

# AstraZeneca A/S

Borupvang 3, 2750 Ballerup

CVR no. 55 74 29 28

## Annual report 2021

Approved at the Company's annual general meeting on 31 May 2022

Chair of the meeting:

DocuSigned by:

*Anna-Lena Engvall*

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Kerstin Anna-Lena Engvall

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## Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of AstraZeneca A/S for the financial year 1 January - 31 December 2021.

The annual report is 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 the financial year 1 January - 31 December 2021.


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, 30 June 2022  
Executive Board:

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Christof Josef Bischoff  
Managing director

Board of Directors:

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.....7DA49F5A4C8C409.....  
Kerstin Anna-Lena Engwall  
Chair

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Christof Josef Bischoff

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Erik Jesper Bergkvist

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Kurt Hungeberg

## Independent auditor's report

To the shareholder of AstraZeneca A/S

### Opinion

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 the financial year 1 January - 31 December 2021 in accordance with the Danish Financial Statements Act.

We have audited the financial statements of AstraZeneca A/S for the financial year 1 January - 31 December 2021, which comprise an income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the 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 are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional 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.

### Statement on Management's review

Management is responsible for Management's review.

Our opinion on the financial statements does not cover 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 Management's review and, in doing so, consider whether 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 Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view 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 in Management's review.

### 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 the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

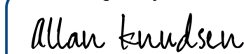
## Independent auditor's report

- 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.
- 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.

Copenhagen, 30 June 2022  
PricewaterhouseCoopers  
Statsautoriseret Revisionspartnerselskab  
CVR no. 33 77 12 31

DocuSigned by:



Allan Knudsen

State Authorised Public Accountant  
mne29465

## Management's review

### Company details

Name	AstraZeneca A/S
Address, Postal code, City	Borupvang 3, 2750 Ballerup
CVR no.	55 74 29 28
Established	8 May 1943
Registered office	Ballerup
Financial year	1 January - 31 December
Website	<a href="http://www.astrazeneca.dk">www.astrazeneca.dk</a>
Telephone	+45 43 66 64 62
Board of Directors	Kerstin Anna-Lena Engwall, Chair Christof Josef Bischoff Erik Jesper Bergkvist Kurt Hungeberg
Executive Board	Christof Josef Bischoff, Managing director
Auditors	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44, 2900 Hellerup

## Management's review

### Financial highlights

DKK'000	2021	2020	2019	2018	2017
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#### Key figures

Revenue	259,638	256,232	213,559	145,489	167,695
Profit before interest and tax (EBIT)	9,635	8,534	9,596	7,442	7,799
Net financials	-143	-298	-119	-201	32
<b>Profit for the year</b>	<b>6,481</b>	<b>5,639</b>	<b>6,271</b>	<b>4,743</b>	<b>5,474</b>

Total assets	232,531	221,548	211,527	196,985	187,451
Investments in property, plant and equipment	0	2,748	0	0	0
<b>Equity</b>	<b>168,361</b>	<b>161,880</b>	<b>156,241</b>	<b>149,970</b>	<b>145,227</b>

#### Financial ratios

Operating margin	3.7%	3.3%	4.5%	5.1 %	4.7 %
Current ratio	370.8%	433.9%	415.7%	425.5%	448.2%
Equity ratio	72.4%	73.1%	73.9%	76.1%	77.5%
Return on equity	3.9%	3.5%	4.1%	3.2%	3.8%

<b>Average number of full-time employees</b>	<b>81</b>	<b>81</b>	<b>78</b>	<b>71</b>	<b>65</b>
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Financial ratios are calculated in accordance with the Danish Finance Society's recommendations. For terms and definitions, please see the accounting policies.

## Management's review

### Business review

The company is committed to bringing the most meaningful difference to patient health through great medicines. The Company's activities are sales and distribution of pharmaceutical products to the Danish Health Sector. The main products are within the following therapy areas; Cardiovascular, Renal and Metabolism (CVRM), Respiratory & Immunology (R&I), Oncology, and Rare Disease, and AstraZeneca is expanding its expertise in these areas.

The company's product range is essentially manufactured and supplied by other companies in the AstraZeneca group.

