>	<u>29 827 386</u>
Cash and cash equivalents	9	<u>10 653 946</u>	<u>15 638 704</u>
Total current assets		<u>68 725 488</u>	<u>63 995 984</u>
Total assets		<u>73 853 319</u>	<u>76 278 389</u>



Smith & Nephew AS

Balance sheet as of December 31

	Note	2023	2022
Equity			
<i>Paid-in capital</i>			
Share capital	10, 11	676 000	676 000
Total paid-in capital		676 000	676 000
<i>Retained earnings</i>			
Other equity	10	45 225 778	37 493 165
Total retained earnings		45 225 778	37 493 165
Total equity		45 901 778	38 169 165
Liabilities			
<i>Provisions</i>			
Pension liabilities	12	371 000	2 614 000
Total provisions		371 000	2 614 000
<i>Current liabilities</i>			
Accounts payable	8	5 163 278	15 236 388
Tax payable	6	1 802 965	1 078 441
Public duties payable		10 543 063	10 433 050
Other short-term liabilities	8	10 071 235	8 747 345
Total current liabilities		27 580 541	35 495 224
Total liabilities		27 951 541	38 109 224
Total equity and liabilities		73 853 319	76 278 389

31 December 2023
Copenhagen, Oslo, Wrocław, 7 June 2024

Renata Monika Banasik
Chairman

Stevar Klausen
Board member



Smith & Nephew AS

Cash flow statement 01.01-31.12

	Note	2023	2022
Cash flow from operating activities			
Result before tax		8 780 004	10 764 523
Taxes paid		-1 078 441	-1 106 739
Loss on sale of fixed assets		64 250	1 373 618
Depreciation	5	191 908	5 231 819
Changes in inventories, accounts receivable and accounts payable		-21 540 765	-3 037 485
Changes in pension scheme assets/liabilities		-1 002 002	-204 000
Changes in other current balance sheet items		4 543 189	-3 777 562
Net cash flow from operating activities		<u>-10 041 857</u>	<u>9 244 174</u>
Cash flow from investing activities			
Proceeds from sale of fixed assets		6 475 092	2 938 161
Purchase of fixed assets	5	-62 100	-4 865 145
Change in loan to group company		0	-2 190 006
Net cash flow from investing activities		<u>6 412 992</u>	<u>-4 116 990</u>
Cash flow from financing activities			
Change in group company loan		-1 355 893	-3 789 954
Net cash flow from financing activities		<u>-1 355 893</u>	<u>-3 789 954</u>
Net change in cash and cash equivalents		-4 984 758	1 337 230
Cash and cash equivalents as of 01.01.		15 638 704	14 301 474
Cash and cash equivalents as of 31.12.		<u>10 653 946</u>	<u>15 638 704</u>



Smith & Nephew AS

Notes to the accounts for 2023

Note - 1 Accounting Principles

The annual report has been prepared in accordance with the Norwegian Accounting Act 1998 and generally accepted accounting principles.

Sales revenue

Revenue is recognized when the goods are shipped or delivered in accordance with the contract terms. Revenue associated with provision of services is recognized when services are rendered according to contract terms.

Balance sheet classification

Assets owned or intended for perpetual use are classified as fixed assets. Assets that are expected to be sold or used as a result of standard business operations over the next year are classified as current assets. Receivables are included in current assets when maturity date is within 12 months after the balance sheet date.

The same criteria are used for current liabilities. First-year instalments of long-term receivables and long-term liabilities are not classified as current assets and short-term debt.

Current assets are valued at the lower of purchase price and fair value. Short-term debt is recognized at nominal value.

Fixed assets are stated at cost of acquisition less accumulated depreciation and any impairment losses, when events or changes in circumstances indicate the carrying value may be impaired.

Long-term debt is shown at nominal value.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over its estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrades are assigned to the acquisition cost and depreciated in line with the asset. If carrying value of a fixed asset is higher than the estimated recoverable amount, the asset is impaired to the recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value-in-use. In assessing value-in-use, its estimated future cash flow is discounted to its present value.

Inventories

Inventories are valued at the lower of purchase price and fair value on a first-in first-out basis. Adjustments to carrying value are made in the event of foreseeable obsolescence.

The equipment that is loaned to the customers is recognized in the balance sheet as tangible fixed assets.

The equipment that is sold to the customers is recognized in the balance sheet as inventory. The equipment is valued at the lower of acquisition cost and fair value. Write-downs are carried out for foreseeable obsolescence.

The equipment is depreciated over its estimated useful economic life.

Accounts receivable and other receivables

Accounts receivables and other current receivables are carried at nominal value less any allowances for uncollectable amounts.



Smith & Nephew AS

Notes to the accounts for 2023

Pensions

Pension costs and pension liabilities are estimated on the basis of linear earnings and future salary. A number of key assumptions are made when calculating the fair value of the defined benefit pension plans. The most critical assumptions are the discount rate, future salary adjustments, pension and other payments from the national insurance fund, future return on pension funds, mortality and voluntary resignation actuarial assumptions.

The pension obligation is calculated by discounting the estimated future benefit that employees have earned in return for their service in the current and prior periods. The fair value of any plan assets is deducted to arrive at the net liability.

Changes in the pension obligations due to changes in pension plans are recognized over the estimated average remaining service period. Changes in pension liabilities and pension assets resulting from remeasurements, comprising actuarial gains and losses and the return on the net assets are recognised in the company's equity.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate as at the reporting date.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the reporting date. Temporary differences both positive and negative which balance out within the same period, are equalized. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short-term highly liquid investments with original maturities of three months or less from the date of acquisition.



