

Parexel Denmark A/S

Agern Alle 5A
2970 Hørsholm

CVR No. 31588626

Annual Report 2023

The Annual Report was presented and
adopted at the Annual General Meeting of
the Company on 20 June 2024

DocuSigned by:

Mike Crowley

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Michael Francis Crowley, III
Chairman

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Management's Statement

Today, Board of Directors and the Managing Director has considered and adopted the Annual Report of Parexel Denmark A/S for the financial year 1 January 2023 - 31 December 2023.

The Annual Report is presented in accordance with the Danish Financial Statements Act.


In our opinion, the Financial Statements give a true and fair view of the assets, liabilities and financial position of the Company at 31 December 2023 and of the results of the Company's operations for the financial year 1 January 2023 - 31 December 2023.

In our opinion, the 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.

Hørsholm, 20 June 2024


Managing Director


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Heidi Malene Juncher-Benzon

Board of Directors

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Michael Francis Crowley, III

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Paul Joseph Armstrong

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Luke Tristan Van Hengel

Independent Auditors' Report

To the shareholders of Parexel Denmark A/S

Opinion

We have audited the financial statements of Parexel Denmark A/S for the financial year 1 January 2023 - 31 December 2023, which comprise a summary of significant accounting policies, income statement, statement of financial position, statement of changes in equity and notes. The financial statements have been prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements present a fair view of the company's assets, equity and liabilities, and financial position at 31 December 2023 and of the results of the company's activities for the financial year 1 January 2023 - 31 December 2023 in accordance with the Danish Financial Statements Act.

Basis of opinion

We conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the section "Auditor's responsibilities for the audit of the financial statements". 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.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that provide a fair view in accordance with the Danish Financial Statements Act. Management is also responsible for such internal control as the 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 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 including an opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with international standards on auditing, 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 international standards on auditing, and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- * Identify and assess the risk of material misstatements 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 a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- * Obtain an understanding of the 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.

Independent Auditors' Report

- * Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- * Conclude the appropriateness of management's preparation of the financial statements using the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists arising from 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 auditors' 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 auditors' report. However, future events or conditions may cause the company to cease as a going concern.
- * Evaluate the overall presentation, structure and contents of the financial statements, including disclosures in notes, and whether the financial statements reflect 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 the internal control that we identify during our audit.

Statement on the Management's Review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the management commentary, and we express no assurance opinion thereon.

In connection with our audit of the financial statements, it is our responsibility to read the management commentary and to consider whether the management commentary is materially inconsistent with the financial statements or the evidence obtained during the audit, or whether it otherwise appears to contain material misstatement.

Furthermore, it is our responsibility to consider whether the Management's Review provides the information required under the Danish Financial Statements Act.

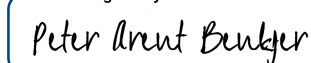
Based on the work we have performed, we believe that Management's Review is consistent with the financial statements and that it has been prepared in accordance with the provisions of the Danish Financial Statement Act. We did not discover any material misstatement in the Management's Review.

Copenhagen, 20 June 2024

RSM DANMARK STATS AUTORISERET REVISIONSPARTNERSELSKAB

CVR-no. 25492145

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Peter Arent Benkjer

State Authorised Public Accountant

mne35785

Company details

Company	Parexel Denmark A/S Agern Alle 5A 2970 Hørsholm
CVR No.	31588626
Date of formation	1 July 2008
Financial year	1 January 2023 - 31 December 2023
Board of Directors	Michael Francis Crowley, III Paul Joseph Armstrong Luke Tristan Van Hengel
Managing Director	Heidi Malene Juncher-Benzon
Auditors	RSM DANMARK STATS-AUTORISERET REVISIONSPARTNERSELSKAB Ved Vesterport 6, 5. 1612 København V CVR-no.: 25492145

Management's Review

The Company's principal activities

Parexel Denmark A/S is part of Parexel International Corporation, which is a leading biopharmaceutical outsourcing services company, providing a broad range of expertise in clinical research, clinical logistics, medical communications, consulting, commercialization, and advanced technology products and services to the worldwide pharmaceutical, biotechnology, and medical device industries.

Development in the activities and the financial situation of the Company

The Company's Income Statement of the financial year 1 January 2023 - 31 December 2023 shows a result of DKK 1.171.984 and the Balance Sheet at 31 December 2023 a balance sheet total of DKK 19.148.592 and an equity of DKK 15.425.475.

Post financial year events

After the end of the financial year, no events have occurred which may change the financial position of the entity substantially.

Accounting Policies

Reporting Class

The annual report of Parexel Denmark A/S for 2023 has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year.

