



Annual report 2015

(1st January 2015 – 31st December 2015)

Dirigent: Emilie Rast
13. maj 2016

Novo Nordisk
Pharmatech A/S



Novo Nordisk Pharmatech A/S

Københavnsvej 216

4600 Køge

CVR. no. 13246149

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Management's Statement

The Executive and Board of Directors have today approved the Annual Report of Novo Nordisk Pharmatech A/S for the financial year 1 January – 31 December 2015.

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 financial position at 31 December 2015 of the Company and the results of the Company operations for 2015.

In our opinion, 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.

Køge, 1 February 2016

Executive Management:

.....
Rasmus Hother le Fevre
CEO

Board of Directors:

.....
Henrik Wulff
Chairman

.....
Peter Haahr

.....
Henrik Dvinge

.....
Michael Hallgren

.....
Ole F. Ramsby

.....
Erik F. Mortensen

Independent Auditor's Report

To the shareholder of Novo Nordisk Pharmatech A/S

Report on the Financial Statements

We have audited the financial statements of Novo Nordisk Pharmatech A/S for the financial year 1 January – 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

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 that Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation of Financial Statements that give a true and fair view 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the Company's financial position at 31 December 2015 and of the results of the Company operations for the financial year 1 January – 31 December 2015 in accordance with the Danish Financial Statements Act.

Statement on the Management's review

We have read Management's Review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's Review is consistent with the Financial Statements.

Hellerup, 1 February 2016
PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
CVR-no. 33 77 12 31

Torben Jensen
State Authorised Public Accountant

Conrad Lundsgaard
State Authorised Public Accountant

Management's review

Company Information

Activity:	Supply of ingredients and active pharmaceutical ingredients for the biopharmaceutical and pharmaceutical industries.
Board of Directors	Henrik Wulff, Chairman Michael Hallgren Peter Haahr Ole F. Ramsby Henrik Dvinge Erik F. Mortensen
Executive Director	Rasmus Hother le Fevre
Location	Køge
CVR no:	13 24 61 49
Address:	Københavnsvej 216, 4600 Køge
Financial calendar:	1 January – 31 December
Audit	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 2900 Hellerup
Share capital:	Kr. 10,000,000

Company Relationship

Novo Nordisk Pharmatech A/S is 100% owned by:

Novo Nordisk A/S
Novo Alle
2880 Bagsværd

Consolidated financial statements

The financial statement of the company is part of the consolidated financial statements of Novo Nordisk A/S and finally in the consolidated financial statements of Novo Nordisk Foundation.

The consolidated financial statements of Novo Nordisk A/S may be obtained at the following web address: www.novonordisk.com

The consolidated financial statements of Novo Nordisk foundation may be obtained at the following address:

Novo Nordisk Fonden
Tuborg Havnevej 19
DK- 2900 Hellerup

Financial highlights

Key figures (DKK 1,000)	2015	2014	2013	2012	2011
Key figures					
Result					
Revenue	505,233	495,202	497,979	461,863	293,534
Gross profit	228,049	176,596	170,714	155,424	128,733
Profit before financial income and expenses	115,550	68,271	62,273	57,766	42,533
Net financial	4,558	3,929	(2,739)	3,857	(5,358)
Net Profit for the year	92,104	55,343	46,703	46,356	27,297
Balance					
Balance sheet total	618,589	452,142	427,784	467,067	407,911
Investment in property, plant and equipment	42,558	35,161	18,782	38,844	83,861
Equity	400,921	336,817	304,474	257,771	205,129
Average number of employees	150	150	141	130	126
Ratios in %					
Gross margin	45.1	35.7	34.3	33.7	43.9
Profit margin	22.9	13.8	12.5	12.5	14.5
Return of assets	18.7	15.1	14.6	12.3	10.4
Solvency ratio	64.8	74.5	71.2	55.1	50.3
Return on equity	25.0	17.3	16.6	20.0	14.3

Review

Performance 2015

Novo Nordisk Pharmatech A/S (hereafter Pharmatech) is a company 100% owned by Novo Nordisk A/S (hereafter Novo Nordisk). Novo Nordisk is also the single biggest customer buying Silica gel, Enzymes, Analytical Columns and Micro-analysis services.