### Financial review

The company's incomes statement for the year ended 31. December 2021 shows a net profit of DKK 6,481 thousand (2020: DKK 5,639 thousand (profit)), and the balance sheet at 31. December 2021 shows equity of DKK 168,361 thousand (2020: DKK 161,880 thousand).

AstraZeneca A/S achieved a turnover of DKK 259,638 thousand for 2021, which has increased compared to the turnover for 2020 of DKK 256,232 thousand.

In 2021 the company employed an average of 81 employees.

### Net profit for the year compared with previously expressed expectations

The net profit of the year amounts to DKK 6,481 thousand (2020: DKK 5,639 thousand). The net profit represents an increase compared to 2020. Due new launches and successful tenders, the net profit is according to the expectations for 2021. It is the assessment of the Board of Directors that the net profit of the year is satisfactory.

### Products

In 2021 the Company continued to drive financial performance with its well-established portfolio of products in its diverse therapy areas and cost control to ensure a sound profitability.

AstraZeneca globally has divested several of its brands. During a transition period AstraZeneca has arranged for the sales of these brands. The relating revenues and expenses are included in the Income statement.

The brands in question are:  
Atacand, Losec, Crestor, Seroquel XR and Casodex

### Investments

There were no significant investments made in 2021.

### Cash resources

It is estimated that the cash resources will be sufficient to manage the future activities.

### Knowledge resources

Continuous growth requires that the Company attracts and retains highly qualified employees working within healthcare.



## Management's review

### Financial risks and use of financial instruments

The company's substantive operational risk is linked to the ability to be strongly positioned within the various product areas. Furthermore, it is essential for the company to launch new patented products, which quickly will become market leaders within their segments. The company is dependent on group companies for development of new products that can improve the health of patients in the Danish market. Consequently, the risk for the company is a delay in bringing new products to market. Generic pharmaceutical products and parallel imported products also pose a threat to AstraZeneca Denmark sales and market share.

The Company's sales and purchases are made in Danish kroner. Therefore, the company is not exposed to currency risks.

The Company continues to monitor credit exposure and has reviewed the financial position of its major creditors and does not believe it is exposed to any significant risks. The Company's policy of acceptance of credit risks means that all major customers or partners are continuously credit rated.

### Impact on the external environment

AstraZeneca A/S has no production of pharmaceuticals and it is therefore not a direct burden to the environment. Efforts are made to be a company with environmentally safe operations, and the company is included in the AstraZeneca group's reporting systems concerning the areas Safety, Health and Environment (SHE).

For AstraZeneca Group the sustainability approach has three priority areas, aligned with the Company's purpose and business strategy:

- Access to healthcare: Increasing access to life-saving treatments, promoting prevention, and strengthening global healthcare resilience and sustainability.
- Environmental protection: Accelerating the delivery of net zero healthcare, proactively managing our environmental impact, and investing in nature and biodiversity
- Ethics and transparency: Ensuring ethical, open and inclusive behavior across our organization and value chain.

The contribution to the United Nations Sustainable Development Goals (SDGs) is evaluated by connecting them to our targets and annual progress updates. Relevant SDGs are shown alongside KPI categories or individual KPIs.

The Group Code of Ethics guides the approach and details how concerns can be raised. The group's Sustainability report for 2021 can be downloaded on [www.astrazeneca.com](http://www.astrazeneca.com).

### Research and development activities

Research and development activities for patented products are carried out by the parent company, AstraZeneca PLC.

### Events after the balance sheet date

No major events have occurred after the financial year-end, which would significantly affect the company's financial position.

### Outlook

AstraZeneca's strategy remains focused on science and patients, with high emphasis on collaboration with physicians and other stakeholders to provide that AstraZeneca offers a valuable contribution to the development of healthcare. In addition, AstraZeneca is further committed to reviewing its processes to meet future tougher market conditions in terms of public savings in medical costs and increased product competition.

The impact of COVID-19 on our operations remains uncertain and cannot be predicted with confidence and the extent of any adverse impact on AstraZeneca's operations will depend on the global duration, extent, and severity of the pandemic. A decline of GDP, resulting in decreased healthcare budget, could potentially delay the inclusion of new medicines into reimbursement lists at target price and therefore delay launches planned in 2022 and/or 2023.

