

# **Novo Nordisk GSC Holding A/S**

c/o Novo Nordisk A/S  
Novo Allé  
2880 Bagsværd  
Denmark

CVR number 27 46 99 65

## **Annual Report 2015**

**The Annual Report has been presented and adopted at the Annual  
General Meeting on 25 April 2016.**



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Chairman of the meeting

**Novo Nordisk GSC Holding A/S**  
**Contents**

|  | <b><u>Page</u></b> |
|--|--------------------|
| <b>Management statement and Auditor's report</b>             |                    |
| Statement by the Board of Directors and Executive Management | 3                  |
| Independent Auditor's reports                                | 4                  |
| <b>Management Report</b>                                     |                    |
| Company information  | 5                  |
| Management Review  | 6                  |
| <b>Financial Statements 1 January – 31 December 2015</b>     |                    |
| Income statement   | 7                  |
| Balance sheet  | 8                  |
| Statement of changes in equity                               | 9                  |
| Accounting policies  | 10                 |
| Notes  | 11                 |

**Novo Nordisk GSC Holding A/S**

**Statement by the Board of Directors and Executive Management**

Today, the Board of Directors and Executive Management have approved the Annual Report of Novo Nordisk Region GSC Holding A/S for the year 2015.

The Annual Report has been 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 of the company at 31 December 2015 and of the results of the company's operations for 2015 in accordance with the Danish Financial Statements Act.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Bagsværd, 25 April 2016

**Executive Management:**

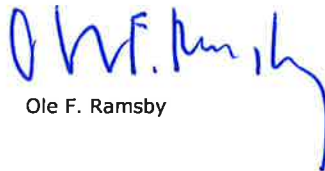


Karsten Munk Knudsen

**Board of Directors:**



Jesper Brandgaard  
Chairman



Ole F. Ramsby



Lars Fruergaard Jørgensen

**Novo Nordisk GSC Holding A/S**  
**Independent Auditor's reports**

**To the shareholders of Novo Nordisk GSC Holding A/S**

**Report on the Financial Statements**

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

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

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

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

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

The audit has not resulted in any qualification.

**Opinion**

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

**Statement on the Management Review**

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

Bagsværd, 25 April 2016

PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
Cvr.no.: 33 77 12 31

  
Torben Jensen  
State Authorised Public Accountant

  
Mads Melgaard  
State Authorised Public Accountant

**Novo Nordisk GSC Holding A/S**  
**Company information**

|                             |  |                         |
|-----------------------------|--|-------------------------|
| <b>Company</b>              | Novo Nordisk GSC Holding A/S<br>c/o Novo Nordisk A/S<br>Novo Allé<br>2880 Bagsværd<br>Denmark                    |                         |
|                             | CVR number   | 27 46 99 65             |
|                             | Founded:   | 4 December 2003         |
|                             | Municipality of domicile:  | Gladsaxe                |
|                             | Financial year:  | 1 January – 31 December |
| <b>Board of Directors</b>   | Jesper Brandgaard, chairman<br>Ole F. Ramsby<br>Lars Fruergaard Jørgensen  |                         |
| <b>Executive Management</b> | Karsten Munk Knudsen   |                         |
| <b>Auditors</b>             | PricewaterhouseCoopers<br>Statsautoriseret Revisionspartnerselskab<br>Strandvejen 44<br>2900 Hellerup<br>Denmark |                         |
| <b>General meeting</b>      | The Annual General Meeting will be held on 25 April 2016 at the company's address.                               |                         |

## **Novo Nordisk GSC Holding A/S Management Review**

### **Main activities**

The company's main activities are the holding of equity investments in domestic and foreign companies, and other investments, as well as financial activities, and – at the discretion of the Board of Directors – supporting the operations of such companies.

### **Trends during the financial year**

Net profit for Novo Nordisk GSC Holding A/S ended at DKK 6,950 thousand for the year 2015 compared with a net profit of DKK 13,785 thousand for the year 2014, primarily due to a tax accrual related to a transfer pricing case in NN India.