As per 1st September 2015 the company changed name from FEF Chemicals A/S to Novo Nordisk Pharmatech A/S.

Pharmatech's other activities are manufacturing and sales of active pharmaceutical ingredients (API) and excipients to the pharmaceutical and biopharmaceutical industry comprising of quaternary amines and Human Insulin. The majority of these products are exported throughout the world, with the US as the single biggest market.

As per 1st September 2015, Pharmatech implemented a new ERP solution. In connection with the implementation, procedures were reviewed, and if necessary adjusted. This has included a revised method for calculation of indirect production costs (hereafter IPC) resulting in a significant increase in IPC of DKK 19.1 million at the time of migration.

Development in 2015

Pharmatech's revenue in 2015 was DKK 505,233k which was 2% higher than in 2014. The underlying reasons for the increase were.

- Strong sales development in insulin with an increase in volume of 8% compared to 2014, as well the positive effect of the movement in the USD exchange rate.
- Decrease in sales to Novo Nordisk of 16% compared to 2014. This was caused by a one-off reduction in IPC costs due to the new valuation method of valuing inventory, thus lowering revenue as products and services to Novo Nordisk are sold on a cost plus basis.

The growth in gross profit of 29% was largely due to the aforementioned one-off reduction in IPC costs, along with increased insulin sales. The underlying drivers are better yields and product mix, favouring the increase of sales to customers outside Novo Nordisk resulting in a gross margin of 45.1% in 2015 vs. 34.3% in 2014. The net profit after tax is DKK 92,104k vs DKK 55,343k in 2014, resulting in a profit margin of 22.9%.

The use of Silica gels is still being improved and it has proven possible to optimize the current manufacturing processes further enabling lower end costs.

Risks

Pharmatech does not have significant risks besides the dependency of trade with its owner Novo Nordisk.

Currency exposure

Pharmatech is exporting a major part of the sales, mainly in USD. Likewise a part of the raw materials purchases are in foreign currencies, mainly USD. Consequently, the currency exposure is partly hedged and therefore expected to be limited and not a significant financial risk for Pharmatech.

For 2015 the higher USD has had a positive impact of DKK 7 million on the revenue and DKK 5 million on the financial result.

Outlook 2016

For 2016 it is expected that total sales in Pharmatech will increase and be more than 10% higher than 2015 driven by all product groups.

Due to the one off impact in 2015 from increased IPC it is expected that both gross margin and profit margin will decrease to be in line with 2014.

It is expected that sales of both Silica gels and enzymes to Novo Nordisk will be above the 2015 level. The export of insulin for technical use and quaternary amines are expected to grow in line with the market of 6-8%. Due to the one-off impact of the IPC the profit in 2016 is expected to be lower than 2015.

It is expected that the level of investments in 2016 will be at the same level as 2015 with investments in production equipment as well as quality and safety improvements.

Foundations for the business

Knowledge capital of Pharmatech

It is the foundation of Pharmatech to be a quality supplier of high value products to the pharmaceutical and the biopharmaceutical industry. The knowledge capital of Pharmatech is within 6 main areas: silica gel technology, purification of proteins, micro-analysis, analytical columns, cGMP production of quaternary amines and insulin for technical use.

Pharmatech is a competence centre for the use of silica gels for chromatographical purification in Novo Nordisk. The technological knowledge is secured by interaction with users in production, process support and R&D departments in Novo Nordisk. Furthermore improvements are implemented to the mechanical and chemical lifetime of the product, often in close cooperation with the suppliers.

This work forms the basis for continuous improvements of the products in Pharmatech and contributes to reducing costs in Novo Nordisk for purification of products and this is expected to continue.

Pharmatech is building up knowledge within the application of insulin as excipients in the production of biopharmaceutical products. This will support and develop that part of Pharmatech's business.

Corporate Social Responsibility as required by section 99a of the Danish Financial Statements Act

Pharmatech strives to conduct its activities in a financially, environmentally and socially responsible way.

The Corporate social responsibility equals the concept of the Triple Bottom Line. The environmental and social activities are described below under "Health, safety and environment".

