

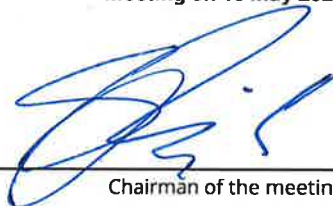
Novo Nordisk Pharma Operations A/S

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

CVR number 32 65 72 22

Annual Report 2021

The Annual Report has been presented and adopted at the Annual General Meeting on 16 May 2022.



Chairman of the meeting

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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 Pharma Operations A/S for the financial year 1 January – 31 December 2021.

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 2021 and of the results of the company's operations for 2021 in accordance with the Danish Financial Statements Act.

Further, in our opinion, the Management's review gives a fair review of the development in the company's operations and financial matters and the results of the company's operations and financial position.

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

Bagsværd, 16 May 2022

Executive Management:



Lars Bo Smidt

Board of Directors:



Tomas Haagen
Chairman



Linette Nielsen



Claus Sølje

Independent Auditor's report

To the Shareholder of Novo Nordisk Pharma Operations A/S

Opinion

We have audited the financial statements of Novo Nordisk Pharma Operations A/S for the financial year 1 January 2021 - 31 December 2021, which comprise an income statement, balance sheet, statement of changes in equity and notes. The financial statements are 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 2021 and of the results of its operations for the financial year 1 January 2021 - 31 December 2021 in accordance with the Danish Financial Statements Act.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibility under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Company in accordance with the International Ethics Standards Board of Accountants' 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.

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.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to either liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility 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 auditors' 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 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 risk of material misstatements in 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 relating 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 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 to continue as a going concern.
- Evaluate the overall presentation, structure, and contents of the financial statements, including note disclosures, 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 internal control that we identify during our audit.

Statement on the management review

Management is responsible for the management review.

Our opinion on the financial statements does not cover the management 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 the management review and, in doing so, consider whether the management review is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management review provides the information requirement under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the management review is in accordance with the financial statements and has been prepared in accordance with the requirements in the Danish Financial Statements Act. We did not identify any material misstatement of the management review.

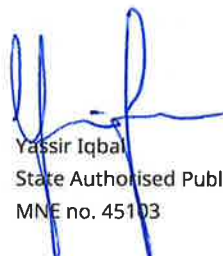
Copenhagen, 16 May 2022

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR-no. 33 96 35 56



Sumit Sudan
State Authorised Public Accountant
MNE no. 33716



Yassir Iqbal
State Authorised Public Accountant
MNE no. 45103

Company information

Company	Novo Nordisk Pharma Operations A/S c/o Novo Nordisk A/S Novo Allé 2880 Bagsværd Denmark
	CVR no.: 32 65 72 22
	Founded: 18 December 2009
	Municipality of domicile: Gladsaxe
	Financial year: 1 January - 31 December
Board of Directors	Tomas Haagen, chairman Linette Nielsen Claus Sølje
Executive Management	Lars Bo Smidt
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 2300 Copenhagen S Denmark
General meeting	The Annual General Meeting will be held on 16 May 2022 at the company's address.

Financial key figures

	2021	2020	2019	2018	2017
	<u>DKK '000</u>	<u>DKK '000</u>	<u>DKK '000</u>	<u>DKK '000</u>	<u>DKK '000</u>
Income statement:					
Income from service activity	98.630	79.197	81.042	61.361	65.682
Operating profit/(loss)	2.884	7.216	4.492	2.224	3.615
Net financials gain/(loss)	1.514	(3.483)	(623)	(487)	(1.159)
Net profit/(loss) for the year	3.155	3.014	2.825	1.710	759
Balance sheet:					
Total assets	70.860	54.676	55.917	43.973	41.586
Equity	20.538	17.383	14.369	11.544	9.834
Investments in property, plant and equipment	10.545	77	1.667	4.381	-

Management commentary

Main activities

The main activity of the company is to establish and own branches and shares in domestic and foreign companies, to make investments and financial dealings, including domestic and foreign placement of capital in companies and real estate, and at the discretion of the board of directors to support the operations of such companies. The Company also aims to support the Novo Nordisk A/S pharmaceutical activities.

Development during the financial year

The net profit for Novo Nordisk Pharma Operations A/S ended at DKK 3,155 thousand for the year 2021 compared to DKK 3,014 thousand for the year 2020. The net profit reflects the development in the underlying branches and is in line with the expectations stated in the Annual Report 2020.

Outlook for the company, including specific assumptions and elements of uncertainty

The company's financial performance reflects the development in the underlying branches. Management expects to record a slightly higher return in 2022 compared with 2021.

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.

Foreign branches

The company has branches in Kosovo, Montenegro, Vietnam, Iraq, Saudi Arabia, Ecuador and Peru (under liquidation).