### **Events after the balance sheet date**

No events have occurred after the end of the reporting period that materially affect the financial position of the company.

**Novo Nordisk GSC Holding A/S**  
**Income statement**

|  | Note | 2015<br>DKK '000 | 2014<br>DKK '000 |
|--|------|------------------|------------------|
| Administrative costs                                   |      | 20               | 20               |
| <b>Operating profit/(loss)</b>                         |      | <b>(20)</b>      | <b>(20)</b>      |
| Profit/(loss) in subsidiaries                          | 1    | 6,871            | 13,563           |
| Financial income                                       | 2    | 125              | 314              |
| Financial expenses                                     | 3    | 1                | -                |
| <b>Profit/(loss) before income taxes</b>               |      | <b>6,975</b>     | <b>13,857</b>    |
| Income taxes   |      | 25               | 72               |
| <b>NET PROFIT/(LOSS) FOR THE YEAR</b>                  |      | <b>6,950</b>     | <b>13,785</b>    |
| <b>Proposed appropriation of net profit:</b>           |      |                  |                  |
| Proposed dividends                                     |      | -                | 51,000           |
| Retained earnings                                      |      | (1,064)          | (53,388)         |
| Net revaluation reserve according to the equity method |      | 8,014            | 16,173           |
| <b>Distribution of net profit</b>                      |      | <b>6,950</b>     | <b>13,785</b>    |

**Novo Nordisk GSC Holding A/S**  
**Balance sheet at 31 December**

|  | Note | 2015<br>DKK '000 | 2014<br>DKK '000 |
|--|------|------------------|------------------|
| <b>ASSETS</b>  |      |                  |                  |
| Financial assets                                       | 1    | 42,172           | 34,158           |
| <b>TOTAL NON-CURRENT ASSETS</b>                        |      | <b>42,172</b>    | <b>34,158</b>    |
| Amounts owed by affiliated companies                   |      | 575              | 51,249           |
| <b>TOTAL CURRENT ASSETS</b>                            |      | <b>575</b>       | <b>51,249</b>    |
| <b>TOTAL ASSETS</b>                                    |      | <b>42,747</b>    | <b>85,407</b>    |
| <b>EQUITY AND LIABILITIES</b>                          |      |                  |                  |
| Share capital  | 4    | 501              | 501              |
| Proposed dividends                                     |      | -                | 51,000           |
| Net revaluation reserve according to the equity method |      | 37,558           | 29,544           |
| Retained earnings                                      |      | 4,349            | 4,270            |
| <b>TOTAL EQUITY</b>                                    |      | <b>42,408</b>    | <b>85,315</b>    |
| Tax payables   |      | 24               | -                |
| Amounts owed to affiliated companies                   |      | 295              | -                |
| Other liabilities                                      |      | 20               | 92               |
| <b>TOTAL CURRENT LIABILITIES</b>                       |      | <b>339</b>       | <b>92</b>        |
| <b>TOTAL LIABILITIES</b>                               |      | <b>339</b>       | <b>92</b>        |
| <b>TOTAL EQUITY AND LIABILITIES</b>                    |      | <b>42,747</b>    | <b>85,407</b>    |



