

AbbVie A/S

Emdrupvej 28C, 2100 København Ø

CVR no. 34 46 28 28

Annual report 2018

Approved at the Company's annual general meeting on 24 May 2019

Chairman:

Ulrik Bangsbo Hansen

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Statement by the Supervisory and Executive Boards

The Supervisory and Executive Boards have today discussed and approved the annual report of AbbVie A/S for the financial year 1 January – 31 December 2018.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

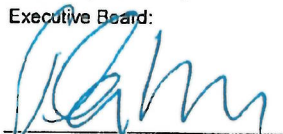
It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2018 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2018.

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 approved at the annual general meeting.

Copenhagen, 24 May 2019

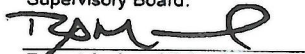
Executive Board:



Thea Larsen

CEO

Supervisory Board:



Robert Andrew Michael

Chairman



Linn Kristina Mandahl



Thea Larsen

Independent auditor's report

To the shareholders of Abbvie A/S

Opinion

We have audited the financial statements of Abbvie A/S for the financial year 1 January – 31 December 2018, which comprise income statement, balance sheet, statement of changes in equity, cash flow statement and notes, including accounting policies. 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 financial position of the Company at 31 December 2018 and of the results of the Company's operations and cash flows for the financial year 1 January – 31 December 2018 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements.

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 as to 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 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 the financial statements.

As part of an audit conducted in accordance with ISAs and 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.

Independent auditor's report

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 note 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.

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'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 the Management's review and, in doing so, consider whether the 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 the Management's review provides the information required under the Danish Financial Statements Act.

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

Copenhagen, 24 May 2019
Ernst & Young
Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28



Birgit Morville Schrøder
State Authorised Public Accountant
mne21337

Management's review

Company details

Name	AbbVie A/S
Address, zip code, city	Emdrupvej 28C, 2100 Copenhagen Ø
CVR no.	34 46 28 28
Financial year	1 January - 31 December
Established	14 March 2012
E-mail	finance.dk@abbvie.com
Telephone	+45 72 30 20 28
Supervisory Board	Robert Andrew Michael, Chairman Linn Kristina Mandahl Thea Larsen
Executive Board	Thea Larsen, CEO
Auditors	Ernst & Young Godkendt Revisionspartnerselskab Osvald Helmuths Vej 4, 2000 Frederiksberg
Bankers	Handelsbanken

Management's review

Financial highlights

DKK	2018	2017	2016	2015	2014
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Key figures

Revenue	452,915,118	553,888,872	541,398,058	568,234,723	535,802,107
Operating profit	33,196,218	28,136,052	35,391,474	30,146,618	19,623,987
Net financials	-14,562	18,034	-93,233	-162,511	-279,385
Profit for the year	25,088,496	20,902,364	26,255,288	21,523,179	13,119,760

Balance sheet total	200,679,198	210,474,773	211,017,684	171,116,342	210,544,683
Investments in property, plant and equipment	805,291	763,474	880,041	2,139,078	1,652,165
Equity	144,879,333	119,790,837	118,888,473	92,633,185	71,110,007

Financial ratios in %

Return on assets	16.1	13.4	18.5	15.7	8.9
Equity ratio	72.2	56.9	56.3	54.1	33.8
Return on equity	17.3	17.4	22.1	23.2	18.4

Average number of full-time employees	76	78	84	96	94
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Management's review

The company's business review

The company's activities consist of marketing, sale and distribution of pharmaceutical products to the health sector in Denmark, the Faroe Islands and Iceland.

Recognition and measurement uncertainties

Management evaluates that no certain risks are related to recognition and measurement in connection with the presentation of the annual report.

Financial review

In 2018, the company's revenue came in at DKK 452,915,118 against DKK 553,888,872 last year. The income statement for 2018 shows a profit of DKK 25,088,496 against DKK 20,902,364 last year, and the balance sheet at 31 December 2018 shows equity of DKK 144,879,333.

Actual result for 2018 is in line with the expectations in financial statements 2017.

On October 16th 2018 the patent protection for Humira ended in Denmark and allowed for competition of biosimilar products.

The management considers the company's financial performance in the year satisfactory.

Non-financial matters

No other non-financial matters have been identified.

Knowledge resources

The company's future economic viability is dependent on the research and development work undertaken by the group, which is described further below. As the company's activities consist of marketing, sale and distribution, knowledge resources in these areas are of significant importance to the future success of the business.

Special risks

Parallel imports and changes in the European reference prices have an impact on the performance of the company.

Impact on the external environment

Management does not consider the company's impact on the external environment significant.

Research and development activities

Future income from products is dependent on the success of research and development activities within the group.