For Pharmatech, climate change is part of our approach to environmental management and encompasses ongoing focus on saving energy and reduction of emissions of organic solvents to the atmosphere.

With respect to human rights, Pharmatech defines the company's focus as its own employees and their rights and well-being. Therefore, beside ensuring legal compliance with worker's rights, discrimination and the right to organize at all times, our activities towards human rights include general safety and prevention of accidents, prevention of stress and work related illnesses as well as ensuring general good health among our employees.

Pharmatech supports the fight against bribery in international business, as bribery undermines sustainable development and the rule of law. We are committed to complying with all local law and regulations, including the United States' Foreign Corrupt Practices Act and the United Kingdom's Bribery Act.

Health, safety and environment

Health and safety

Employee safety and health are important to Pharmatech.

The company works with large amounts of chemicals, and health and safety conditions are incorporated in all our work tasks. This is ensured by the occupational health and safety according to OHSAS 18001.

Every year the company is inspected by the Danish fire and rescue services. During inspections in 2015 Danish fire and rescue services found everything to be in order.

In order to further strengthen prevention, a contract has been signed with the Danish Institute of Fire and Security Technology for a semi-annual fire inspection. The Danish Institute of Fire and Security Technology assesses companies' fire safety. In 2015, Pharmatech received a score above average for the chemical industry.

Since 2013, Pharmatech has not had any reportable occupational injuries longer than one day. Efforts to reduce the number of work related accidents are a result of focusing on near misses (near-accidents). In 2015, 84 near misses were registered. These records are used continuously to prevent accidents in the company.

The Park and Area project has resulted in separate areas for vehicles and pedestrians. A new gate has also been installed in order to prevent unauthorized access to the site.

Pharmatech has set targets for a healthy and safe work:

- We will ensure good planning of our work
- We will design our working places optimally
- We will think about the working environment before we act – think twice
- We will develop our employees
- We will remove the dangerous goods, if we can
- We will handle dangerous chemicals in a safe way
- We will reduce risks of accidents and near misses through risk assessment
- We will analyse accidents, incidents and near misses
- We will communicate our stress policy
- We will work with our psychological working environment

Environment

Environmental considerations are an integrated part of our everyday work. The company is very aware that the operations of a chemical company can affect the environment, and Pharmatech is certified according to ISO 14001.

The most significant impacts of our activities on the environment are: emission of CO₂, atmospheric emission of organic solvents used in manufacturing processes, disposal of hazardous waste - mainly chemical residues from production and laboratories. In addition, we have a number of outdoor facilities such as ventilation systems, cooling systems and pumps, all of which brings us close to our granted noise limits during evenings and nights.

The production at Pharmatech has been environmentally approved by the Danish Ministry of the Environment in 2009. The Danish Ministry of the Environment oversees the company's environmental concerns, and Køge Municipality is the authority that oversees the release of wastewater into the public sewer and waste disposal.

According to our environmental policy Pharmatech has committed to the following targets:

- We reduce our waste volumes, noise impacts and emissions into the air
- We reduce our CO₂ emissions
- We run our business safely by conducting environment and risk assessments for all activities
- We will continue to systematically minimize the environmental impact when we develop new products and processes
- We will continue to encourage our customers to co-operate in the development of environmentally sound products and services
- We regularly report on environmental efforts and performance
- We maintain an open and trustworthy dialogue with our stakeholders
- We encourage staff environmental awareness to ensure an environmentally sound culture

In 2015, the environmental impact from our energy consumption decreased significantly; emissions of carbon dioxide decreased by more than 50% compared to 2014 emissions. This environmental improvement is due to an agreement about energy distribution, which ensures that Pharmatech is supplied only with electricity produced by wind mills. The agreement was made in 2014, starting January 2015.

In 2015, a complex construction project was finished – the Amine & Waste project. The main purpose of this project was to prevent earth and groundwater pollution when handling and storing large amount of chemicals. This target has now been achieved.

