

# AbbVie A/S

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Emdrupvej 28C, 2100 København Ø

CVR no. 34 46 28 28

## Annual report 2020

Approved at the Company's annual general meeting on 28 June 2021

Chairman:



Thea Larsen

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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 2020.

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 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

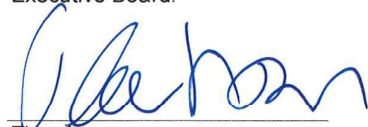
Further, in our opinion, the Management's review gives a fair review of the development in the Company's operations and financial matters and the results of the Company's operations and financial position.

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We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 28 June 2021

Executive Board:



Thea Larsen  
CEO

Supervisory Board:



Robert Andrew Michael  
Chairman

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Linn Kristina Mandahl



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Thea Larsen

## 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 2020.

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 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020.

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, 28 June 2021

Executive Board:

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Thea Larsen  
CEO

Supervisory Board:

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Robert Andrew Michael  
Chairman

  
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Linn Kristina Mandahl

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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 2020, which comprise income statement, balance sheet, statement of changes in equity 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 2020 and of the results of the Company's operations for the financial year 1 January – 31 December 2020 in accordance with the Danish Financial Statements Act.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and 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

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.

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, 28 June 2021  
EY Godkendt Revisionspartnerselskab  
CVR no. 30 70 02 28



Birgit Morville Schrøder  
State Authorised Public Accountant  
mne21337



Anders Roe Eriksen  
State Authorised Public Accountant  
mne46667

## 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	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, 2000 Frederiksberg
Bankers	BNP Paribas Fortis

## Management's review

### Financial highlights

DKK	2020	2019	2018	2017	2016
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#### Key figures

Revenue	183,933,724	136,658,301	452,915,118	553,888,872	541,398,058
Operating profit	9,434,951	6,771,608	33,196,218	28,136,052	35,391,474
Net financials	-225,871	-94,296	-14,562	18,034	-93,233
Profit for the year	6,956,512	4,810,512	25,088,496	20,902,364	26,255,288

Balance sheet total	191,299,561	220,544,960	200,679,198	210,474,773	211,017,684
Investments in property, plant and equipment	352,140	162,593	805,291	763,474	880,041
Equity	156,646,357	149,689,845	144,879,333	119,790,837	118,888,473

#### Financial ratios in %

Return on assets	4.5	3.2	16.1	13.4	18.5
Equity ratio	81.9	67.9	72.2	56.9	56.3
Return on equity	4.4	3.2	17.3	17.4	22.1

Average number of full-time employees	42	61	76	78	84
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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 2020, the company's revenue came in at DKK 183,933,724 against DKK 136,658,301 last year. The revenue increase is mainly driven by winning the Venclyxto tender which is adding around DKK 60MM to the company's sales compared to 2019. The company holds a transfer pricing setup with the Abbvie group resulting in a arms length profitability based in the risk profile of the Company. The change in COGS from 2019 to 2020 is a result of the increased revenue in 2020 and the Companys transfer pricing setup. The income statement for 2020 shows a profit of DKK 6,956,512 against DKK 4,810,512 last year, and the balance sheet at 31 December 2020 shows equity of DKK 156,646,357.

Actual result for 2020 is in line with the expectations in financial statements 2019.

The impact of COVID-19 on AbbVie's operations to date has not been material, AbbVie has experienced lower new patient starts across the therapeutic portfolio.

AbbVie in US closed its acquisition of Allergan on May 8, 2020. The acquisition diversifies AbbVie's therapeutic portfolio and complements existing leadership positions in immunology and hematologic oncology with opportunities in neuroscience, eye care and Allergan Aesthetics.

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.

### Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. The Company's policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. The Company's credit risk is primarily attributable to its trade debtors.

### Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company minimises liquidity risk by managing cash generation through its operations and applying cash target collections.

### Financing risk

The Company is financed by share capital and consequently does not have any financing risk.

### Financial instrument risk

The Company is part of the AbbVie Inc. Group which manages foreign exchange risk and exposure on behalf of the Company. The Group uses forward foreign currency contracts to reduce exposure to the variability of foreign exchange rates by fixing the rate of any material payments in a foreign currency.

## Management's review

### 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.

### Post balance sheet events

On 31 May 2021, AbbVie Investments S.a R.L. transferred its shares in the Company to AbbVie Central Finance B.V., a company incorporated under the laws of Netherlands.

Reference is made to note 15.

### Outlook

The company expects that the revenue will be around DKK 214MM and profit before tax around DKK 11MM for 2021. The outlook has not been adjusted for the COVID-19 potential impact which cannot be estimated.

