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IQVIA Partners A/S

Blegdamsvej 104 C
København Ø

Annual report for 2020

Adopted at the annual general meeting on
14 July 2021

Kenneth Arthur Mikkelsen
chairman

CVR-nr. 21 33 26 07

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STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory and executive boards have today discussed and approved the annual report of IQVIA Partners A/S for the financial year 1. January - 31. December 2020.

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

In our opinion, the financial statements give a true and fair view of the company's financial position at 31. December 2020 and of the results of the company's operations for the financial year 1. January - 31. December 2020.

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

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

Copenhagen, 14 July 2021

Board of Executives

Kenneth Arthur Mikkelsen

Board of Directors

Imran Hasan Mecci Chairman	Ditlev Paul Casper Moltke	Kenneth Arthur Mikkelsen

INDEPENDENT AUDITOR'S REPORT

To the shareholders of IQVIA Partners A/S

Auditors' Report on the Financial Statements

Opinion

We have audited the financial statements of IQVIA Partners A/S for the financial year 1. January - 31. December 2020, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31. December 2020 and of the results of the company's operations for the financial year 1. January - 31. December 2020 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements, that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

INDEPENDENT AUDITOR'S REPORT

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on management's review
Management is responsible for management's review.

Our opinion on the financial statements does not cover management's review, and we do not express any form of assurance conclusion thereon.

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

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

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

INDEPENDENT AUDITOR'S REPORT

Report on other legal and regulatory requirements

Non compliance with the Danish Companies act section 58 a - Duty to investigate changes in beneficial owners

The result of the annual check of changes in the beneficial owners has not been presented at the meeting where the central management body approved the annual report as required by the Danish Companies Act. The management may be held liable in this regard.

Copenhagen, 14 July 2021

MAZARS
Statsautoriseret Revisionspartnerselskab
CVR no. 31 06 17 41

Kurt Christensen
Statsautoriseret revisor
(State-authorised public accountant)
MNE no. mne26824

COMPANY DETAILS

The company	IQVIA Partners A/S Blegdamsvej 104 C København Ø	
	CVR no.:	21 33 26 07
	Reporting period:	1. January - 31. December 2020
	Domicile:	Copenhagen
Board of Directors	Imran Hasan Mecci, chairman Ditlev Paul Casper Moltke Kenneth Arthur Mikkelsen	
Board of Executives	Kenneth Arthur Mikkelsen	
Auditors	Mazars Statsautoriseret Revisionspartnerselskab Midtermolen 1, 2.tv. 2100 København Ø	

MANAGEMENT'S REVIEW

Business review
IQVIA Partners purpose is to do business with the development and sale of computer programs as well as providing consultancy services, market research services and IT services.

Financial review
The company's income statement for the year ended 31 December 2020 shows a profit of DKK 7.299.051, and the balance sheet at 31. December 2020 shows equity of DKK 16.011.069.

The Company is operating within the medical industry and as such has not been significantly affected by the COVID-19 pandemic.

During the closing of the 2020 statements significant errors regarding prior year was identified in regard of intangible assets not owned by the entity and utlized tax losses in the joint taxation with no remuneration received from companies benefitting from the tax losses. We refer to further description under accounting policies.

Significant events occurring after the end of the financial year
No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Expected development of the company, including specific prerequisites and uncertainties
The company is planned to merge with the sister companies IQVIA Solutions A/S and Tarius A/S during the second quater of 2021. IQVIA Solutions A/S is planned to be the continuing company after the merger.

ACCOUNTING POLICIES

The annual report of IQVIA Partners A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B, as well as provisions applying to reporting class C entities.

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

The annual report for 2020 is presented in DKK

Adjustment of significant errors

Intangible assets recognized

It has been concluded that the software recognized as intangible assets was not owned by the company. The cost should have been expensed over the profit and loss statement prior years. As such adjustments has been made reversing the cost 2,702 kDKK and accumulated depreciation 1,031 kDKK as well as this years depreciation 540 kDKK over equity. The net effect over equity of 2,211 kDKK is displayed in the statement of changes in equity. Comparison figures have been restated to reflect the change reducing intangible assets by 2,211 kDKK, reducing depreciation by 349 kDKK and reducing equity by 2,560 kDKK resulting in a net effect on equity of 2,211 kDKK.

Tax loss utilized in joint taxation

During the year it was identified that previous taxable income and losses had not been settled between entities in the joint taxation. As such there had been no booking of prior year taxes in the entity as no total tax was payable for the joint taxation group. Prior years taxable income has been adjusted as well as presentation of joint taxation not paid between entities. This has been adjusted by recognizing a receivable from the administrative company as receivables from group companies 5,051 kDKK against equity. Comparison figures have been restated to reflect the change by increasing tax income for the year by 2,594 kDKK, increasing deferred tax by 2,594 kDKK, increasing receivables from group companies by 2,458 and increasing equity by 2,458.

Basis of recognition and measurement

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

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

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

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

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

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

ACCOUNTING POLICIES

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

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

Revenue
Income from the sale of goods for resale and finished goods is recognised in the income statement, provided that the transfer of risk, usually on delivery to the buyer, has taken place and that the income can be measured reliably and is expected to be received.

Income from customised products is recognised as production is carried out, implying that revenue corresponds to the selling price of contracts completed in the year (percentage-of-completion method). This method is applied where the total income and expenses relating to the contract and the stage of completion at the balance sheet date can be estimated reliably and it is probable that future economic benefits will flow to the Company.

Revenue is measured at fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. Revenue is net of all types of discounts granted.

Other operating income
Other operating income comprises items of a secondary nature relative to the company's activities, including gains on the sale of intangible assets and items of property, plant and equipment.