Key environmental data:

	2015	2014	2013	2012
Energy consumption (GJ)	21,198	20,564	22,102	21,974
Water consumption (m3)	65,901	57,878	55,857	66,449
Emissions to air				
Carbon dioxide (Tonnes)	809	1,719	1,708	1,617
Acetone (kg)	10,041	15,646	21,829	10,296
Emissions to sewer (m3)	7,130	5,872	5,683	4,930
Discharge to recipient (m3)	86,298	107,744	96,412	71,276
Waste				
Hazardous waste (Tonnes)	657	525	502	426
Non-hazardous waste (Tonnes)	60	50	47	51
Accidents	0	0	1	0
Average number of employees	150	150	141	130

Mandatory statement regarding the underrepresented gender on the Board of Directors, compliant with sec. 99 (b) of the Danish Financial Statements Act

To ensure that discussions include multiple perspectives representing the complex, global pharmaceutical environment, the Board of Directors aspires to be diverse in gender and nationality. It is the aim that by 2017, the Board consists of at least one shareholder-elected Board member with a nationality other than Danish - and at least one shareholder-elected Board members of each gender.

Currently all board members are Danes. In 2015, a new chairman of the board has been appointed. Despite efforts to find suitable female candidates, a more equal gender split in the BoD has not been realised.

The management team with the CEO and his direct reports consist of 5 Danes and 2 non-Danes, represented by 5 males and 2 females.

In 2015, Pharmatech has continued to provide equal opportunities to all employees when promoting, and when providing and funding additional education and training. Furthermore, Pharmatech has continued to strive to ensure that both male and female candidates apply for job openings in the management team, including the following efforts in 2015:

Recruitment procedures and recruitment:

- In 2015 , we had candidates of both sexes on the shortlist for recruitment in leadership positions
- We have in 2015 required head-hunters to presented candidates of both sexes
- In 2015, we have worked with that the appointments' committee composed of employees of both sexes whenever possible

Development and training:

- In 2015, 8 women and 9 men participated in leadership training, comprising of 5 leadership development programs.
- In 2015 60% of team leaders are women

The efforts cannot yet be seen as a more equal gender split in the Management team.

Subsequent events

There have not been any incidents after the balance sheet date, which have any significant impact on the annual report.

Financial Statements

Accounting policies

Basis of preparation

The financial statements included in this Annual Report have been prepared in accordance with the provisions of the Danish Financial Statement Act applying to large enterprises of reporting class C. The principal accounting policies set out below have been applied consistently for the years presented.

Recognition and measurement

All amounts are stated in DKK 1,000.

Revenue from goods sold is recognised when all of the following conditions are met:

- Pharmatech has transferred the significant risks and rewards of ownership of the goods to the buyer
- Pharmatech retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold
- The amount of revenue can be measured reliably
- It is probable that the economic benefits associated with the transaction will flow to the entity.

Sale of services is recognised on a straight line-basis over the service period.

Revenue is included in the income statement based on the above, including adjustments of financial assets and liabilities. Measurement is made at fair value or amortised cost price. Furthermore all expenses incurred to realise the revenue have been included in the income statement including depreciation, impairments, provisions and reversals subsequent to adjustments of estimates and judgements made by management.

Assets are recognised when it is probable that future economic benefits associated with the item will flow to Pharmatech and the cost of the item can be measured reliably.

Liabilities are recognised when it is probable that future economic benefits associated with the item will flow from Pharmatech and the liability can be measured reliably.

Initially assets and liabilities are recognised at cost price and subsequently measured as described below.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is the original cost price with deduction of payments and adjusted for the accumulated depreciation of the difference between cost price and the nominal value. Hereby any adjustment to market rate is allocated over the lifetime.

At measurement, any loss or risk expected before balance sheet date is included and confirmed at the balance sheet date.

Leases

All lease contracts are operational lease commitments. Payments on operational lease commitments are measured in the income statement as per the leasing period.

Foreign currencies

Transactions in foreign currencies have been measured at the rate of the transaction date. Gains and losses arising from the transaction date to the payment date are measured in the income statement as a financial income or expense.

Receivables, debt and other monetary items in foreign currencies which have not been settled on the balance date are measured at the currency rate of the balance date. The differences from the rate of the balance date and the rate of the transaction date is measured in the income statement as a financial income or expense.

Corporate tax and deferred tax

The company takes part in group taxation with the owner Novo Nordisk A/S and other Danish group enterprises. The tax of the group taxation with the owner and the group enterprises is allocated to the companies in accordance with the taxable income. The Danish companies in the group taxation are part of the on account taxation.