## Financial statements for the period 1 January – 31 December

### Income statement

Note	DKK	<u>2020</u>	<u>2019</u>
	<b>Revenue</b>	183,933,724	136,658,301
	Cost of sales	89,435,404	3,351,485
	Other operating income	22,078,268	22,457,414
	Other external expenses	<u>56,427,248</u>	<u>64,973,792</u>
	<b>Gross margin</b>	60,149,340	90,790,438
2	Staff costs	50,288,693	83,236,059
3	Amortization/depreciation of intangible assets and property, plant and equipment	<u>425,696</u>	<u>782,771</u>
	<b>Operating profit</b>	9,434,951	6,771,608
4	Financial expenses	<u>225,871</u>	<u>94,296</u>
	<b>Pre-tax profit</b>	9,209,080	6,677,312
5	Tax for the year	<u>2,252,568</u>	<u>1,866,800</u>
	<b>Profit for the year</b>	<u><u>6,956,512</u></u>	<u><u>4,810,512</u></u>
	<b>Recommended appropriation of the profit for the year</b>		
	Retained earnings	<u>6,956,512</u>	<u>4,810,512</u>
		<u><u>6,956,512</u></u>	<u><u>4,810,512</u></u>

## Financial statements for the period 1 January – 31 December

### Balance sheet

Note	DKK	<u>2020</u>	<u>2019</u>
	<b>ASSETS</b>		
	<b>Non-current assets</b>		
6	<b>Property, plant and equipment</b>		
	Fixtures and fittings, plant and equipment	<u>708,084</u>	<u>792,078</u>
		<u>708,084</u>	<u>792,078</u>
7	<b>Financial assets</b>		
	Other receivables	<u>1,517,838</u>	<u>1,853,940</u>
		<u>1,517,838</u>	<u>1,853,940</u>
	<b>Total non-current assets</b>	<u>2,225,922</u>	<u>2,646,018</u>
	<b>Current assets</b>		
	<b>Inventories</b>		
	Finished goods and goods for resale	<u>1,066,444</u>	<u>1,252,864</u>
		<u>1,066,444</u>	<u>1,252,864</u>
	<b>Receivables</b>		
	Trade receivables	31,523,751	57,115,007
	Receivables from group entities	152,234,298	155,509,060
8	Deferred tax	358,099	433,441
	Income taxes receivable	1,953,052	3,226,901
	Other receivables	1,909,398	0
9	Prepayments	<u>28,597</u>	<u>361,669</u>
		<u>188,007,195</u>	<u>216,646,078</u>
	<b>Total current assets</b>	<u>189,073,639</u>	<u>217,898,942</u>
	<b>TOTAL ASSETS</b>	<u><u>191,299,561</u></u>	<u><u>220,544,960</u></u>

## Financial statements for the period 1 January – 31 December

### Balance sheet

Note	DKK	2020	2019
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
10	Share capital	501,000	501,000
	Retained earnings	<u>156,145,357</u>	<u>149,188,845</u>
	<b>Total equity</b>	<u>156,646,357</u>	<u>149,689,845</u>
	<b>Liabilities</b>		
11	<b>Non-current liabilities other than provisions</b>		
	Other payables	<u>0</u>	<u>1,441,175</u>
		<u>0</u>	<u>1,441,175</u>
	<b>Current liabilities</b>		
	Trade payables	5,600,956	7,492,242
	Payables to group entities	9,094,095	41,142,130
	Other payables	<u>19,958,153</u>	<u>20,779,568</u>
		<u>34,653,204</u>	<u>69,413,940</u>
	<b>Total current liabilities</b>	<u>34,653,204</u>	<u>69,413,940</u>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>191,299,561</u>	<u>220,544,960</u>

1 Accounting policies

11 Security for loans

12 Contingent liabilities and other financial obligations

13 Related parties

14 Appropriation of profit

15 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>
<b>Equity at 1 January 2020</b>	501,000	149,188,845	149,689,845
14 Profit for the year, cf. appropriation of profit	<u>0</u>	<u>6,956,512</u>	<u>6,956,512</u>
<b>Equity at 31 December 2020</b>	<u><u>501,000</u></u>	<u><u>156,145,357</u></u>	<u><u>156,646,357</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 2020 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium reporting class C entities.

Effective from the financial year 2020, the Company has implemented amending act no. 1716 of 27 December 2018 to the Danish Financial Statements Act. The implementation of the amending act has not affected the Company's accounting policies on recognition and measurement of assets and liabilities but has solely entailed a requirement for further disclosures.

Intercompany recharges for reimbursement of expenses have been presented as other operating income.

Comparative figures for intercompany recharges of DKK 22,457 thousand have been reclassified from other external expenses to other operating income. These changes have no impact on gross margin, profit for the year, total assets, total liabilities, or equity.