## Management's review

While our assumption would be that the global impact of the COVID-19 pandemic lasts for several more months we currently do not foresee any major impact on the expected full year revenue and profit for 2021.

The 2022 YTD April revenue growth vs 2021 is +42%, and we expect similar growth throughout the year. The 2022 growth is mainly driven by strong growth for CVRM and Oncology products. With a clear strategy, a strong product portfolio and competent staff, the revenue growth is expected to continue with double digit growth also in 2023, but then growth is expected to slow down in 2024. The expected annual growth should still be linked to the uncertainty of how Covid-19 evolves during the course of 2022-2023 (see section above)

**Financial statements 1 January - 31 December****Income statement**

Note	DKK'000	2021	2020
	<b>Revenue</b>	259,638	256,232
	Cost of sales	-223,043	-233,277
3	Other operating income	146,988	142,928
	Other external expenses	-67,185	-57,864
	<b>Gross profit</b>	116,398	108,019
4	Staff costs	-106,209	-99,125
5	Depreciation of property, plant and equipment	-553	-360
	<b>Profit before net financials</b>	9,636	8,534
6	Financial income	17	52
	Financial expenses	-160	-350
	<b>Profit before tax</b>	9,493	8,236
7	Tax for the year	-3,012	-2,597
	<b>Profit for the year</b>	6,481	5,639

**Financial statements 1 January - 31 December****Balance sheet**

Note	DKK'000	2021	2020
	<b>ASSETS</b>		
	<b>Fixed assets</b>		
8	<b>Property, plant and equipment</b>		
	Other fixtures and fittings, tools and equipment	1,835	2,388
		<u>1,835</u>	<u>2,388</u>
	<b>Total fixed assets</b>	<u>1,835</u>	<u>2,388</u>
	<b>Non-fixed assets</b>		
	<b>Receivables</b>		
	Trade receivables	29,686	8,238
	Receivables from group entities	143,703	198,806
9	Deferred tax assets	321	40
	Income taxes receivable	0	548
	Joint taxation contribution receivable	38	0
	Other receivables	380	237
10	Prepayments	310	997
		<u>174,438</u>	<u>208,866</u>
	<b>Cash</b>	<u>56,258</u>	<u>10,294</u>
	<b>Total non-fixed assets</b>	<u>230,696</u>	<u>219,160</u>
	<b>TOTAL ASSETS</b>	<u><u>232,531</u></u>	<u><u>221,548</u></u>

**Financial statements 1 January - 31 December****Balance sheet**

Note	DKK'000	2021	2020
	<b>EQUITY AND LIABILITIES</b>		
	<b>Equity</b>		
11	Share capital	57,000	57,000
	Retained earnings	111,361	104,880
	<b>Total equity</b>	<b>168,361</b>	<b>161,880</b>
	<b>Provisions</b>		
	Other provisions	520	497
12	<b>Total provisions</b>	<b>520</b>	<b>497</b>
	<b>Liabilities other than provisions</b>		
13	<b>Non-current liabilities other than provisions</b>		
	Other payables	1,441	8,656
		<b>1,441</b>	<b>8,656</b>
	<b>Current liabilities other than provisions</b>		
	Trade payables	13,324	9,454
	Payables to group entities	334	0
	Income taxes payable	530	0
	Other payables	48,021	41,061
		<b>62,209</b>	<b>50,515</b>
	<b>Total liabilities other than provisions</b>	<b>63,650</b>	<b>59,171</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>232,531</b>	<b>221,548</b>

- 1 Accounting policies
- 2 Events after the balance sheet date
- 14 Contractual obligations and contingencies, etc.
- 15 Related parties
- 16 Appropriation of profit

**Financial statements 1 January - 31 December****Statement of changes in equity**

Note	DKK'000	Share capital	Retained earnings	Total
	Equity at 1 January 2020	57,000	99,241	156,241
16	Transfer, see "Appropriation of profit"	0	5,639	5,639
	<b>Equity at 1 January 2021</b>	<b>57,000</b>	<b>104,880</b>	<b>161,880</b>
16	Transfer, see "Appropriation of profit"	0	6,481	6,481
	<b>Equity at 31 December 2021</b>	<b>57,000</b>	<b>111,361</b>	<b>168,361</b>

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies

The annual report of AstraZeneca A/S for 2021 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to medium-sized reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

#### Omission of a cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act, no cash flow statement has been prepared. The entity's cash flows are part of the consolidated cash flow statement for the parent company, AstraZeneca AB, Sweden.

#### Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

#### Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

### Income statement

#### Revenue

Income from the sale of goods is recognised in revenue at the time of delivery and when the risk passes to the buyer, provided that the income can be made up reliably and is expected to be received.

Revenue is measured at fair value of the agreed consideration exclusive of VAT and taxes charged on behalf of third parties. All discounts and rebates granted are deducted in revenue.

#### Other operating income

Other operating income comprise items of a secondary nature relative to the Company's core activities.

#### 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.

R&D costs are charged to the profit & loss account in the year they are incurred.

#### Staff costs

Staff costs include wages and salaries, including compensated absence and pension to the Company's employees, as well as other social security contributions, etc. The item is net of refunds from public authorities.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Depreciation

The item comprises depreciation of property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on a straight line basis over the expected useful life. The expected useful lives of the assets are as follows:

Furniture & equipment	5 years
Vehicles	5 years
IT-equipment	3 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

##### Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial reporting period. The items comprise interest income and expenses, e.g. from group entities and associates, declared dividends from other securities and investments, financial expenses relating to finance leases, realised and unrealised capital gains and losses relating to other securities and investments, exchange gains and losses and amortisation of financial assets and liabilities.

##### Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish subsidiaries. Subsidiaries are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income 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, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.



## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Balance sheet

##### 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.

##### Impairment of fixed assets

Every year, 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.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

##### Receivables

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

##### Prepayments

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

##### Cash

Cash comprise cash and short term securities which are readily convertible into cash and subject only to minor risks of changes in value.

## Financial statements 1 January - 31 December

### Notes to the financial statements

#### 1 Accounting policies (continued)

##### Provisions

Provisions comprise anticipated expenses relating to warranty commitments, onerous contracts, restructurings, etc. Provisions are recognised when the Company has a legal or constructive obligation at the balance sheet date as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

Provisions are measured at net realisable value or at fair value if the obligation is expected to be settled far into the future.

##### Income taxes and deferred taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes 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.

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.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the subsidiaries' income taxes vis à vis the tax authorities as the subsidiaries pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

##### Liabilities

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

##### Financial ratios

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating margin	$\frac{\text{Operating profit (EBIT)} \times 100}{\text{Revenue}}$
Current ratio	$\frac{\text{Current assets} \times 100}{\text{Current liabilities}}$
Equity ratio	$\frac{\text{Equity, year-end} \times 100}{\text{Total equity and liabilities, year-end}}$
Return on equity	$\frac{\text{Profit/loss after tax} \times 100}{\text{Average equity}}$

**Financial statements 1 January - 31 December****Notes to the financial statements****2 Events after the balance sheet date**

No major events have occurred after the financial year-end, which would significantly affect the company's financial position.

DKK'000	2021	2020
<b>3 Other operating income</b>		
Income from the group regarding clinical research	48,574	41,825
Marketing subvention from the group	98,414	101,103
	<u>146,988</u>	<u>142,928</u>
<b>4 Staff costs and incentive programmes</b>		
Wages/salaries	98,490	91,919
Pensions	6,699	6,381
Other social security costs	1,020	825
	<u>106,209</u>	<u>99,125</u>
Average number of full-time employees	<u>81</u>	<u>81</u>

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

**Incentive programmes**

The management of the company participates in a share based payment scheme. The scheme is handled by the ultimate parent company AstraZeneca PLC, UK. Reference is made to the annual report of AstraZeneca PLC, UK, for a description of the content of the scheme.