Tax on the year's net profit consist of actual tax and deferred tax and is measured in the income statement directly in accordance with the profit of the year and to the equity in accordance with transactions on the equity. Any part of the tax on the income statement related to extraordinary items is part of this, while the remaining part is part of the profit of the year.

Actual tax payments and tax receivables are measured in the balance as a receivable if prepaid tax exceeds actual tax and as a liability if prepaid tax is less than the actual tax.

Deferred tax arise from temporary differences between the accounting and taxable value of assets and liabilities using the liability method. Deferred tax is not recognised on temporary differences from non-tax deductible depreciation on goodwill and other items where temporary differences, except for company takeovers, have arisen at the time of acquisition without impact on profit or taxable income. In the situations where the taxable value can be measured after alternative tax rules, deferred tax is measured in accordance with the planned use of the assets and amortisation of the liability respectively.

Deferred tax assets including the taxable value of carried taxable losses are measured at the value, which the assets are expected to be realised by either offsetting in future taxable profit or by offsetting deferred tax liabilities within the same legal entity and the same jurisdiction.

Changes in deferred tax following changes in tax rates are measured in the income statement.

Income Statement

Revenue

Sale of goods is recognised in the income statement if delivery and risk have been transferred to the buyer before the balance sheet date. The revenue is measured excluding vat and after rebate associated with the sale.

Sale of services is recognised on a straight line-basis over the service period.

Expenses for raw materials and consumables

Expenses for raw materials and consumables include the use of raw materials and consumables associated with the revenue for the year.

Other external expenses

Other external expenses include indirect production expenses and expenses for buildings, sales, distribution, administration etc.

Other external expenses also include research and development expenses not meeting the criteria for capitalisation, including expenses for maintenance of the existing product portfolio.

Staff expenses

Staff expenses include wages and salaries as well as staff related expenses other than production related salaries.

Management incentive programme

Executive management participate in Novo Nordisk A/S's incentive programme. Novo Nordisk bears the cost.

Depreciation and Impairments

Depreciation and impairments include the depreciation and impairments of plant, property and equipment for the year.

Financial income and expenses

Financial income and expenses include interest, realised and unrealised currency adjustments as well as interests associated with the prepayment of taxes.

Balance Sheet

Property, plant and equipment

Property, plant and equipment is measured at cost price with deduction of accumulated impairments and depreciation.

Depreciation is provided under the straight-line method over the estimated useful lives of the assets as follows:

Buildings:	50 years
Plant and machinery:	8-16 years
Other equipment:	3-10 years

Intangible assets

Expenses incurred in connection with the development of software are recorded at cost less accumulated amortisation in the balance sheet to the extent that it is estimated that there is a connection between costs incurred and future earnings.

The amortisation of development costs is based on an estimate of the financial useful life of the individual projects and is calculated on a straight line basis over 5 years.

Development projects, which do not qualify for recognition in the balance sheet, are recognised in the income statement as costs in the year of acquisition.

Finished development projects are reviewed at the time of completion and on an annual basis to determine whether there is any indication of impairment. If this is indicated, an impairment test is carried out for the individual development projects. For development projects in progress, however, an annual impairment test is always performed. The impairment test is performed on the basis of various factors, including future use of the project, the fair value of the estimated future earnings or savings, interest rates and risks.

Impairment of fixed assets

The carrying amount of intangible assets and property, plant and equipment are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, an impairment test is carried out to determine whether the recoverable amount is lower than the carrying amount and the asset is written down to its lower recoverable amount. This impairment test is performed on an annual basis for development projects in progress irrespective of any indication of impairment.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. Cost comprises direct production costs such as raw materials, consumables and labour as well as indirect production costs (IPC). Production costs for work in progress and finished goods include IPC such as employee costs, depreciation, maintenance etc.

If the expected sales price less completion costs to execute sales (net realisable value) is lower than the carrying amount, a write-down is recognised for the amount by which the carrying amount exceeds its net realisable value.

Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowances for doubtful trade receivables.

Prepayments

Prepayments are payments made concerning subsequent financial years.