Reporting currency

The annual report is presented in Danish kroner.

General information

Recognition and measurement in general

Income is recognised in the income statement concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs are recognised in the income statement, including depreciation, amortisation, write-down for impairment, provisions and reversals due to changes in estimated amounts previously recognised in the income statement.

Assets are recognised in the statement of financial position when it seems probable that future economic benefits will flow to the company and the value of the asset can be reliably measured.

Liabilities are recognised in the statement of financial position when it seems probable that future economic benefits will flow out of the company and the value of the liability can be reliably measured.

Assets and liabilities are measured at cost at the initial recognition. Thereafter, assets and liabilities are measured as described below for each individual accounting item.

Upon recognition and measurement, allowances are made for such predictable losses and risks which may arise prior to the presentation of the annual report and concern matters that exist at the reporting date.

Foreign currency translation

Transactions in foreign currency are translated by using the exchange rate prevailing at the date of the transaction. Differences in the rate of exchange arising between the rate at the date of transaction and the rate at the date of payment are recognised in the profit and loss account as an item under other finance income/expense.

Receivables, payables and other foreign currency monetary items are translated using the closing rate. The difference between the closing rate and the rate at the time of the occurrence or initial recognition in the latest financial statements of the receivable or payable is recognised in the income statement under financial income and expenses.

Income statement

Revenue

Revenue is recognised in the income statement if delivery and passing of risk to the buyer has taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Recognition of revenue is exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales

Costs of sales include rechargeable travel costs etc. The costs are recognised in the same period as revenue.

Accounting Policies

Other external expenses

Other external costs include costs for distribution, sales, advertising, administration, premises and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions and other social security costs, etc. for staff members.

Financial income and expenses

Financial income and expenses comprise of interest, realised and unrealised capital gains and losses concerning financial assets and liabilities, amortisation of financial assets and liabilities, additions and reimbursements under the Danish tax prepayment scheme, etc. Financial income and expenses are recognised in the income statement with the amounts concerning the financial year.

Tax on net profit or loss for the year

Tax for the year comprises of the current income tax for the year and changes in deferred tax. It is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

Balance sheet

Property, plant and equipment

Property is measured at cost plus revaluations and less accrued depreciation and write-down for impairment.

The cost comprises of acquisition cost and costs directly associated with the acquisition until the time when the asset is ready for use.

Depreciation is on a straight-line basis according to an assessment of the expected useful life and the residual value of the individual assets:

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

Minor assets with an expected useful life of less than 1 year are recognised as costs in the income statement in the year of acquisition.

Profit or loss derived from the disposal of property, land, and equipment is measured as the difference between the sales price less selling costs and the carrying amount at the date of disposal. The profit or loss is recognised in the income statement as other operating income or other operating expenses.

Impairment loss relating to non-current assets

The carrying amount of both intangible and tangible fixed assets are subject to annual impairment tests in order to disclose any indications of impairment beyond those expressed by amortisation and depreciation respectively.

If indications of impairment are disclosed, impairment tests are carried out for each individual asset or group of assets, respectively. Write-down for impairment is to the recoverable amount if this value is lower than the carrying amount.

The recoverable amount is the higher value of value in use and selling price less expected selling cost. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the asset group and expected net cash flows from the sale of the asset or the asset group after the end of their useful life.

Accounting Policies

Previously recognised impairment losses are reversed when conditions for impairment no longer exist. Impairment relating to goodwill is not reversed.

Receivables

Receivables are measured at amortized cost which usually corresponds to face value. In order to meet expected losses, they are written down for impairment to the net realisable value.

Prepayments and accrued income

Prepayments and accrued income recognised under assets and comprise of incurred costs concerning the following financial years.

Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and on hand.

Income tax and deferred tax

Current tax receivables and tax liabilities are recognised in the statement of financial position with the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivables and tax liabilities are offset to the extent that a legal right of set-off exists and the items are expected to be settled net or simultaneously.

Deferred tax is tax on all temporary differences in the carrying amount and tax base of assets and liabilities measured on the basis of the planned application of the asset and disposal of the liability, respectively.

Deferred tax assets, including the tax value of tax losses eligible for carryforward, are recognised at their expected realisable value, either by settlement against tax of future earnings or by setoff in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisation value.

Deferred tax is measured on the basis of the tax rules and tax rates of applicable legislation at the reporting date and prevailing when the deferred tax is expected to be released as current tax.

Provisions

Provisions are recognised when the company has a legal or actual commitment resulting from a previously occurred event and when it is probable that the settlement of the liability will result in consumption of the financial resources of the company.