<b>5 Depreciation of property, plant and equipment</b>		
Depreciation of property, plant and equipment	553	360
	<u>553</u>	<u>360</u>
<b>6 Financial income</b>		
Interest receivable, group entities	14	14
Exchange gain	3	38
	<u>17</u>	<u>52</u>
<b>7 Tax for the year</b>		
Estimated tax charge for the year	3,293	2,252
Deferred tax adjustments in the year	-281	345
	<u>3,012</u>	<u>2,597</u>

**Financial statements 1 January - 31 December****Notes to the financial statements****8 Property, plant and equipment**

	<b>Other fixtures and fittings, tools and equipment</b>
DKK'000	
Cost at 1 January 2021	6,497
Disposals in the year	-40
Cost at 31 December 2021	6,457
Impairment losses and depreciation at 1 January 2021	4,109
Amortisation/depreciation in the year	553
Reversal of amortisation/depreciation and impairment of disposals	-40
Impairment losses and depreciation at 31 December 2021	4,622
<b>Carrying amount at 31 December 2021</b>	<b>1,835</b>

	2021	2020
DKK'000		
<b>9 Deferred tax</b>		
Deferred tax at 1 January	-40	-385
Deferred tax adjustments of the year	-281	345
<b>Deferred tax at 31 December</b>	<b>-321</b>	<b>-40</b>
Deferred tax relates to:		
Property, plant and equipment	-211	-27
Other taxable temporary differences	-110	-13
	<b>-321</b>	<b>-40</b>

**10 Prepayments**

Prepayments include accrual of expenses relating to subsequent financial years. The balance sheet item mainly consist of prepaid lease costs.

**Financial statements 1 January - 31 December****Notes to the financial statements**

DKK'000	2021	2020
<b>11 Share capital</b>		
Analysis of the share capital:		
50,000 shares of DKK 100.00 nominal value each	5,000	5,000
20 shares of DKK 500,000.00 nominal value each	10,000	10,000
1 shares of DKK 15,000,000.00 nominal value each	15,000	15,000
2 shares of DKK 10,000,000.00 nominal value each	20,000	20,000
1 shares of DKK 7,000,000.00 nominal value each	7,000	7,000
	<u>57,000</u>	<u>57,000</u>

The Company's share capital has remained DKK 57,000 thousand over the past 5 years.

**12 Provisions**

Other provisions comprise provisions for expected payment of returned goods and discounts, totalling DKK 520 thousand. The provisions are expected to mature within 12 months.

**13 Non-current liabilities other than provisions**

Of the long-term liabilities, DKK 1.441 falls due for payment after more than 5 years after the balance sheet date.

**14 Contractual obligations and contingencies, etc.**

As management company, the Company is jointly taxed with other Danish group entities and is jointly and severally with other jointly taxed group entities for payment of income taxes for income year 2021 onwards as well as withholding taxes on interest, royalties and dividends falling due for payment on or after 21 July 2021.

**Other financial obligations**

Other rent and lease liabilities:

Rent and lease liabilities	<u>9,299</u>	<u>6,948</u>
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The Company has entered into an office rent agreement with minimum rent payments in the termination period of DKK 943 thousand. DKK 943 thousand is payable within 1 year, and 0 thousand is due within 2-5 years.

The Company has entered into operational leases with minimum lease payments of DKK 3,414 thousand within 1 year, and DKK 4,942 thousand is due within 2-5 years.

**Financial statements 1 January - 31 December****Notes to the financial statements****15 Related parties**

AstraZeneca A/S' related parties comprise the following:

**Parties exercising control**

<u>Related party</u>	<u>Domicile</u>	<u>Basis for control</u>
AstraZeneca Continent B.V.	Netherlands	Controlling interest
AstraZeneca AB	Sweden	Controlling interest
AstraZeneca PLC	Great Britain	Controlling interest

**Information about consolidated financial statements**

<u>Parent</u>	<u>Domicile</u>	<u>Requisitioning of the parent company's consolidated financial statements</u>
AstraZeneca PLC (registration no. 2723534)	1 Francis Crick Avenue, Cambridge Biomedical Campus, Cambridge CB2 0AA, UK	The consolidated accounts of AstraZeneca PLC can be obtained from the homepage <a href="https://www.astrazeneca.com/investor-relations/annual-reports/annual-report-2021.html">https://www.astrazeneca.com/investor-relations/annual-reports/annual-report-2021.html</a>

**Related party transactions**

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(7) of the Danish Financial Statements Act.

<b>DKK'000</b>	<b><u>2021</u></b>	<b><u>2020</u></b>
<b>16 Appropriation of profit</b>		
Recommended appropriation of profit		
Retained earnings	<u>6,481</u>	<u>5,639</u>
	<u>6,481</u>	<u>5,639</u>