**Novo Nordisk GSC Holding A/S**  
**Statement of changes in equity at 31 December**

|  | Share capital<br>DKK '000 | Additional<br>paid-in<br>capital | Net<br>revaluation<br>reserve<br>DKK '000 | Retained<br>earnings<br>DKK '000 | Proposed<br>dividends<br>DKK '000 | Total<br>DKK '000 |
|--|---------------------------|----------------------------------|---|----------------------------------|-----------------------------------|-------------------|
| <b>2015</b>  |                           |                                  |   |                                  |                                   |                   |
| Balance at the beginning of the year                           | 501                       | -                                | 29,544                                    | 4,270                            | 51,000                            | 85,315            |
| Net profit/(loss) for the year                                 |                           |                                  |   | 6,950                            |                                   | 6,950             |
| Transfer of net profit for the year to net revaluation reserve |                           |                                  | 8,014                                     | (8,014)                          |                                   | -                 |
| Exchange rate adjustments of investments in subsidiaries       |                           |                                  |   | 1,143                            |                                   | 1,143             |
| Dividends paid   |                           |                                  |   |                                  | (51,000)                          | (51,000)          |
| <b>Balance at the end of the year</b>                          | <b>501</b>                | <b>-</b>                         | <b>37,558</b>                             | <b>4,349</b>                     | <b>0</b>                          | <b>42,408</b>     |
| <b>2014</b>  |                           |                                  |   |                                  |                                   |                   |
| Balance at the beginning of the year                           | 501                       | 49,999                           | 13,371                                    | 5,049                            | -                                 | 68,920            |
| Net profit/(loss) for the year                                 |                           |                                  |   | 13,785                           |                                   | 13,785            |
| Transfer of net profit for the year to net revaluation reserve |                           |                                  | 16,173                                    | (16,173)                         |                                   | -                 |
| Transfer of capital contribution to retained earnings          |                           | (49,999)                         |   | 49,999                           |                                   | -                 |
| Exchange rate adjustments of investments in subsidiaries       |                           |                                  |   | 2,610                            |                                   | 2,610             |
| Proposed dividends   |                           |                                  |   | (51,000)                         | 51,000                            | -                 |
| <b>Balance at the end of the year</b>                          | <b>501</b>                | <b>0</b>                         | <b>29,544</b>                             | <b>4,270</b>                     | <b>51,000</b>                     | <b>85,315</b>     |

## **Novo Nordisk GSC Holding A/S**

### **Accounting policies**

#### **Accounting basis**

The Annual Report of the company is prepared in accordance with the Danish Financial Statements Act for a class B enterprise.

The Annual Report is presented in DKK 1,000.

In accordance with section 112 of the Danish Financial Statements Act, consolidated financial statements have not been prepared. The consolidated financial statements of the parent company, Novo Nordisk A/S, and the ultimate parent company, Novo Nordisk Foundation, in which Novo Nordisk GSC Holding A/S is fully consolidated, can be ordered from Novo Nordisk A/S (CVR nr. 24 25 67 90), Novo Allé, 2880 Bagsværd, Denmark, and from the Novo Nordisk Foundation (CVR nr. 10 58 29 89), Tuborg Havnevej 19, 2900 Hellerup, Denmark.

#### **Translation of foreign currencies**

Assets and debt in foreign currencies are translated into Danish kroner at the exchange rates at the balance sheet date. Financial statements of foreign subsidiaries are translated into Danish kroner at the exchange rates at the balance sheet date for the balance sheet items and at average exchange rates for income statement items.

All exchange rate adjustments are recognised in the income statement except exchange rate adjustments arising from:

- translation of subsidiaries' net assets at the beginning of the year at the exchange rates at the balance sheet date,
- translation of subsidiaries' income statements at average exchange rates and translation of their balance sheet items at the exchange rates at the balance sheet date,
- translation of non-current intra-Group receivables that are considered a supplement to the net assets of the subsidiaries.

The above currency translation differences are recognised directly in equity.

#### **Administrative costs**

Administrative costs comprise expenses for the management and administration of the company, such as expenses for administrative staff, management, office premises, office costs etc, as well as depreciation, amortisation and impairment losses.

According to the Danish Financial Statements Act §98b (3) executive management remuneration is not disclosed.

#### **Financial items**

Financial income and expenses include interest income and expenses, realised and unrealised capital gains and losses on securities, debt and transactions in foreign currencies, amortisation of financial assets and liabilities. Financial income and expenses are recognised by the amounts pertaining to the financial year.

#### **Financial assets**

Equity investments in subsidiaries are recognised at equity value, ie at the proportional share of the carrying amount of the equity value of the subsidiary.

The share of profit in subsidiaries is recognised in the income statement of the parent company.

