

IQVIA SOLUTIONS DENMARK A/S
Blegdamsvej 104C
København Ø

Annual report for 2020

Adopted at the annual general meeting on
14 July 2021

Kenneth Arthur Mikkelsen
chairman

CVR-nr. 26 74 89 41

TABLE OF CONTENTS

	Page
Statements	
Statement by management on the annual report	3
Independent auditor's report	4
Management's review	
Company details	7
Management's review	8
Financial statements	
Accounting policies	9
Income statement 1 January - 31 December	13
Balance sheet 31 December	14
Statement of changes in equity	16
Notes to the annual report	17

STATEMENT BY MANAGEMENT ON THE ANNUAL REPORT

The supervisory and executive boards have today discussed and approved the annual report of IQVIA SOLUTIONS DENMARK 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

Executive board

Kenneth Arthur Mikkelsen
Director

Supervisory board

Imran Hasan Mecci

Ditlev Paul Casper Moltke

Kenneth Arthur Mikkelsen

INDEPENDENT AUDITOR'S REPORT

To the shareholder of IQVIA SOLUTIONS DENMARK A/S

Auditors' Report on the Financial Statements

Opinion

We have audited the financial statements of IQVIA SOLUTIONS DENMARK A/S for the financial year 1 January - 31 December 2020, which comprise a summary of significant accounting policies, income statement, balance sheet, statement of changes in equity and notes. 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.

INDEPENDENT AUDITOR'S REPORT

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.

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
State-authorized public accountant
MNE no. mne26824

COMPANY DETAILS

The company	<p>IQVIA SOLUTIONS DENMARK A/S Blegdamsvej 104C 2100 København Ø</p> <p>CVR no.: 26 74 89 41</p> <p>Reporting period: 1 January - 31 December 2020</p> <p>Domicile: Copenhagen</p>
Supervisory board	<p>Imran Hasan Mecci Ditlev Paul Casper Moltke Kenneth Arthur Mikkelsen</p>
Executive board	<p>Kenneth Arthur Mikkelsen, director</p>
Auditors	<p>Mazars Statsautoriseret Revisionspartnerselskab Midtermolen 1, 2.tv. 2100 København Ø</p>

MANAGEMENT'S REVIEW

Business review

As in prior years, IQVIA Solutions Denmark A/S develops and renders sales and marketing services to the pharmaceutical and the medical device industries in Denmark.

Financial review

The company's income statement for the year ended 31 December 2020 shows a profit of DKK 2.305.709, and the balance sheet at 31 December 2020 shows equity of DKK 9.078.261.

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. We refer to separate section in accounting policies for additional details.

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

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 Partners A/S and Tarius A/S during the second quarter of 2021. IQVIA Solutions A/S is planned to be the continuing company after the merger.

ACCOUNTING POLICIES

The annual report of IQVIA SOLUTIONS DENMARK A/S for 2020 has been prepared in accordance with the provisions of the Danish Financial Statements Act concerning reporting class B entities as well as selected provision for 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

Joint tax contribution

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. Prior years income tax include an adjustment over equity of 667 kDKK and the joint taxation include a receivable amount of 3,125 kDKK from group entities and a payable amount of 2,458 kDKK from group entities. Comparison figures has been ammended to reflect the change increasing receivables from group companies by 3,125 kDKK, Payables to group companies by 2,458 and increasing equity by 667 kDKK.

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.

Income statement

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, change in work in progress and other operating income less costs of consumables and other external expenses.

ACCOUNTING POLICIES

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.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

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 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

The company acts as management company for all jointly taxed entities and, in its capacity as such, pays all income taxes to the Danish tax authorities.

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.

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.

ACCOUNTING POLICIES

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:

Other fixtures and fittings, tools and equipment	3-5 years
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Assets costing less than DKK 14.100 are expensed in the year of acquisition.

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

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.

ACCOUNTING POLICIES

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'.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2020 DKK	2019 DKK
Gross profit		23.009.506	24.471.616
Staff costs	1	-19.836.180	-18.267.335
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		-28.114	-6.038
Profit/loss before net financials		3.145.212	6.198.243
Financial income		411.386	499.770
Financial costs		-1.047.218	-34.556
Profit/loss before tax		2.509.380	6.663.457
Tax on profit/loss for the year	2	-203.671	-1.232.108
Profit/loss for the year		2.305.709	5.431.349
 Retained earnings		 2.305.709	 5.431.349
		2.305.709	5.431.349

BALANCE SHEET 31 DECEMBER

	Note	2020 DKK	2019 DKK
ASSETS			
Other fixtures and fittings, tools and equipment		253.022	0
Tangible assets		253.022	0
Total non-current assets		253.022	0
Trade receivables		7.615.410	3.802.518
Contract work in progress		3.800.780	2.034.313
Receivables from group companies		44.164.927	46.164.039
Prepayments		72.673	51.243
Receivables		55.653.790	52.052.113
Cash at bank and in hand		15.875.613	19.256.931
Total current assets		71.529.403	71.309.044
Total assets		71.782.425	71.309.044

BALANCE SHEET 31 DECEMBER

	Note	2020 DKK	2019 DKK
EQUITY AND LIABILITIES			
Share capital		502.000	502.000
Retained earnings		8.576.261	6.270.552
Equity		9.078.261	6.772.552
Provision for deferred tax		32.987	0
Total provisions		32.987	0
Other payables		0	571.401
Total non-current liabilities		0	571.401
Prepayments received from customers		9.853.919	4.096.898
Trade payables		1.068.078	1.035.445
Payables to group companies		39.954.067	53.044.687
Corporation tax		4.504.199	0
Other payables		7.290.914	5.788.061
Total current liabilities		62.671.177	63.965.091
Total liabilities		62.671.177	64.536.492
Total equity and liabilities		71.782.425	71.309.044
Contingent liabilities	3		
Related parties and ownership structure	4		

STATEMENT OF CHANGES IN EQUITY

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2020	502.000	5.603.968	6.105.968
Net effect from adjustment of error	<u>0</u>	<u>666.584</u>	<u>666.584</u>
Adjusted equity at 1 January 2020	502.000	6.270.552	6.772.552
Net profit/loss for the year	<u>0</u>	<u>2.305.709</u>	<u>2.305.709</u>
Equity at 31 December 2020	<u><u>502.000</u></u>	<u><u>8.576.261</u></u>	<u><u>9.078.261</u></u>

NOTES

	2020	2019
	DKK	DKK
1 STAFF COSTS		
Wages and salaries	17.964.406	16.455.189
Pensions	1.490.922	1.380.451
Other social security costs	157.280	169.656
Other staff costs	223.572	262.039
	19.836.180	18.267.335
Average number of employees	21	20
2 TAX ON PROFIT/LOSS FOR THE YEAR		
Current tax for the year	462.306	0
Deferred tax for the year	-877.650	1.232.108
Adjustment of tax concerning previous years	619.015	0
	203.671	1.232.108
3 CONTINGENT LIABILITIES		
Operating lease liabilities	356.400	336.000
	356.400	336.000

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:

IQVIA Solutions Norway AS, Trollåsen 4, 1414 Trollåsen, Norway

Consolidated financial statements

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

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

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