Income statement

		2021	2020
	Note	DKK '000	DKK '000
Income from service activity		98.630	79.197
Expenses from service activity	1, 5	95.746	71.981
Operating profit/(loss)		2.884	7.216
Financial income	2	2.088	8
Financial expenses	3	574	3.491
Profit/(loss) before income taxes		4.398	3.733
Income taxes		1.243	719
NET PROFIT/(LOSS) FOR THE YEAR	4	3.155	3.014

For proposed appropriation of net profit see note 4.

Balance sheet at 31 December

	Note	2021 DKK '000	2020 DKK '000
ASSETS			
Property, plant and equipment	5	10.298	5.697
TOTAL FIXED ASSETS		10.298	5.697
Deferred income tax	6	721	450
TOTAL LONG TERM ASSETS		721	450
Amounts owed by affiliated companies		42.283	31.670
Tax receivables		461	-
Other receivables		5.157	3.237
Cash at bank		11.940	13.622
TOTAL CURRENT ASSETS		59.841	48.529
TOTAL ASSETS		70.860	54.676
EQUITY AND LIABILITIES			
Share capital		500	500
Retained earnings		20.038	16.883
TOTAL EQUITY		20.538	17.383
Borrowings	7	5.839	492
Other long term provisions		1.990	-
LONG-TERM LIABILITIES		7.829	492
Borrowings	7	2.154	2.696
Trade payables		-	1.061
Amounts owed to affiliated companies		16.949	14.995
Tax payables		1.533	523
Other liabilities	8	21.857	17.526
TOTAL CURRENT LIABILITIES		42.493	36.801
TOTAL LIABILITIES		50.322	37.293
TOTAL EQUITY AND LIABILITIES		70.860	54.676

Statement of changes in equity at 31 December

	Share capital DKK '000	Retained earnings DKK '000	Total DKK '000
2021			
Balance at the beginning of the year	500	16.883	17.383
Net profit/(loss) for the year		3.155	3.155
Balance at the end of the year	500	20.038	20.538
2020			
Balance at the beginning of the year	500	13.869	14.369
Net profit/(loss) for the year		3.014	3.014
Balance at the end of the year	500	16.883	17.383

Accounting policies

Accounting basis

The Annual Report of the Company is prepared in accordance with the Danish Financial Statements Act for a medium sized class C company.

The accounting policies applied remain unchanged from last year.

The Annual Report is presented in DKK 1,000.

Translation of foreign currencies

Foreign currency transactions are translated into DKK using the exchange rates prevailing at the transaction dates. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Income statement.

Income from service activity

Income from service activity is recognised as earned. Services are related to promotional activities in the branch offices.

Expenses from service activity

Expenses from service activity are made up of costs incurred in the branch offices providing promotial services.

Financial items

Financial income and expenses include interest income and expenses, debt and transactions in foreign currencies as well as surcharges and allowances under the tax prepayment scheme etc. Financial income and expenses are recognised by the amounts pertaining to the financial year.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment loss. Depreciation is provided under the straight-line method over the estimated useful lives of the assets:

Other fixtures and fittings 3-16 years

Assets with a short estimated useful live is recognised in the income statement at the date of acquisition.

If the carrying amount of property, plant and equipment are higher than the recoverable amount, the asset is written down to its lower recoverable amount.

Leases

For contracts which are or contain a lease, the Company recognises a right-of-use asset and a lease liability. The right-of-use asset is presented in property, plant and equipment and the lease liability in borrowings.

The right-of-use asset is initially measured at cost, being the initial amount of the lease liability adjusted for any lease payments made at/or before the commencement date. The right-of use asset is subsequently depreciated using the straight-line method over the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments outstanding at the commencement date, discounted using the incremental borrowing rate. The lease liability is remeasured when there is a change in future lease payments, typically due to a change in index or rate (e.g. inflation) on property leases, or if there is a reassessment of whether an extension or termination option will be exercised.

Contracts may contain both lease and non-lease components. The lease components are recognised in the balance sheet and the non-lease components are recognised as an expense in profit and loss.

New lease contracts with a lease term of 12 months or less and lease of low value assets are not recognised on the balance sheet. These are expensed on a straight-line basis over the lease term or another systematic basis.

Borrowings

Borrowings consists of lease liabilities.

Accounting policies

Amounts owed by affiliated companies and other receivables

Amounts owed by affiliated companies and other receivables are stated at amortised cost less write-downs for potential losses on doubtful debts. Any write-downs are based on an individual assessment of each debtor, including an evaluation of payment risk associated with individual countries.

Tax

Deferred tax is provided for using the balance sheet liability method and comprises all temporary differences between the carrying amount and tax base of assets and liabilities. The tax value of tax loss carry-forwards is included in the statement of deferred tax if the losses are likely to be utilised in the future. Deferred tax is provided for using the tax rate expected to apply when the temporary differences are expected to be eliminated.

