
IMS Health Technology Solutions Denmark A/S

Blegdamsvej 104 C, DK-2100 København Ø

Annual Report for 1 January - 31 December 2016

CVR No 26 74 89 41

The Annual Report was
presented and adopted at
the Annual General
Meeting of the Company on
20/06 2017

Mark Andrew Sherriff
Chairman



Contents

	<u>Page</u>
Management's Statement and Auditor's Report	
Management's Statement	1
Independent Auditor's Report	2
Company Information	
Company Information	5
Management's Review	6
Financial Statements	
Income Statement 1 January - 31 December	7
Balance Sheet 31 December	8
Statement of Changes in Equity	10
Notes to the Financial Statements	11

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of IMS Health Technology Solutions Denmark A/S for the financial year 1 January - 31 December 2016.

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 2016 of the Company and of the results of the Company operations for 2016.

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.

Copenhagen, 20 June 2017

Executive Board

Manuel Diego Voll
CEO

Board of Directors

Alistair Roland Grenfell
Chairman

Mark Andrew Sherriff
Deputy Chairman

Ditlev Paul Casper Moltke

Charlotte Langtved Christensen

Independent Auditor's Report

To the Shareholder of IMS Health Technology Solutions Denmark A/S

Qualified opinion

In our opinion, except for the effects of the matter described in the Basis for qualified opinion paragraph, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of IMS Health Technology Solutions Denmark A/S for the financial year 1 January - 31 December 2016, 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 qualified opinion

The deferred tax asset has in the balance sheet been stated at DKK 1,640k. The Company has not provided presumptive evidence of future earnings to eliminate the tax loss carryforward of DKK 6,468k based on which the tax asset is primarily calculated. Therefore, we are not able to express an opinion on the value of the tax asset. A write-down of the tax asset to DKK 0 (zero) would affect results for the year and equity negatively by DKK 1,640k.

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 qualified 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

Independent Auditor's Report

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.

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.
- 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

Independent Auditor's Report

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, 20 June 2017

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33 77 12 31

Jan Boje Andreassen

State Authorised Public Accountant

Company Information

The Company

IMS Health Technology Solutions Denmark A/S
Blegdamsvej 104 C
DK-2100 København Ø

CVR No: 26 74 89 41

Financial period: 1 January - 31 December

Incorporated: 22 August 2002

Municipality of reg. office: København

Supervisory Board

Alistair Roland Grenfell, Chairman
Mark Andrew Sherriff
Ditlev Paul Casper Moltke
Charlotte Langtved Christensen

Executive Board

Manuel Diego Voll

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Management's Review

Key activities

As in prior years, IMS Health Technology Solutions Denmark A/S developed and rendered sales and marketing services to the pharmaceutical and the medical device industries in Denmark.

Development in the year

IMS Health Technology Solutions Denmark A/S moved in June 2016 from Søborg to the Rehfeld A/S address in Copenhagen this will give the benefit of the 2 companies have increase their knowledge sharing.

The management was changed and Manuel Diego Voll is now Managing director for the company as the company have been more integrated to the IMS group the company have now better access to knowledge through consulting services and new products has increased. That means that we are now able to deliver a wider portfolio of products and services to our clients in the healthcare industry for the years to come.

The income statement of the Company for 2016 shows a profit of DKK 676.507, and at 31 December 2016 the balance sheet of the Company shows equity of DKK 5.852.854

The Company's liquidity was improved significantly again during 2016. This is the 4th. year in a row.

The company obtained the expected reduction in interest expenses in 2014 and this will also had the positive impact on 2016 as we promised last year.

Furthermore, the Danish managing Director changed so the new Nordic General Manager Manuel Diego Voll in the new combined organization, and Denmark will naturally be more important in the future given the fact that the big HQs in the industry (Novo Nordisk, Leo Pharma & Lundbeck) are located in Denmark. This should increase our local turnover in the future. Nordic General Manager Manuel Diego Voll have several years of experience from the IMS group and this will benefit for the company to get this knowledge in the lead of the company.

On July 1st 2015 The IMS group purchased Rehfeld Partners A/S. Rehfeld will continue as a separate legal Danish unit under our control. Both companies will continue as separate legal units, but will both benefit of their common knowledge and access to the customers and marked, which will increase our combined marked substantially in the years to come.

Subsequent events

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

Income Statement 1 January - 31 December

	Note	2016 DKK	2015 DKK
Gross profit/loss		14.892.120	10.066.179
Staff expenses	1	-14.029.481	-8.971.250
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-40.044	-46.577
Profit/loss before financial income and expenses		822.595	1.048.352
Financial income		78.527	77.323
Financial expenses		-102.878	-250.659
Profit/loss before tax		798.244	875.016
Tax on profit/loss for the year	2	-121.737	-193.852
Net profit/loss for the year		676.507	681.164

