



**Arrow Group ApS**

c/o Teva Denmark A/S Vandtårnsvej 83 A, DK-2860 Søborg  
**CVR-no. 25 19 46 24**

**Annual Report for 2021**

The Annual Report was presented and adopted at  
the Annual General Meeting of the company on  
22 Jun 2022



**Kim Poché**  
Chairman

## **Contents**

	<b><u>Page</u></b>
Management's Statement	1
Independent Auditor's Report	2
Company Information	5
Management's Review	6
Income Statement 1 January - 31 December	7
Balance Sheet 31 December	8
Notes to the Financial Statements	10

---

## Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Arrow Group ApS for the financial year 1 January - 31 December 2021.

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 2021 of the Company and of the results of the Company operations for 2021.

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.

Søborg,

### Executive Board

  
Umberto Calabrese  
Executive Officer

  
Kim Vallentin Peetz  
Executive Officer

---

## **Independent Auditor's Report**

To the Shareholder of Arrow Group ApS

### **Opinion**

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2021 and of the results of the Company's operations for the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Arrow Group ApS for the financial year 1 January - 31 December 2021, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("the Financial Statements").

### **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' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **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 Financials Statements Act.

Based on the work we have performed, in our view, 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 in Management's Review.

---

## **Independent Auditor's Report**

### **Management's responsibilities for the Financial Statements**

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

In preparing the Financial Statements, Management is responsible for assessing the 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:

- 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.

---

## Independent Auditor's Report

- 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.

Hellerup, 22 June 2022

**PricewaterhouseCoopers**

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31



Martin Lunden

State Authorised Public Accountant

mne32209



Thomas Lauritsen

State Authorised Public Accountant

mne34342

## **Company Informarion**

### **The Company**

Arrow Group ApS

c/o Teva Denmark A/S Vantårdsvej 83 A DK-2860 Søborg

CVR-no.: 25 19 46 24

Financial period: 1 January - 31 December

Municipality of reg. Office: Gladsaxe

### **Executive Board**

Umberto Calabrese

Kim Vallentin Peetz

### **Auditors**

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

Strandvejen 44

DK-2900 Hellerup

## **Management's Review**

### **Key activities**

The company is a holding company.

The Group is engaged in the development, manufacturing, marketing and distribution of generic pharmaceuticals and specialised branded pharmaceutical products.

### **Development in the year**

The income statement of the Company for 2021 shows a profit of USD 351,280 and at 31 December 2021 the balance sheet of the Company shows equity of USD 28,696,474.

### **Uncertainty relating to recognition and measurement**

Recognition and measurement in the Annual Report have not been subject to any uncertainty.

### **Subsequent events**

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Reference is made to Note 10 – subsequent events.



## Income Statement 1 January - 31 December

	Note	2021 USD	2020 USD
<b>Gross profit/loss</b>		<b>(13,488)</b>	<b>(43,329)</b>
Gain/loss from investments in subsidiaries	2	0	(16,939,050)
Financial income	3	485,676	120,897,668
Financial expenses	4	(112,964)	(226,844)
<b>Profit/loss before tax</b>		<b>359,224</b>	<b>103,688,441</b>
Tax on profit/loss for the year	5	(7,944)	130,634
<b>Net Profit/loss for the year</b>		<b>351,280</b>	<b>103,819,075</b>
<b>Distribution of profit</b>			
<b>Proposed distribution of profit</b>			
Paid extraordinary dividend		0	104,044,839
Retained earnings		351,280	(225,764)
		<b>351,280</b>	<b>103,819,075</b>

## Balance Sheet 31 December

	Note	2021 USD	2020 USD
<b>Assets</b>			
Investments in Subsidiaries	6	<u>2,570,464</u>	<u>2,570,464</u>
<b>Fixed asset investments</b>		<u><b>2,570,464</b></u>	<u><b>2,570,464</b></u>
<b>Fixed assets</b>		<u><b>2,570,464</b></u>	<u><b>2,570,464</b></u>
Receivables from group enterprises		26,131,866	25,881,031
Joint Group Tax receivables		0	59,366
Other receivables		<u>16,012</u>	<u>14,597</u>
<b>Receivables</b>		<u><b>26,147,878</b></u>	<u><b>25,954,994</b></u>
<b>Cash at bank and in hand</b>		<u><b>2,713</b></u>	<u><b>3,600</b></u>
<b>Current assets</b>		<u><b>26,150,591</b></u>	<u><b>25,958,594</b></u>
<b>Assets</b>		<u><u><b>28,721,055</b></u></u>	<u><u><b>28,529,058</b></u></u>

## Balance Sheet 31 December

### Liabilities and equity

	Note	2021 USD	2020 USD
<b><i>Liabilities and equity</i></b>			
Share Capital		26,061,929	26,061,929
Retained earnings		<u>2,634,545</u>	<u>2,283,264</u>
<b>Equity</b>	<b>7</b>	<b><u>28,696,474</u></b>	<b><u>28,345,193</u></b>
Payables to group entities		12,172	168,174
Joint group tax payable		4,888	
Other Payables		<u>7,521</u>	<u>15,691</u>
<b>Short-term debt</b>		<b><u>24,581</u></b>	<b><u>183,865</u></b>
<b>Debt</b>		<b><u>24,581</u></b>	<b><u>183,865</u></b>
<b>Total equity and liabilities</b>		<b><u>28,721,055</u></b>	<b><u>28,529,058</u></b>
Staff expenses		1	
Contingent assets, liabilities and other financial obligations		8	
Related parties		9	