Novo Nordisk recognises deferred income tax assets if it is probable that sufficient taxable income will be available in the future against which the temporary differences can be utilised.

Tax payable/receivable includes tax payable computed on the basis of the expected taxable income for the year and any adjustments of taxes payable for previous years.

Income tax in the income statement comprises current tax for the year and any change in the provision for deferred tax.

The company is jointly taxed with the Danish companies in the Novo Holdings 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 Holdings A/S, which functions as the tax administration company. The jointly taxed Danish enterprises have adopted the on-account taxation scheme.

Dividends

Proposed dividends (not yet declared) for the accounting period are recognised in the equity as proposed dividends.

Amounts owed to affiliated companies and other liabilities

Amounts owed to affiliated companies and other liabilities are measured at amortised cost.

Statement of cash flows

In accordance with paragraph 86, section 4, of the Danish Financial Statements Act, no separate cash flow statement has been prepared for the parent company. Reference is made to the cash flow statement in the Consolidated Financial Statements for the Novo Nordisk Group.

Notes

1 - Employee costs	2021	2020
	DKK '000	DKK '000
Wages and salaries	61.748	50.111
Pensions	6.383	1.073
Other contributions to social security	4.888	4.262
Other employee costs	8.557	8.926
Total employee costs	81.576	64.372

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

	2021	2020
	DKK '000	DKK '000
Average number of full-time employees at year-end	130	124

2 - Financial income	2020	2019
	DKK '000	DKK '000
Foreign exchange rate gain (net)	2.088	-
Interests income	-	8
Total financial income	2.088	8

3 - Financial expenses	2021	2020
	DKK '000	DKK '000
Interests paid	4	1
Foreign exchange rate loss (net)	-	2.876
Other financial expenses	570	614
Total financial expenses	574	3.491

4 - Proposed appropriation of net profit	2021	2020
	DKK '000	DKK '000
Retained earnings	3.155	3.014
Distribution of net profit	3.155	3.014

5 - Property, plant and equipment	2021	2020
	DKK '000	DKK '000
Cost at the beginning of the year	17.630	17.956
Additions during the year	10.545	77
Disposals during the year	(6.221)	(403)
Cost at the end of the year	21.954	17.630
Depreciation and impairment losses at the beginning of the year	11.933	6.633
Depreciation for the year	5.944	5.300
Depreciation and impairment losses reversed on disposal during the year	(6.221)	-
Depreciation and impairment losses at the end of the year	11.656	11.933
Carrying amount at the end of the year	10.298	5.697
Of which related to leased property, plant and equipment	8.267	3.651

Notes

6 - Deferred income tax assets/(liabilities)	2021	2020
	DKK '000	DKK '000
Net deferred tax asset/(liability) at 1 January	450	356
Income/(charge) to the Income statement	271	94
Net deferred tax asset/(liability) at 31 December	721	450

7 - Borrowings	2020	2019
	DKK '000	DKK '000
Within 1 year	2.154	2.696
1-5 years	5.839	492
Total borrowings	7.993	3.188

8 - Other liabilities	2020	2019
	DKK '000	DKK '000
Employee costs payable	8.711	9.742
Duties payable	7.674	4.413
Payables regarding promotion activities	3.914	2.022
Legal and consultancy costs payables	656	41
Other liabilities	902	1.308
Total other liabilities	21.857	17.526

9 - Contingent liabilities

The company is jointly taxed with the Danish companies in the Novo Holdings 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.

10 - 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.

11 - Related parties and ownership

All transactions with related parties have been carried out at arm's length principle.

Controlling interests

	Basis
Novo Nordisk Region AAMEO and LATAM A/S, Novo Allé, 2880 Bagsværd, Denmark	Principal shareholder, owns 100%
Novo Nordisk A/S, Novo Allé, 2880 Bagsværd, Denmark	Controls Novo Nordisk Region AAMEO and LATAM A/S
Novo Holdings A/S, Tuborg Havnevej 19, 2900 Hellerup, Denmark	Controls Novo Nordisk A/S
Novo Nordisk Fonden, Tuborg Havnevej 19, 2900 Hellerup, Denmark	Ultimate parent of the group

The company is included in the consolidated financial statements of Novo Nordisk A/S and the ultimate parent company, Novo Nordisk Foundation, in which Novo Nordisk Region International Operations A/S is fully consolidated, can be ordered from Novo Nordisk A/S (CVR no. 24 25 67 90), Novo Allé, 2880 Bagsværd, Denmark, and from the Novo Nordisk Foundation (CVR no. 10 58 29 89), Tuborg Havnevej 19, 2900 Hellerup, Denmark.