The accounting policies used in the preparation of the financial statements are otherwise 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

The Company has chosen IFRS 15 as interpretation for revenue recognition.

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).

## Financial statements for the period 1 January – 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Cost of sales

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

##### Other operating income

Other operating income comprises items secondary to the Company's activities, including gains on disposal of property, plant and equipment, and intercompany recharges of expenses.

##### 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.

##### 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 are included in other external costs.

##### Depreciation of property, plant and equipment

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.

##### Financial income and expenses

Financial income/expenses include realised and unrealised exchange gains/losses, interest receivable due to the Company from cash deposits with affiliated companies and interest payable to third party banks and the tax office.

##### Tax

The Company is covered by the Danish rules on compulsory joint taxation of the Abbvie Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

The Company is the administration company in respect of the joint taxation arrangement and accordingly settles all corporation taxes to the tax authorities.

On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year comprises current income tax, joint taxation contribution and changes in deferred tax for the year due to changes in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to amounts recognised directly in equity is recognised directly in equity.



## Financial statements for the period 1 January – 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### 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.

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Leases that do not transfer substantially all the risks and rewards incident to the ownership to the Company are classified as operating leases. Payments relating to operating leases and any other rent agreements are recognised in the income statement over the term of the lease. The Company's aggregate liabilities relating to operating leases and other rent agreements are disclosed under "Contingent liabilities".

##### Financial assets (other receivables)

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

The Company has chosen IAS 39 as interpretation for impairment of financial 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.

## Financial statements for the period 1 January – 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Income tax

Current tax payables and receivables are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on taxable income in previous years and tax paid on account.

Joint taxation contributions payable and receivable are recognised in the balance sheet as corporation tax receivable or corporation tax payable.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to non-deductible goodwill and on office premises and other items where temporary differences – apart from acquisitions – arise at the acquisition date without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carryforwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Adjustment is made to deferred tax resulting from elimination of unrealised intra-group profits and losses.

Deferred tax is measured according to the tax rules and at the tax rates applicable in the respective countries at the balance sheet date when the deferred tax is expected to crystallise as current tax.

##### Other payables

Other payables are measured at net realisable value.

##### 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:

$\text{Profit/loss from ordinary operating activities} / \text{Average assets} * 100$

Equity ratio:

$\text{Closing equity} / \text{Equity \& liabilities at year-end} * 100$

Return on equity:

$\text{Profit/loss for the year} / \text{Average equity} * 100$

## Financial statements for the period 1 January – 31 December

### Notes to the financial statements

DKK	<u>2020</u>	<u>2019</u>
<b>2 Staff costs</b>		
Wages and salaries	46,563,252	78,310,279
Pensions	3,470,858	4,444,534
Other social security costs	254,584	481,246
	<u>50,288,693</u>	<u>83,236,059</u>
Average number of full-time employees	<u>42</u>	<u>61</u>
<p>By reference to section 98b(3), (ii), of the Danish Financial Statements Act, remuneration to management in 2020 is not disclosed.</p> <p>In 2019 staff costs include remuneration to management, totalling DKK 5,647,775, pensions totalling DKK 308,590 and other social security costs totalling DKK 8,598.</p>		
<b>3 Depreciation of property, plant and equipment</b>		
Depreciation of property, plant and equipment	425,696	749,684
Impairment of property, plant and equipment	0	33,087
	<u>425,696</u>	<u>782,771</u>
<b>4 Financial expenses</b>		
Exchange losses	204,338	66,229
Interest surcharge, income taxes	21,533	28,067
	<u>225,871</u>	<u>94,296</u>
<b>5 Tax for the year</b>		
Estimated tax charge for the year	2,174,092	1,835,080
Deferred tax adjustments in the year	75,342	31,720
Tax adjustments, prior years	3,134	0
	<u>2,252,568</u>	<u>1,866,800</u>

## Financial statements for the period 1 January – 31 December

### Notes to the financial statements

#### 6 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 2020	10,618,828	8,710,228	19,329,056
Additions	0	352,140	352,140
Disposals		-2,568,633	-2,568,633
Cost at 31 December 2020	<u>10,618,828</u>	<u>6,493,735</u>	<u>17,112,563</u>
Impairment losses and depreciation at 1 January 2020	10,618,828	7,918,150	18,536,978
Depreciation	0	425,696	425,696
Reversal of depreciation and impairment losses, disposals	0	-2,558,195	-2,558,195
Impairment losses and depreciation at 31 December 2020	<u>10,618,828</u>	<u>5,785,651</u>	<u>16,404,479</u>
<b>Carrying amount at 31 December 2020</b>	<u><u>0</u></u>	<u><u>708,084</u></u>	<u><u>708,084</u></u>