Debt

Debt to banks, suppliers etc. is measured at amortised cost price or lower net realisable value which in most situations corresponds to the nominal value.

Cash Flow Statement

Cash flow statement is not included under reference to Danish Financial Statement Act §86, section 4 as Novo Nordisk Pharmatech A/S is included in the consolidated financial statement of Novo Nordisk.

Financial Definitions

Key figures are in accordance with The Danish Society of Financial Analysts' guidance from 2015.

Gross margin

Gross profit as a percentage of sales

Net profit margin

Net profit as a percentage of sales

Return on assets

Profit before financial income and expenses as a percentage of the total assets

Solvency ratio

Equity on the balance sheet date as a percentage of the total assets

Return on equity

Net profit for the year as a percentage of the shareholders' equity (average)

Income statement

1 January – 31 December 2015

2015		2014	Note
505,233	Revenue	495,202	1
113,808	Change in inventories of finished goods and work in progress	(1,423)	
619,041		493,779	
(336,584)	Expenses for raw materials and consumables	(266,275)	
(54,407)	Other external expenses	(50,908)	2
228,049	Gross profit	176,596	
(93,548)	Staff expenses	(89,597)	3
(18,951)	Depreciation and impairments of assets	(18,728)	7
115,550	Profit before financial income and expenses	68,271	
19,306	Financial income	8,116	
(14,748)	Financial expenses	(4,187)	4
120,108	Profit before tax	72,200	
(28,004)	Tax on profit for the year	(16,857)	5
92,104	Net Profit for the year	55,343	

Distribution of profit

2015		2014
72,104	Retained earnings	27,343
20,000	Dividend	28,000
92,104		55,343

Balance Sheet

31 December 2015

2015		2014	Note
	Fixed assets		
	Intangible assets		6
12,302	Development projects	1,741	
12,302	Intangible assets	1,741	
	Property, plant and equipment		7
175,486	Land and building	179,652	
96,268	Plant and machinery	43,082	
989	Other fixtures and fittings, tools and equipment	2,000	
11,267	Property, plant and equipment in progress	37,159	
284,010	Property, plant and equipment	261,893	
296,312	Fixed assets	263,634	
	Current assets		
270,095	Inventories	160,294	8
	Receivables		
36,737	Trade receivables	23,615	
2,850	Receivables from group enterprises	15	
12,146	Other receivables	1,863	
449	Prepayments	531	9
52,182	Receivables	26,024	
0	Cash at bank and in hand	2,190	
322,227	Current assets	188,508	
618,589	ASSETS	452,142	

Balance Sheet

31 December 2015

Liabilities and equity

2015		2014	Note
	Equity		10
10,000	Share capital	10,000	
370,921	Retained earnings	298,817	
20,000	Proposed dividend	28,000	
400,921	Equity	336,817	
	Provisions		
17,396	Provision for deferred tax	11,317	5
17,396	Provisions	11,317	
	Short-term debt		
10,809	Trade payables	28,568	
160,298	Payables to group enterprises	50,404	
5,787	Corporation tax	1,222	5
23,378	Other Payables	23,814	
200,272	Short-term debt	104,008	
618,589	Liabilities and equity	452,142	
	Contingent assets, liabilities and other financial obligations		11
	Related parties and ownership		12

Changes to equity

	Share capital	Retained earnings	Proposed dividend for the year	Total
Equity 1 Jan. 2015	10,000	298,817	28,000	336,817
Paid dividend			(28,000)	(28,000)
Net profit for the year		72,104	20,000	92,104
Equity 31 Dec. 2015	10,000	370,921	20,000	400,921

Notes to the financial statement

2015		2014
	1. Revenue	
	Segmentation on activities	
294,784	Exports	256,593
210,449	Group	238,609
	The geographical split follows the split of the business, as the segment Group covers Denmark and the segment Export primarily covers the revenue to the rest of the world.	
	2. Fee to auditors appointed at the general meeting	
	No information is provided with reference to the Danish Financial Statement Act §96, section 3	
	3. Staff Expenses	
84,460	Wages and salaries	82,975
8,367	Pensions	8,302
721	Other social security expenses	745
93,548		92,022
	Including remuneration to the Executive and Board of Directors of DKK 2,021k compared to DKK 2,005k in 2014.	
1,773	Wages and salaries	1,760
146	Pensions	143
102	Other	102
2,021		2,005
150	Average number of employees	150
	4. Financial expenses	
(122)	Interest paid to group enterprises	(306)
(14,625)	Other financial expenses	(3,881)
(14,748)		(4,187)