## Notes to the Financial Statements

	<u>2021</u> <u>USD</u>	<u>2020</u> <u>USD</u>
<b>1. Staff Expenses</b>		
There has been no employees in the company in the two preceding years		
Average number of employees	<u>0</u>	<u>0</u>
<b>2. Gain/loss from investments in subsidiaries</b>		
Impairment loss	<u>0</u>	<u>(16,939,050)</u>
	<u>0</u>	<u>(16,939,050)</u>
<b>3. Financial Income</b>		
Dividend income	0	120,897,335
Exchange gains	331	329
Interest received from group enterprises	485,345	0
	<u>485,676</u>	<u>120,897,664</u>
<b>4. Financial expenses</b>		
Interest paid to group enterprises	0	205,978
Interest paid to third parties	112,111	0
Exchange loss	863	20,866
	<u>112,964</u>	<u>226,844</u>
<b>5. Tax on profit/loss for the year</b>		
Current tax for the year	4,888	59,366
Adjustment of tax concerning previous years	<u>3,056</u>	<u>(71,268)</u>
	<u>7,944</u>	<u>(130,634)</u>

## Notes to the Financial Statements

	2021 USD	2020 USD
<b>6. Investment in subsidiaries</b>		
Cost at 1 January	37,277,987	20,425,491
Additional investment in subsidiaries	0	16,852,496
Disposals for the year	0	0
<b>Cost at 31 December</b>	<b>37,277,987</b>	<b>37,277,987</b>
Value adjustments at 1 January	(34,707,523)	(17,768,472)
Impairment loss	0	(16,939,051)
Value adjustments at 31 December	<b>(34,707,523)</b>	<b>(34,707,523)</b>
<b>Carrying amount at 31 December</b>	<b>2,570,464</b>	<b>2,570,464</b>

## 7. Equity

	Share Capital USD	Retained Earnings USD	Total USD
Equity at 1 January	26,061,929	2,283,264	28,345,193
Investment during the year	0	0	0
Net profit/(loss) for the year	0	351,280	351,280
Dividends paid	0	0	0
<b>Equity at 31 December</b>	<b>26,061,929</b>	<b>2,634,544</b>	<b>28,696,473</b>

---

## Notes to the Financial Statements

### 8. Contingent assets, liabilities and other financial obligations

#### Contingent liabilities

The Company is involved in disputes on an ongoing basis. In Management's view the outcome of these will not influence these Financial Statements significantly.

The group's Danish subsidiaries are jointly and severally liable for tax expenses in the jointly taxed incomes of the Group.

### 9. Related parties

#### Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:  
Teva Pharmaceutical Industries Limited, Israel

The Group Annual Report of Teva Pharmaceutical Industries Limited, Israel may be obtained at the following address:

5 Basel Street  
P.O. Box 3190  
Petach Tikva 49131, Israel

### 10. Subsequent events

The implications of COVID-19 with many governments across the world deciding to “close down their countries” will have great impact on the global economy. Management considers the implications of COVID-19 a subsequent event occurred after the balance sheet date (31 December 2021) which is therefore a non-adjusting event to the company.

The company is not directly affected by the events of COVID-19 but may be indirectly through its subsidiaries as it could potentially impact the value of these. However due to the business industry that the Companies operates in, we only expect a very limited impact.

---

## Notes, Accounting Policies

### Basis of preparation

The Annual Report of Arrow Group ApS for 2021 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C .

The accounting policies applied remain unchanged from last year.

Financial Statements for 2021 are presented in USD. The USD:DKK exchange rate as of year-end 2021 was 6,5669 (2020: 6,0576)

### Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements of Teva Pharmaceutical Industries Limited, Israel, the Company has not prepared consolidated financial statements.

### Recognition and measurement

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

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

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

---

## Notes to the Financial Statements

### Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

## Income Statement

### Other external expenses

Other external expenses compromise expenses for administration, office expenses etc.

### Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, revenue has not been disclosed in the Annual Report.

### Income from investments in subsidiaries

Dividends from subsidiaries are recognised as income in the income statement when adopted at the General Meeting of the subsidiary. However, dividends relating to earnings in the subsidiary before it was acquired by the Parent Company are set off against the cost of the subsidiary.

### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

### Tax on profit/loss for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the profit for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

The Company is jointly taxed with wholly owned Danish and foreign subsidiaries. The tax effect of the joint taxation is allocated to enterprises in proportion to their taxable incomes.



---

## **Notes to the Financial Statements**

### **Balance Sheet**

#### **Investments in subsidiaries**

Investments in subsidiaries are measured at cost. Where cost exceeds the recoverable amount, writedown is made to this lower value.

#### **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. Provisions for bad debts are determined on the basis of an individual assessment of each receivable, and in respect of trade receivables, a general provision is also made based on the Company's experience from previous years.

#### **Equity**

##### ***Dividend***

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

#### **Payables**

Trade payables compromise obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are classified as noncurrent liabilities. Trade and other payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### **Deferred tax assets and liabilities**

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realized, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognized in the income statement or in equity if the deferred tax relates to items recognized in equity.