Distribution of profit

Proposed distribution of profit

Retained earnings	676.507	681.164
	676.507	681.164

Balance Sheet 31 December

Assets

	Note	2016 DKK	2015 DKK
Other fixtures and fittings, tools and equipment		95.436	70.483
Property, plant and equipment		95.436	70.483
Other receivables (deposits)		0	690.748
Fixed asset investments		0	690.748
Fixed assets		95.436	761.231
Trade receivables		2.934.915	1.803.289
Receivables from group enterprises		6.164.214	5.777.103
Other receivables		360.707	24.958
Deferred tax asset	3	1.640.470	1.762.207
Prepayments		290.068	310.034
Receivables		11.390.374	9.677.591
Cash at bank and in hand		3.814.325	1.702.123
Currents assets		15.204.699	11.379.714
Assets		15.300.135	12.140.945

Balance Sheet 31 December

Liabilities and equity

	<u>Note</u>	<u>2016</u> DKK	<u>2015</u> DKK
Share capital		502.000	502.000
Retained earnings		5.350.854	4.674.348
Equity		<u>5.852.854</u>	<u>5.176.348</u>
Credit institutions		0	15.758
Prepayments received from customers		348.871	277.666
Trade payables		984.894	661.581
Payables to group enterprises		3.411.877	3.568.492
Other payables		4.701.639	2.441.100
Short-term debt		<u>9.447.281</u>	<u>6.964.597</u>
Debt		<u>9.447.281</u>	<u>6.964.597</u>
Liabilities and equity		<u>15.300.135</u>	<u>12.140.945</u>
Contingent assets, liabilities and other financial obligations	4		
Related parties	5		
Accounting Policies	6		

Statement of Changes in Equity

	Share capital	Retained earnings	Total
	DKK	DKK	DKK
Equity at 1 January	502.000	4.674.347	5.176.347
Net profit/loss for the year	0	676.507	676.507
Equity at 31 December	502.000	5.350.854	5.852.854

Notes to the Financial Statements

	2016	2015
	DKK	DKK
1 Staff expenses		
Wages and salaries	13.088.387	8.343.853
Pensions	721.355	542.913
Other social security expenses	156.962	36.318
Other staff expense	62.777	48.166
	14.029.481	8.971.250
Average number of employees	14	12
2 Tax on profit/loss for the year		
Current tax for the year	0	0
Deferred tax for the year	121.737	193.852
	121.737	193.852

The share capital has developed as follows:

	2016	2015	2014	2013	2012
	DKK	DKK	DKK	DKK	DKK
Share capital at 1 January	502.000	502.000	502.000	502.000	501.000
Capital increase	0	0	0	0	1.000
Capital decrease	0	0	0	0	0
Share capital at 31					
December	502.000	502.000	502.000	502.000	502.000

Notes to the Financial Statements

	2016	2015
	DKK	DKK
3 Deferred tax asset		
Intangible assets	-128.000	-128.000
Property, plant and equipment	-86.000	-77.000
Holiday pay obligation	-4.000	-26.000
Tax loss carry-forward	-1.422.470	-1.531.207
Transferred to deferred tax asset	1.640.470	1.762.207
	<u>0</u>	<u>0</u>
Deferred tax asset		
Calculated tax asset	1.640.470	1.762.207
Carrying amount	<u>1.640.470</u>	<u>1.762.207</u>
4 Contingent assets, liabilities and other financial obligations		
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	71.940	169.065
Between 1 and 5 years	119.900	305.152
	<u>191.840</u>	<u>474.217</u>
Lease obligations, period of non-terminability (2015: 1 months)	0	50.983

Notes to the Financial Statements

5 Related parties

	Basis
Controlling interest	
IMS Health Technology Solutions Norway AS	Parent Company

Ownership

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

IMS Health Technology Solutions Norway AS, Trollåsen 4, 1414 Trollåsen, Norway.

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

Name	Place of registered office
IMS Health Holdings	

The Group Annual Report of IMS Health Holdings may be obtained at the following address:

www.imshealth.com

Notes to the Financial Statements

6 Accounting Policies

The Annual Report of IMS Health Technology Solutions Denmark A/S for 2016 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.

The Financial Statements for 2016 are presented in DKK.

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.

Leases

All leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

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.

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.

Notes to the Financial Statements

6 Accounting Policies (continued)

Income Statement

Gross profit/loss

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

Revenue

Revenue from the sale is recognised in the income statement when the delivery and transfer of risk to the buyer have been made before year end.

Revenue is recognised exclusive of VAT and net of discounts relating to sales.

Other external expenses

Other external expenses comprise expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the core activities of the enterprise.

Financial income and expenses

Financial income and expenses comprise are recognised in the income statement at the amounts relating to the financial year and in addition to interest, the financial income and expenses include foreign exchange gains and losses.

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.

Notes to the Financial Statements

6 Accounting Policies (continued)

Balance Sheet

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

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

Impairment of fixed assets

The carrying amounts 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, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments consist of deposits.

Receivables

Receivables are recognised in the balance sheet at amortised cost, which substantially corresponds to nominal value. Provisions for estimated bad debts are made.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

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

Notes to the Financial Statements

6 Accounting Policies (continued)

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 the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, 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 recognised in the income statement.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on-account taxation scheme are recognised in the income statement in financial income and expenses.

Financial debts

Debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.