Notes to the financial statement

5. Tax on profit/Loss for the year

	Corporation tax	Deferred tax	Total tax for the year
1 January 2015	1,222	11,317	0
Adjustments concerning prior years	358	(1,948)	(1,590)
Current tax for the year	21,567	8,027	29,594
Settlement re: 2014 tax	(1,901)	0	0
Prepaid tax for the year	(15,459)	0	0
31 December 2015	5,787	17,396	28,004

Specification deferred tax

	2015	2014
Other payables	0	(608)
Property, plant and equipment	7,481	1,743
Land and buildings	8,927	8,312
Inventories	988	1,870
Deferred tax 31 December	17,396	11,317

Notes to the financial statement

6. Intangible assets

	Development projects in progress	Development projects completed
Cost at 1 January 2015	1,741	0
Additions for the year	10,769	0
Disposals for the year	0	0
Transfers for the year	-12,510	12,510
Cost at 31 December 2015	0	12,510
Impairment losses and amortisation at 1 January 2015	0	0
Amortisation for the year	0	208
Reversal of impairment and amortisation of sold assets	0	0
Impairment losses and amortisation at 31 December 2015	0	208
Carrying amount at 31 December 2015	0	12,302

Notes to the financial statement

7. Property, plant and equipment

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Property, plant and equipment in progress	Total
Cost at 1 January 2015	211,268	219,376	7,430	37,159	475,233
Adjustments to previous year	(223)	2,522	0	0	2,329
Additions for the year	520	2,795	0	39,242	42,557
Disposals for the year	(338)	(1,874)	(178)	(1,282)	(3,672)
Transfers for the year	0	63,852	0	(63,852)	0
Cost at 31 December 2015	211,227	286,701	7,252	11,267	516,447
Impairment losses and depreciation at 1 January 2015	31,615	176,294	5,430	0	213,339
Adjustments to previous year	0	2,309	0	0	2,309
Depreciation for the year	4,198	13,577	968	0	18,743
Reversal of impairment and depreciation of sold assets	(72)	(1,747)	(135)	0	(1,954)
Impairment losses and depreciation at 31 December 2015	35,741	190,433	6,263	0	232,437
Carrying amount at 31 December 2015	175,486	96,268	989	11,267	284,010

Notes to the financial statement

8. Inventories

2015		2014
84,402	Raw material and consumables	88,409
708	Work in progress	110
184,985	Finished goods	71,776
270,095		160,294

9. Prepayments

Prepayments consist of payments made for subsequent years and concern insurance premium and canteen costs.

10. Equity

The share capital consists of shares at DKK 1,000 or multiples hereof.

11. Contingent assets, liabilities and other financial obligations

Rental agreements and leases

Leasing obligations concerns cars and equipment

2015		2014
67	Within 1 year	224
0	Between 2 and 5 years	68
67		292

Contingent liabilities

Novo Nordisk Pharmatech A/S, Novo Nordisk A/S and its Danish subsidiaries are jointly taxed with the Danish companies in the Novo A/S Group. The joint taxation also covers withholding taxes in the form of dividend tax, royalty tax and interest tax. The Danish companies are jointly and individually liable for the joint taxation since 2014. Any subsequent adjustments to income taxes and withholding taxes may lead to a larger liability. The tax for the individual companies is allocated in full on the basis of the expected taxable income.

Notes to the financial statement

12. Related parties

Controlling interest

Novo Nordisk Foundation

Parent foundation

Novo A/S

Intermediate parent company

Novo Nordisk A/S

Immediate parent company

Other related parties

Executive director

Rasmus Hother le Fevre

Board of directors

Henrik Wulff

Chairman

Michael Hallgren

Peter Haahr

Ole F. Ramsby

Henrik Dvinge

Erik F. Mortensen

Transactions

All group internal transactions are on market terms.