Liabilities other than provisions

Liabilities other than provisions are measured at amortised cost which usually corresponds to the nominal value.

Income Statement

	Note	2023 DKK	2022 DKK
Revenue		36.368.640	39.829.248
Cost of sales		-4.826.050	-6.058.905
Other external expenses		-4.179.189	-4.538.564
Gross profit		27.363.401	29.231.779
Staff costs	1	-25.780.104	-26.056.571
Depreciation and impairment of property, land and equipment	2	-352.990	-329.528
Other operating expenses		-118.450	0
Profit from ordinary operating activities		1.111.857	2.845.680
Other finance income		315.301	6.560
Other finance expenses		-40.910	-62.953
Profit from ordinary activities before tax		1.386.248	2.789.287
Tax expense on ordinary activities	3	-214.264	-762.710
Profit		1.171.984	2.026.577
Proposed distribution of results			
Retained earnings		1.171.984	2.026.577
Distribution of profit		1.171.984	2.026.577

Balance Sheet as of 31 December

	Note	2023 DKK	2022 DKK
Assets			
Fixtures, fittings, tools and equipment	4	227.625	519.359
Property, plant and equipment		227.625	519.359
Other receivables	5	166.864	151.269
Investments		166.864	151.269
Non-current assets		394.489	670.628
Receivables from group enterprises		2.053.673	6.414.631
Current deferred tax		216.333	167.765
Other receivables		207.352	355.491
Prepayments		0	206.249
Receivables		2.477.358	7.144.136
Cash and cash equivalents		16.276.745	10.777.797
Current assets		18.754.103	17.921.933
Assets		19.148.592	18.592.561

Balance Sheet as of 31 December

	Note	2023 DKK	2022 DKK
Liabilities and equity			
Contributed capital		505.000	505.000
Retained earnings		14.920.475	13.748.491
Equity		15.425.475	14.253.491
Other provisions		610.268	542.264
Provisions		610.268	542.264
Trade payables		441.681	969.725
Payables to group enterprises		6.901	735.387
Tax payables		130.168	168.196
Other payables		2.534.099	1.923.498
Short-term liabilities other than provisions		3.112.849	3.796.806
Liabilities other than provisions within the business		3.112.849	3.796.806
Liabilities and equity		19.148.592	18.592.561
Contingent liabilities	6		
Related parties	7		

Statement of changes in Equity

	Contributed capital	Retained earnings	Total
Equity 1 January 2023	505.000	13.748.491	14.253.491
Profit (loss)	0	1.171.984	1.171.984
Equity 31 December 2023	505.000	14.920.475	15.425.475

The share capital has remained unchanged for the last 5 years.

Notes

	2023	2022
1. Staff costs		
Wages and salaries	23.540.912	23.576.932
Pension costs	1.995.220	2.226.649
Other costs for social security	243.972	252.990
	25.780.104	26.056.571
Average number of employees	25	31
2. Depreciation and impairment of property, land and equipment		
Depreciation of other fixtures and fittings, tools and equipment	352.990	329.528
	352.990	329.528
3. Tax expense		
Tax on net profit or loss for the year	366.168	350.196
Adjustment of deferred tax for the year	-48.568	267.053
Adjustment of tax for previous years	-103.336	145.461
	214.264	762.710
4. Fixtures, fittings, tools and equipment		
Cost at the beginning of the year	3.335.335	3.465.569
Addition during the year, incl. improvements	61.256	303.363
Disposal during the year	0	-433.597
Cost at the end of the year	3.396.591	3.335.335
Depreciation and amortisation at the beginning of the year	-2.815.976	-2.913.371
Amortisation for the year	-352.990	-332.912
Reversal of impairment losses and amortisation of disposed assets	0	430.307
Impairment losses and amortisation at the end of the year	-3.168.966	-2.815.976
Carrying amount at the end of the year	227.625	519.359

Notes

	2023	2022
5. Other receivables		
Cost at the beginning of the year	151.269	809.727
Addition during the year, incl. improvements	15.595	0
Disposal during the year	0	-658.458
Cost at the end of the year	166.864	151.269
Carrying amount at the end of the year	166.864	151.269
<i>It is specified as:</i>		
Deposits	166.864	151.269
	166.864	151.269

6. Contingent liabilities

The company has entered into operational leases with an average annual lease payment of DKK 832.635. The operational leases have a remaining term between 11-38 months.

7. Related parties

Controlling interest

Parexel International Holding B.V.

Majority shareholder

Consolidated financial statements

The company is included in the consolidated financial statements of ultimate parent of Parexel International Corporation.