Smith & Nephew AS

Notes to the accounts for 2023

Note 2 - Revenue

	2023	2022
<i>By business area</i>		
Sales of goods	179 475 372	169 050 170
Other operating income	11 912 305	8 232 804
Total revenue	<u>191 387 677</u>	<u>177 282 974</u>
<i>Geographical distribution</i>		
Norway	179 367 432	164 852 936
The United Kingdom	11 912 305	8 232 804
The Netherlands	107 940	4 149 759
Sweden	0	47 474
Total revenue	<u>191 387 677</u>	<u>177 282 974</u>

Note 3 - Intercompany transactions with group and associated companies

For financial year 2023 the company was charged with management and administration fees of NOK 30 274 792 and freight amounting to 18 092 741 NOK.

All purchases of goods and purchases of testing equipment occur from group companies. In 2023 the company was charged with NOK 75 750 915.

During the financial year, the entity has sold instruments to group companies for NOK 377 099.



Smith & Nephew AS

Notes to the accounts for 2023

Note 6 - Income taxes

<i>Income tax expenses</i>	2023	2022
Tax payable	1 802 965	1 078 441
Change in deferred tax	212 405	1 369 521
Total income tax expense	<u>2 015 370</u>	<u>2 447 962</u>
<i>Tax base estimation</i>	2023	2022
Result before tax	8 780 004	10 764 523
Permanent differences	380 771	362 571
Change in temporary differences	-2 206 477	-6 301 088
Of which pension booked to equity	1 241 000	76 000
Tax base	<u>8 195 298</u>	<u>4 902 006</u>
Tax payable (22%) of the tax base	1 802 966	1 078 441
<i>Temporary differences outlined</i>	2023	2022
Fixed assets	-9 767 605	-12 124 383
Inventory	-9 867 549	-7 502 874
Pension liabilities	-371 000	-2 614 000
Receivables	-102 652	-103 547
Accounting accruals	-178 000	-148 480
Total temporary differences	<u>-20 286 806</u>	<u>-22 493 284</u>
Deferred income tax liability/(-asset) (22%)	-4 463 097	-4 948 522
<i>Effective tax rate</i>	2023	
Expected income taxes, statutory tax rate 22%	1 931 601	
Permanent differences (22%)	83 769	
Income tax expense	<u>2 015 370</u>	
Effective tax rate *)	22 %	
*) Tax expense divided by pre-tax income		

Note 7 - Inventories

	2023	2022
Purchased goods for resale	0	644 413
Consignment warehouse	31 452 731	25 388 355
Stock provision	-9 867 549	-7 502 874
Total inventories	<u>21 585 182</u>	<u>18 529 894</u>



Smith & Nephew AS

Notes to the accounts for 2023

Note 8 - Intercompany balances with group and associated companies

<i>Receivables</i>	2023	2022
Accounts receivable	2 848 162	3 432 542
Other short-term receivables	3 676 241	3 815 712
Total intercompany receivables	<u>6 524 403</u>	<u>7 248 254</u>

<i>Payables</i>	2023	2022
Accounts payable	4 560 320	14 639 576
Other short-term payables	1 529 630	1 461 978
Total intercompany payables	<u>6 089 950</u>	<u>16 101 554</u>

Note 9 - Bank deposit

The entity has a bank guarantee covering employee withholding tax.

Note 10 - Equity

	Share capital	Other equity	Total
Equity 01.01.	676 000	37 493 164	38 169 164
Net profit for the year	0	6 764 634	6 764 634
Pension booked to equity	0	967 980	967 980
Equity 31.12.	<u>676 000</u>	<u>45 225 778</u>	<u>45 901 778</u>

Note 11 - Share capital and shareholder information

The company has 676 shares with a nominal value of NOK 1000 per share. The book value of share capital is NOK 676 000.

At 31 December 2023, the company's immediate parent undertaking is Smith & Nephew USD Ltd, a company incorporated in the United Kingdom.
The ultimate parent company which consolidates these financial statements is Smith & Nephew plc, which is incorporated in the United Kingdom. Copies of the group financial statements can be obtained from the company's website at www.smith-nephew.com.



Smith & Nephew AS

Notes to the accounts for 2023

Note 12 - Pensions

The company has pension schemes that defines an amount of pension benefit that an employee will receive on retirement, which is dependent on various factors such as years of service, final salary and the size of the benefits from Folketrygden. The obligations are covered through an insurance company.

The group follows IAS 19 §93A and recognises remeasurements arising from defined benefit plans in equity and all other expenses, such as service cost, interest income, interest expense and administration costs are recognised in the income statement.

The company operates a defined contribution pension plan. Contributions are recognised as an employee benefit expense when they are due.

	2023	2022
Service cost	1 299 000	1 575 000
Interest cost	1 297 000	837 000
Return on pension plan assets	-1 200 000	-773 000
Administration costs	25 000	32 000
Pension cost recognized in the income statement	<u>1 421 000</u>	<u>1 671 000</u>

	2023	2022
Earned pension obligations	<u>33 071 000</u>	<u>35 364 000</u>
Estimated pension obligations	33 071 000	35 364 000
Pension plan assets (market value)	<u>32 700 000</u>	<u>32 750 000</u>
Net benefit obligations	<u>371 000</u>	<u>2 614 000</u>

As of 31.12.2023 there were 8 employees and 6 retired in the pension scheme.

<i>Principal assumptions:</i>	2023	2022
Discount rate	4,10%	3,70%
Expected compensation increase	3,00%	3,75%
Expected return on pension plan assets	3,50%	3,50%
Expected pension increase	2,40%	1,70%

The actuarial assumptions are based on assumptions of demographic factors normally used within the insurance industry.