Other operating expenses
Other operating expenses comprise items of a secondary nature relative to the company's activities, including losses on the sale of intangible assets and items of property, plant and equipment.

Other external expenses
Other external expenses include expenses related to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

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

Financial income and expenses
Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year. Net financials include interest income and expenses, financial expenses relating to finance leases, realised and unrealised capital/exchange gains and losses on securities, liabilities and foreign currency transactions, amortisation of financial assets and liabilities and surcharges and allowances under the Danish Tax Prepayment Scheme, etc.

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

ACCOUNTING POLICIES

Balance sheet

Tangible assets

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

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

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

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

	Useful life
Other fixtures and fittings, tools and equipment	3-5 years

Impairment of fixed assets

The carrying amount of intangible assets, items of property, plant and equipment and investments in subsidiaries, associates and participating interests is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

Contract work in progress

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

Where the selling price of work in progress cannot be estimated reliably, the selling price is measured at the lower of costs incurred and net realisable value.

The individual work in progress is recognised in the balance sheet under receivables or payables. Net assets comprise the sum of work in progress where the selling price of the work performed exceeds invoicing on account. Net liabilities comprise the sum of work in progress where invoicing on account exceeds the selling price.

Selling costs and costs incurred in securing contracts are recognised in the income statement as incurred.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Income tax and deferred tax

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

ACCOUNTING POLICIES

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

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax adjustments resulting from changes in tax rates are recognised in the income statement, with the exception of items taken directly to equity.

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

Liabilities
Liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

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

Foreign currency translation
On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under ‘Equity’.

Foreign subsidiaries, associates and participating interests are considered separate entities. The income statements are translated at the average exchange rates for the month, and the balance sheet items are translated at the exchange rates at the balance sheet date. Foreign exchange differences arising on translation of such entities opening equity at closing rate and on translation of the income statements from the exchange rates at the transaction date to closing rate are taken directly to the fair value reserve under 'Equity' in the consolidated financial statements.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2020	2019
		DKK	TDKK
Gross profit		**15.205.965**	**13.774**
Staff costs	1	-9.993.183	-12.065
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-10.765	-41
Profit/loss before net financials		**5.202.017**	**1.668**
Financial income		41.462	408
Financial costs		-584.931	-137
Profit/loss before tax		**4.658.548**	**1.939**
Tax on profit/loss for the year	2	2.640.503	3.094
Profit/loss for the year		**7.299.051**	**5.033**

Recommended appropriation of profit/loss

Retained earnings	7.299.051	5.033
	7.299.051	**5.033**

BALANCE SHEET 31 DECEMBER

	Note	2020	2019
		DKK	TDKK
ASSETS			
Other fixtures and fittings, tools and equipment		30.352	40
Tangible assets		**30.352**	**40**
Deposits		718.283	718
Fixed asset investments		**718.283**	**718**
Total non-current assets		**748.635**	**758**
Trade receivables		4.202.724	3.210
Contract work in progress		397.668	1.070
Receivables from group companies		39.974.712	16.788
Other receivables		59.981	0
Deferred tax asset		3.140.503	3.094
Prepayments		477.837	400
Receivables		**48.253.425**	**24.562**
Cash at bank and in hand		**6.855.650**	**4.757**
Total current assets		**55.109.075**	**29.319**
Total assets		**55.857.710**	**30.077**

BALANCE SHEET 31 DECEMBER

	Note	2020	2019
		DKK	TDKK
EQUITY AND LIABILITIES			
Share capital		545.504	546
Retained earnings		15.465.565	8.166
Equity		**16.011.069**	**8.712**
Other payables		0	256
Total non-current liabilities		**0**	**256**
Prepayments received from customers		0	33
Trade payables		4.052.734	2.444
Payables to group companies		33.454.735	17.262
Other payables		2.339.172	1.370
Total current liabilities		**39.846.641**	**21.109**
Total liabilities		**39.846.641**	**21.365**
Total equity and liabilities		**55.857.710**	**30.077**
Contingent liabilities	3		
Related parties and ownership structure	4		

STATEMENT OF CHANGES IN EQUITY

	Share capital	Reserve for development expenditure	Retained earnings	Total
Equity at 1 January 2020	545.504	2.211.020	3.114.685	5.871.209
Net effect from adjustment of error	0	-2.211.020	5.051.829	2.840.809
Adjusted equity at 1 January 2020	545.504	0	8.166.514	8.712.018
Net profit/loss for the year	0	0	7.299.051	7.299.051
Equity at 31 December 2020	545.504	0	15.465.565	16.011.069

NOTES

		2020	2019
		DKK	TDKK
1	**STAFF COSTS**		
	Wages and salaries	8.583.284	11.230
	Pensions	747.508	756
	Other social security costs	82.450	79
	Other staff costs	579.941	0
		9.993.183	12.065
	Average number of employees	12	15
2	**TAX ON PROFIT/LOSS FOR THE YEAR**		
	Deferred tax for the year	0	-2.594
	Adjustment of tax concerning previous years	-2.640.503	-500
		-2.640.503	-3.094
3	**CONTINGENT LIABILITIES**		
	Lease obligations under operating leases total future lease patments	811.125	787.500
		811.125	787.500

The company is jointly taxed with the group entities and is jointly and severally liable with other jointly taxed group entities for payment of income taxes as well as withholding taxes on interest.

4 RELATED PARTIES AND OWNERSHIP STRUCTURE

According to the company’s register of shareholders, the following shareholder holds at least 5% of the votes or at least 5% of the share capital:

IMS AG, Dorfplatz 4, CH-6330 Cham, Switzerland

Consolidated financial statements

The company is reflected in the group report as the parent company IQVIA Holdings Inc., USA

The group report of can be obtained at the following address:

www.iqvia.com
4820 Emperor BlvdDurham
NC 27703, USA