Net revaluation of equity investments in subsidiaries exceeding the declared dividend of the subsidiaries is transferred to equity as net revaluation reserve according to the equity method.

#### **Amounts owed by affiliated companies**

Receivables are stated at amortised cost less write-downs for potential losses on doubtful debts. The write-downs are based on an individual assessment of each debtor.

#### **Tax**

The company is jointly taxed with the Danish companies in the Novo A/S Group. The tax effect of the joint taxation with the parent company and other subsidiaries is allocated to the companies in proportion to their taxable incomes (full allocation). The current tax in the joint taxation is paid by the ultimate parent company, Novo A/S, which functions as the tax administration company. The jointly taxed Danish enterprises have adopted the on-account taxation scheme.

#### **Short-term debt**

Short-term debt are measured at amortised cost.

**Novo Nordisk GSC Holding A/S**  
**Notes**

| <b>1 - Financial assets</b>                     | <b>2015</b>   | 2014          |
|---|---------------|---------------|
|   | DKK '000      | DKK '000      |
| Cost at the beginning of the year               | 4,614         | 4,614         |
| <b>Cost at the end of the year</b>              | <b>4,614</b>  | <b>4,614</b>  |
| Value adjustments at the beginning of the year  | 29,544        | 13,371        |
| Profit/(loss) before tax                        | 26,498        | 18,243        |
| Income taxes on profit for the year             | (19,627)      | (4,680)       |
| Effect of exchange rate adjustment              | 1,143         | 2,610         |
| <b>Value adjustments at the end of the year</b> | <b>37,558</b> | <b>29,544</b> |
| <b>Carrying amount at the end of the year</b>   | <b>42,172</b> | <b>34,158</b> |

| <b>2 - Financial income</b>                      | <b>2015</b> | 2014       |
|--|-------------|------------|
|  | DKK '000    | DKK '000   |
| Interest income relating to affiliated companies | 125         | 314        |
| <b>Total financial income</b>                    | <b>125</b>  | <b>314</b> |

| <b>3 - Financial expenses</b>                      | <b>2015</b> | 2014     |
|--|-------------|----------|
|  | DKK '000    | DKK '000 |
| Interest expenses relating to affiliated companies | 1           | -        |
| <b>Total financial expenses</b>                    | <b>1</b>    | <b>-</b> |

**4 - Share capital**

The share capital consists of 501.100 shares of nominal value DKK 1.

|                               | <b>2015</b>    | 2014           | 2013           | 2012           | 2011           |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|
|                               | DKK            | DKK            | DKK            | DKK            | DKK            |
| Share capital at 1 January    | 501,100        | 501,100        | 500,100        | 500,100        | 500,000        |
| Capital increase              | -              | -              | 1,000          | -              | 100            |
| <b>At the end of the year</b> | <b>501,100</b> | <b>501,100</b> | <b>501,100</b> | <b>500,100</b> | <b>500,100</b> |

**5 - Contingencies**

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

The company has no other contingent liabilities.

**6 - Related parties and ownership**

**Controlling interests**

Novo Nordisk A/S, Novo Allé, 2880 Bagsværd, Denmark  
 Novo A/S, Tuborg Havnevej 19, 2900 Hellerup, Denmark  
 Novo Nordisk Fonden, Tuborg Havnevej 19, 2900 Hellerup, Denmark

**Basis**

Principal shareholder, owns 100%  
 Controls Novo Nordisk A/S  
 Ultimate parent of the Group

**Novo Nordisk GSC Holding A/S**  
**Notes**

**7 - Subsidiaries**

|   |                |                                   | <b>Activity</b>  |
|---|----------------|-----------------------------------|--|
|   | <b>Country</b> | <b>Percentage of shares owned</b> | ▲ Production<br>■ Sales and marketing<br>● Research and development<br>□ Service/investments |
| <b>Subsidiaries</b>                           |                |                                   |  |
| Novo Nordisk Service Centre (India) Pvt. Ltd. | India          | 100                               | □  |