Statutory CSR report

The company does not have any separate policies for CSR in general, including human rights, social and labour conditions, environment, climate impact and anti-corruption, since it is assessed that the risks related to these areas are limited. For further information on the groups policies, see here: <http://www.abbvie.com/responsibility/home.html>

Account of the gender composition of management

AbbVie A/S has an equal distribution of men and women both on the board of directors and in the other management.

Supervisory board comprises of one woman and two men (33.33%/66.67%).

Other management consists of three men and six women (33.33%/66.67%).

According to The Danish Business Authority this percentage is considered an equal gender balance. The company does not have a policy for the gender composition of management.

Management's review

Post balance sheet events

During the first quarter of 2019 the company announced a new Scandinavian structure for AbbVie in Denmark, Norway and Sweden. The legal structure won't change, maintaining country operational entities in all three countries. However, a common Scandinavian management team will oversee and guide operations in all three countries. As a consequence of the organizational change certain positions have been reduced within AbbVie Denmark. Reference is made to note 20.

Outlook

The company expects that the revenue will be in the range DKK 150-175MM and profit before tax around DKK 5MM for 2019. The 2019 turnover is impacted by competition from biosimilar products and parallel import.

Financial statements for the period 1 January – 31 December

Income statement

Note	DKK	<u>2018</u>	<u>2017</u>
2	Revenue	452,915,118	553,888,872
	Cost of sales	287,583,198	391,615,130
	Other external expenses	41,734,256	44,027,224
	Gross margin	123,597,664	118,246,518
3	Staff costs	88,211,608	88,041,716
4	Amortization/depreciation of intangible assets and property, plant and equipment	2,189,838	2,068,750
	Operating profit	33,196,218	28,136,052
5	Financial income	18,221	40,174
6	Financial expenses	32,783	22,140
	Pre-tax profit	33,181,656	28,154,086
7	Tax for the year	8,093,160	7,251,722
	Profit for the year	<u>25,088,496</u>	<u>20,902,364</u>
	Recommended appropriation of the profit for the year		
	Retained earnings	<u>25,088,496</u>	<u>20,902,364</u>
		<u>25,088,496</u>	<u>20,902,364</u>

Financial statements for the period 1 January – 31 December

Balance sheet

Note	DKK	<u>2018</u>	<u>2017</u>
	ASSETS		
	Non-current assets		
8	Property, plant and equipment		
	Plant and machinery	0	1,097,799
	Fixtures and fittings, plant and equipment	<u>1,412,256</u>	<u>1,759,135</u>
		<u>1,412,256</u>	<u>2,856,934</u>
9	Financial assets		
	Other receivables	<u>2,256,823</u>	<u>2,256,823</u>
		<u>2,256,823</u>	<u>2,256,823</u>
	Total non-current assets	<u>3,669,079</u>	<u>5,113,757</u>
	Current assets		
	Inventories		
	Finished goods and goods for resale	<u>5,385,433</u>	<u>1,102,174</u>
		<u>5,385,433</u>	<u>1,102,174</u>
10	Receivables		
	Trade receivables	72,028,460	125,858,352
	Receivables from group entities	116,048,231	72,897,098
11	Deferred tax	465,161	227,604
	Other receivables	87,355	1,513
12	Prepayments	0	2,295,962
		<u>188,629,207</u>	<u>201,280,529</u>
	Cash	<u>2,995,479</u>	<u>2,978,314</u>
	Total current assets	<u>197,010,119</u>	<u>205,361,016</u>
	TOTAL ASSETS	<u><u>200,679,198</u></u>	<u><u>210,474,773</u></u>

Financial statements for the period 1 January – 31 December

Balance sheet

Note	DKK	2018	2017
	EQUITY AND LIABILITIES		
	Equity		
13	Share capital	501,000	501,000
	Retained earnings	144,378,333	119,289,837
	Total equity	<u>144,879,333</u>	<u>119,790,837</u>
14	Liabilities		
	Current liabilities		
	Trade payables	6,675,503	8,205,093
	Payables to group entities	29,149,536	44,768,330
	Income taxes payable	291,149	140,928
	Other payables	19,683,677	37,569,585
		<u>55,799,865</u>	<u>90,683,936</u>
	Total current liabilities	<u>55,799,865</u>	<u>90,683,936</u>
	TOTAL EQUITY AND LIABILITIES	<u>200,679,198</u>	<u>210,474,773</u>

- 1 Accounting policies
- 15 Security for loans
- 16 Contingent liabilities and other financial obligations
- 17 Related parties
- 18 Fee for the auditors appointed by the company in general meeting
- 19 Appropriation of profit
- 20 Subsequent events