#### 7 Financial assets

DKK	<u>Other receivables and deposits</u>
Cost at 1 January 2020	1,853,940
Additions	817
Disposals	-336,919
Cost at 31 December 2020	<u>1,517,838</u>
Value adjustments at 1 January 2020	0
Value adjustments in the year	0
Value adjustments at 31 December 2020	<u>0</u>
<b>Carrying amount at 31 December 2020</b>	<u><u>1,517,838</u></u>

#### 8 Deferred tax

DKK	<u>2020</u>	<u>2019</u>
Deferred tax asset at 1 January	433,441	465,161
Adjustment of the deferred tax charge for the year	-75,342	-31,720
<b>Deferred tax asset at 31 December</b>	<u><u>358,099</u></u>	<u><u>433,441</u></u>

#### 9 Prepayments

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

## Financial statements for the period 1 January – 31 December

### Notes to the financial statements

DKK	<u>2020</u>	<u>2019</u>
<b>10 Share capital</b>		
Analysis of the company's share capital, DKK 501,000: 501 shares of DKK 1,000 each	501,000	501,000
	<u>501,000</u>	<u>501,000</u>

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

### 11 Security for loans

The company has not placed any assets or other as security for loans at 31 December 2020.

### 12 Contingent liabilities and other financial obligations

#### Other financial obligations

Rent and lease liabilities	4,079,822	5,297,041
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Rent and lease liabilities include a rent obligation totalling DKK 1,549,162 in interminable rent agreements with remaining contract terms of 1 year. Furthermore, the company has liabilities under operating leases for cars totalling DKK 2,530,660 with remaining contract terms of 1-5 years.

Analysis of liabilities:

0-1 year	2,988,141	3,406,978
1-5 years	1,091,681	1,890,063
	<u>4,079,822</u>	<u>5,297,041</u>

#### Joint taxation

The Company is covered by the Danish rules on compulsory joint taxation of the Abbvie Group's Danish subsidiaries as long as they share an (in)direct shareholder. The Company is the administration company in respect of the joint taxation arrangement and accordingly settles all corporation taxes to the tax authorities. On payment of joint taxation contributions, the Danish corporation tax charge is allocated between the jointly taxed entities in proportion to their taxable income.

## Financial statements for the period 1 January – 31 December

### Notes to the financial statements

#### 13 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	<a href="https://investors.abbvie.com/annual-report-proxy">https://investors.abbvie.com/annual-report-proxy</a>

##### 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, until 31 May 2021)	16 Boulevard Royal, L-2449 Luxembourg
AbbVie Central Finance B.V. (reg. no. 857923377, from 31 May 2021)	Zuiderzeelaan 53, 8017JV Zwolle

##### Receivables at 31 December

<b>DKK</b>	<b>2020</b>	<b>2019</b>
AbbVie Finance B.V.	149,735,944	144,266,721
AbbVie Central Finance BV	2,473,236	1,807,401
AbbVie Logistics B.V.	0	9,354,148
Other related parties	25,117	80,790
	<u>152,234,298</u>	<u>155,509,060</u>

##### Liabilities at 31 December

AbbVie Logistics B.V.	8,898,150	8,259,311
AbbVie AB	195,946	7,624,525
AbbVie Central Finance BV	0	25,190,638
Other related parties	0	67,656
	<u>9,094,095</u>	<u>41,142,130</u>

##### Profit and loss transactions

###### Cross reimbursement

AbbVie Central Finance BV	26,451,333	26,153,986
AbbVie Logistics B.V.	25,117	9,474,273
AbbVie Inc.	0	65,185
Other related parties	63,521	80,790
	<u>26,539,971</u>	<u>35,774,234</u>

## Financial statements for the period 1 January – 31 December

### Notes to the financial statements

#### 13 Related parties (continued)

##### Expenses arising from related party transactions for the year

##### Purchase of goods

DKK	<u>2020</u>	<u>2019</u>
AbbVie Logistics B.V.	89,243,035	8,802,363
	<u>89,243,035</u>	<u>8,802,363</u>

##### Purchase of services

AbbVie Central Finance BV	6,925,171	7,360,106
AbbVie AB	13,285,034	7,566,874
AbbVie Inc.	0	1,271,482
AbbVie Logistics B.V.	687,801	891,791
AbbVie Biopharmaceutical SARL	161,631	832,543
AbbVie AS	0	223,959
Other related parties	984	213,141
	<u>21,060,622</u>	<u>18,359,896</u>

#### 14 Appropriation of profit

##### Recommended appropriation of profit

Retained earnings	<u>6,956,512</u>	<u>4,810,512</u>
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#### 15 Subsequent events

On 31 May 2021, AbbVie Investments S.a R.L. transferred its shares in the Company to AbbVie Central Finance B.V., a company incorporated under the laws of Netherlands.