Financial statements for the period 1 January – 31 December
Statement of changes in equity

Note DKK

	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity at 1 January 2018	501,000	119,289,837	119,790,837
Dividend distribution	0	0	0
19 Profit for the year, cf. appropriation of profit	<u>0</u>	<u>25,088,496</u>	<u>25,088,496</u>
Equity at 31 December 2018	<u><u>501,000</u></u>	<u><u>144,378,333</u></u>	<u><u>144,879,333</u></u>

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Accounting policies

The annual report of AbbVie A/S for 2018 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

Changes to the accounting policy

In 2018, the Company adopted IFRS 15 as interpretation for recognition of revenue.

The implementation of IFRS 15 does not have a monetary impact on the income statement or the balance sheet for 2018 or for the comparison figures.

Apart from the above, the accounting policies used in the preparation on the financial statements are consistent with those of last year.

Omission to present a cash flow statement

The cash flow statement has not been presented, cf. ÅRL (Danish Financial Statements Act) section 86(4). The cash flow statement is included in the consolidated accounts for AbbVie Inc., which can be obtained from the following website: <https://investors.abbvie.com/annual-report-proxy>

Reporting currency

Currency translation

Transactions denominated in foreign currencies are translated into Danish kroner at the exchange rate at the date of the transaction.

Receivables, payables and other monetary items denominated in foreign currencies are translated into Danish kroner at the exchange rate at the balance sheet date. Realised and unrealised exchange gains and losses are recognised in the income statement as financial income/expenses.

Income statement

Revenue

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods.

The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the product.

The Company considers whether there are other promises in the revenue contracts that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., discounts and rebates). In determining the transaction price for the sale of products, the Company considers the effects of variable consideration, the existence of significant financing components, noncash consideration, and consideration payable to the customer (if any).

Cost of sales

Cost of sales includes the cost of goods used in generating the year's revenue.

Other external expenses

Other external expenses include the year's expenses relating to the entity's core activities, including expenses relating to distribution, sale, advertising, administration, premises, bad debts, payments under operating leases, etc.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Accounting policies (continued)

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.

Payments to temporary workers presented as wages and salaries in prior years are now included in other external costs.

Amortisation/depreciation of intangible assets and property, plant and equipment

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

Goodwill is amortised over the expected economic life, measured by reference to an assessment of, among other factors, the nature, earnings and market position of the acquired entity as well as the stability of the industry and the dependence on key staff.

The estimated useful lives and the residual value for intangible assets are as follows:

Goodwill	7 years
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The amortisation period for goodwill exceeds 5 years, as the main product in the invested company is still patent protected.

Property, plant and equipment are depreciated on a straight-line basis over the expected useful life of each individual asset. The depreciation basis is the cost plus revaluations and less expected residual value.

The expected useful lives and the residual value of the assets are as follows:

Plant and machinery	3-10 years
Fixtures and fittings, tools and equipment	3-10 years

The residual value is determined at the time of acquisition and are reassessed every year. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised. In case of changes in the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

Balance sheet

Intangible assets

Goodwill is measured at cost less accumulated amortisation and impairment losses.

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Gains or losses arising from the sale of items of property, plant and equipment are recognised in the income statement under 'Other operating income' or 'Other operating expenses', respectively. Gains and losses are calculated by reference to the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Accounting policies (continued)

Investments

Other investments comprise from other receivables, which covers rental deposits. Deposits are measured at nominal value.

Inventories

Inventories are measured at the lower of cost or market using weighted average cost method. Cost of goods for resale consists of purchase price plus delivery costs. The net realizable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

Impairment of fixed assets

Every year, intangible assets and property, plant and equipment are reviewed for impairment. Where there is indication of impairment, an impairment test is made for each individual asset or group of assets, respectively, generating independent cash flows. The assets are written down to the higher of the value in use and the net selling price of the asset or group of assets (recoverable amount) if it is lower than the carrying amount. Where an impairment loss is recognised on a group of assets, a loss must first be allocated to goodwill and then to the other assets on a pro rata basis.

Receivables

Receivables are measured at amortised cost, which usually corresponds to the nominal value. Provisions are made for bad debts on the basis of objective evidence that a receivable or a group of receivables are impaired. Provisions are made to the lower of the net realisable value and the carrying amount.

Prepayments

Prepayments recognised under 'Assets' comprise prepaid expenses regarding subsequent financial reporting years.

Cash and cash equivalents

Cash comprises cash balances and bank balances.

Income tax

Current tax payables and receivables are recognised in the balance sheet as the estimated tax charge in respect of the taxable income for the year, adjusted for tax on prior years' taxable income and tax paid on account.

Provisions for deferred tax are calculated, based on the liability method, of all temporary differences between carrying amounts and tax values, with the exception of temporary differences occurring at the time of acquisition of assets and liabilities neither affecting the results of operations nor the taxable income, as well as temporary differences on non-amortisable goodwill.

Deferred tax is measured according to the taxation rules and taxation rates in the respective countries applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the value at which they are expected to be utilised, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

Other payables

Other payables are measured at net realisable value.

Segment information

Segment information is given for revenue broken down by business segment and geographical segment. The segmentation is in accordance with the entity's internal financial management.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

1 Accounting policies (continued)

Financial ratios

Financial ratios are calculated in accordance with the Danish Finance Society's guidelines on the calculation of financial ratios.

Definition of financial ratios:

Return on assets:

Profit/loss from ordinary operating activities / Average assets * 100

Equity ratio:

Closing equity / Equity & liabilities at year-end * 100

Return on equity:

Profit/loss for the year / Average equity * 100

2 Segment information

Activities – primary segment

Abbvie has sales in various products and therapy areas, and several of these constitute significant segments. Therapy areas often only contain 1 product and therefore segmental disclosures split by therapy will show the net sales per product. The unit sales per product are published by IMS / DLI and thus such therapy segmentation will mean that the net price per unit can be determined by the public (as well as competitors). For competitive reasons, no therapy segment information has been disclosed.

Geographical – secondary segment

As the company's markets do not deviate significantly from one another, no geographical segment information has been disclosed.

DKK	<u>2018</u>	<u>2017</u>
3 Staff costs		
Wages and salaries	81,354,132	81,120,057
Pensions	6,315,109	6,392,204
Other social security costs	<u>542,367</u>	<u>529,455</u>
	<u>88,211,608</u>	<u>88,041,716</u>
Average number of full-time employees	<u>76</u>	<u>78</u>

By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to management is not disclosed.

4 Amortisation/depreciation of intangible assets and property, plant and equipment

Amortisation of intangible assets	0	419,736
Depreciation of property, plant and equipment	1,143,064	1,649,014
Impairment of property, plant and equipment	<u>1,046,774</u>	<u>0</u>
	<u>2,189,838</u>	<u>2,068,750</u>

Financial statements for the period 1 January – 31 December

Notes to the financial statements

DKK	<u>2018</u>	<u>2017</u>
5 Financial income		
Interest receivable, group entities	7,645	4,911
Exchange gain	<u>10,576</u>	<u>35,263</u>
	<u>18,221</u>	<u>40,174</u>
6 Financial expenses		
Interest expense, group entities	0	9
Interest surcharge, income taxes	<u>32,783</u>	<u>22,131</u>
	<u>32,783</u>	<u>22,140</u>
7 Tax for the year		
Estimated tax charge for the year	8,306,628	7,159,308
Deferred tax adjustments in the year	-237,557	-69,578
Tax adjustments, prior years	<u>24,089</u>	<u>161,992</u>
	<u>8,093,160</u>	<u>7,251,722</u>

Financial statements for the period 1 January – 31 December

Notes to the financial statements

8 Property, plant and equipment

DKK	<u>Plant and machinery</u>	<u>Fixtures and fittings, tools and equipment</u>	<u>Total</u>
Cost at 1 January 2018	12,217,468	8,189,426	20,406,894
Additions	344,195	461,096	805,291
Disposals	-1,975,922	-69,800	-2,045,722
Cost at 31 December 2018	<u>10,585,741</u>	<u>8,580,722</u>	<u>19,166,463</u>
Impairment losses and depreciation at 1 January 2018	11,119,669	6,430,291	17,549,960
Depreciation	335,089	807,975	1,143,064
Impairment losses	1,046,774	0	1,046,774
Reversal of depreciation and impairment losses, disposals	-1,915,791	-69,800	-1,985,591
Impairment losses and depreciation at 31 December 2018	<u>10,585,741</u>	<u>7,168,466</u>	<u>17,754,207</u>
Carrying amount at 31 December 2018	<u><u>0</u></u>	<u><u>1,412,256</u></u>	<u><u>1,412,256</u></u>

9 Financial assets

DKK	<u>Other receivables and deposits</u>
Cost at 1 January 2018	2,256,823
Additions	0
Disposals	0
Cost at 31 December 2018	<u>2,256,823</u>
Value adjustments at 1 January 2018	0
Value adjustments in the year	0
Value adjustments at 31 December 2018	0
Carrying amount at 31 December 2018	<u><u>2,256,823</u></u>

10 Receivables

Of the company's trade receivables DKK 0 falls due for payment after more than one year after the balance sheet date.

DKK	<u>2018</u>	<u>2017</u>
11 Deferred tax		
Deferred tax asset at 1 January	227,604	158,026
Adjustment of the deferred tax charge for the year	237,557	69,578
Deferred tax asset at 31 December	<u><u>465,161</u></u>	<u><u>227,604</u></u>

12 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, and mainly relate to congress, insurance policies and memberships.

Financial statements for the period 1 January – 31 December

Notes to the financial statements

DKK	<u>2018</u>	<u>2017</u>
13 Share capital		
Analysis of the company's share capital, DKK 501,000: 501 shares of DKK 1,000 each	<u>501,000</u>	<u>501,000</u>
	<u>501,000</u>	<u>501,000</u>

The company's share capital has remained DKK 501,000 in the past 5 years.

14 Liabilities

Of the company's liabilities DKK 0 falls due for payment after more than one year after the balance sheet date.

15 Security for loans

The company has not placed any assets or other as security for loans at 31 December 2018.

16 Contingent liabilities and other financial obligations

Other financial obligations

DKK	<u>2018</u>	<u>2017</u>
Rent and lease liabilities	9,539,842	15,333,224

Rent and lease liabilities include a rent obligation totalling DKK 3,709,436 in interminable rent agreements with remaining contract terms of 1 year. Furthermore, the company has liabilities under operating leases for cars totalling DKK 5,830,406 with remaining contract terms of 1-5 years.

Analysis of liabilities:

0-1 year	6,308,779	7,206,070
1-5 years	<u>3,231,063</u>	<u>8,127,154</u>
	<u>9,539,842</u>	<u>15,333,224</u>

Financial statements for the period 1 January – 31 December

Notes to the financial statements

17 Related parties

Parties exercising control

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>	<u>Requisitioning of the parent company's consolidated financial</u>
AbbVie Inc.	North Chicago, Illinois, U.S.A.	Ultimate parent company	https://investors.abbvie.com/annual-report-proxy

Information about shareholders holding 5% or more of the share capital or the voting rights

<u>Name</u>	<u>Domicile</u>
AbbVie Investments S.á.r.l. (reg. no. B166925)	16 Boulevard Royal, L-2449 Luxembourg

Receivables at 31 December

<u>DKK</u>	<u>2018</u>	<u>2017</u>
AbbVie Finance B.V.	116,048,231	65,730,875
AbbVie Inc.	0	7,166,223
	<u>116,048,231</u>	<u>72,897,098</u>

Liabilities at 31 December

AbbVie Logistics B.V.	29,028,791	44,202,579
AbbVie Inc.	26,034	334,489
Other related parties	94,711	231,263
	<u>29,149,536</u>	<u>44,768,330</u>

Financial statements for the period 1 January – 31 December

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17 Related parties (continued)

Profit and loss transactions

Cross reimbursement

DKK	2018	2017
AbbVie Central Finance BV	25,041,490	0
AbbVie Inc.	844,133	22,500,140
AbbVie Biopharmaceuticals GmbH	0	198,703
Other related parties	39,600	139,448
	<u>25,925,223</u>	<u>22,838,291</u>

Expenses arising from related party transactions for the year

Purchase of goods

AbbVie Logistics B.V.	291,736,790	391,098,448
Other	52,938	134,357
	<u>291,789,728</u>	<u>391,232,805</u>

Purchase of services

AbbVie Central Finance BV	9,298,204	0
AbbVie Inc.	846,047	10,079,547
AbbVie Logistics B.V.	1,308,902	2,589,275
AbbVie, L.da	0	93,298
AbbVie Biopharmaceutical SARL	812,357	740,027
AbbVie AS	264,886	225,407
AbbVie Corporation	0	236,589
AbbVie Biopharmaceuticals GmbH	531,576	1,023,959
Other related parties	138,036	110,572
	<u>13,200,008</u>	<u>15,098,675</u>

18 Fee for the auditors appointed by the company in general meeting

Fee for the statutory audit of the financial statements	318,675	312,426
Fee for tax consultancy	37,925	37,000
	<u>356,600</u>	<u>349,426</u>

19 Appropriation of profit

Recommended appropriation of profit

Retained earnings	25,088,496	20,902,364
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20 Subsequent events

During the first quarter of 2019 the company announced a new Scandinavian structure for AbbVie in Denmark, Norway and Sweden. The legal structure won't change, maintaining country operational entities in all three countries. However, a common Scandinavian management team will oversee and guide operations in all three countries. As a consequence of the organizational change certain positions have been reduced within AbbVie Denmark.