

SERVIER DANMARK A/S

Lyngbyvej 2
2100 København Ø

Årsrapport
1. oktober 2018 - 30. september 2019

**Årsrapporten er fremlagt og godkendt på
selskabets ordinære generalforsamling den**

28/02/2020

Gyrithe Falck
Dirigent

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Virksomhedsoplysninger

Virksomheden

SERVIER DANMARK A/S

Lyngbyvej 2

2100 København Ø

Telefonnummer: 36442260

CVR-nr: 87148114

Regnskabsår: 01/10/2018 - 30/09/2019

Revisor

ERNST & YOUNG GODKENDT REVISIONSPARTNERSELSKAB

Osvald Helmuhs Vej 4

2000 Frederiksberg

DK Denmark

CVR-nr: 30700228

P-enhed: 1013415044

Ledelsespåtegning

The Management and the Board of Directors have presented the annual report for the financial year which ended 30th September 2019. The Annual Report was discussed and adopted on today's date.

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

We consider the accounting policies used appropriately and the accounting estimates made reasonably. To the best of our belief, the financial statements include the information that is relevant to an assessment of the Company's financial condition. Against this background, it is our opinion that the financial statement gives a true and fair view of the Company's assets and liabilities, financial position and results of operations for the financial year ended 30th September 2019.

In our opinion the Management's Review includes a true and fair description of the development in the Company's activities, financial conditions, results of operations and financial position. Further, we are of the opinion that the Management's Review includes a description of the most significant risks and uncertainties that the Company faces.

We recommend that the annual report be adopted by the Annual General Meeting of Shareholders.

Copenhagen, den 29/11/2019

Direktion

Estéve Sylvain Speranza
General Manager

Bestyrelse

Philippe André Gonnard
Board Member

Pascal Jean-Yves Langlois
Board Member

Hugues Constant Guillaume Renaut
Chairman of the Board

Den uafhængige revisors revisionspåtegning

To the shareholders of SERVIER DANMARK A/S

Konklusion

We have audited the financial statements of Servier Danmark A/S for the financial year 1 October 2018 - 30 September 2019, which comprise an 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 30 September 2019 and of the results of the Company's operations for the financial year 1 October 2018- 30 September 2019 in accordance with the Danish Financial Statements Act.

Grundlag for konklusion

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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ·opinion.

Ledelsens ansvar for regnskabet

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.

Revisors ansvar for revisionen af regnskabet

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report 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 skepticism 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.

*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 conclusion is 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.

Udtalelse om ledelsesberetningen

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 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 our procedures, 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 Statements Act We did not identify any material misstatement of the Management 's review.

Copenhagen, 29/11/2019

Martin Alsbæk , mne28627
State Authorised Public Accountant
ERNST & YOUNG GODKENDT REVISIONSPARTNERSELSKAB
CVR: 30700228

Ledelsesberetning

Main Activities

The activities of the Company comprise import and sales of pharmaceuticals.

Development in activities and economic conditions

The Company's financial position and the result of the Company's activities in the past year shown in the Annual Report.

Sale has decreased with -13,16 % compared to last year.

The net result of the year amounts to DKK K **513** and the shareholder's equity as at 30th September 2019 amounts to DKK K **3.651**. It is proposed that the net result shall be carried forward to next year as shown in the statement of profit distribution.

The Company operates under increasingly tough conditions, in particular due to parallel import and expected new cost containment measures taken by the Medicines agency, however the company expects some increase of the turnover due to the satisfactory market access and penetration of the products.

Events after closing of the accounts

Nothing has occurred after the closing of the accounts, which has affected the company financially.

Anvendt regnskabspraksis

Årsrapporten er aflagt i overensstemmelse med årsregnskabslovens bestemmelser for Regnskabsklasse B.

General

The company's Annual Report has been prepared in accordance with the articles of the Danish Company Accounts Act. Concerning class B companies and elective choice of provisions applying to reporting class C entities, the Company's articles of association and generally accepted Danish accounting principles, applied on a basis consistent with of the preceding year. The accounting policy applied by the company is consistent with those of last year.

Transactions in Foreign Currency

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

Reporting currency

The financial statements are presented in Danish Kroner.

Income Statement

Revenue Recognition

The Company uses invoiced sales as revenue recognition principle, and accordingly net sales includes the value of goods delivered reduced by value added tax and price reductions directly related to the sales.

Cost of production

Production costs include expenses incurred to generate the year's revenue. The items includes direct and indirect expenses relating to raw materials , consumables, labor, rent and leasing as well as depreciation of productive equipment.

Distribution expenses

Distribution expenses includes expenses related to sale and distribution during the year, including expenses related to promotion management and sales staff, advertising , exhibitions and amortization/depreciation of assets that are related to sale and distribution of the company's products.

Administrative expenses

Administrative expenses includes expenses incurred during the year for purposes of administering the company, including expenses related to administrative staff, office premises/expenses as well as amortization/depreciation of assets for administrative purposes.

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.

Other operating income

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

Financial income and expenses

Financial income and expenses are recognized in the income statements at the accounts which concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax-scheme, etc.

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 which relates to the profit/loss for the year is recognized in the income statement, whereas the portion that relates to transactions taken to equity is recognized in equity.

Balance Sheet**Fixtures, fittings, tools and equipment**

Fixtures, fittings, tools and equipment improvements are recorded at costless depreciation. Depreciation is made on a straight-line basis over the expected useful lives of the assets, IT equipment over 3 years, office equipment over 6 to 10 years and leasehold improvements over 10 years.

Financial Fixed Assets

Financial fixed assets consist of deposits, which are measured at amortized cost.

Impairment of fixed assets

Every year property, plant and equipment as well as investments in subsidiaries and associates are reviewed for impairment. Where there are indications 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, a loss must be lower than the carrying amount. Where an impairment loss is recognized on a group of assets, a loss must first be allocated to goodwill and then to the other assets on a pro rata basis.

Inventories

Inventories are measured at cost in accordance with the FIFO method. Where the net realizable value is lower than cost, inventories are written down to this lower value. The net realizable value of inventories is calculated as the sales amount less costs of completion and expenses required to effect the sale and is determined taking into account marketability, obsolescence and development in the expected selling price.

Transactions in Foreign Currency

Goods and services payable in foreign currencies are recorded at standard exchange rates that do not differ materially from the official exchange rates applicable at the date of purchase. Accounts denominated in foreign currencies are stated at the official exchange rates in effect at year end. All exchange differences are included in the income statement.

Receivables

Receivables are measured at amortized cost, which usually corresponds to the nominal value. The value is reduced by write-downs for bad debts.

Cash

Cash comprises cash balances and bank balances.

Equity

Dividends proposed for the financial year are presented as separate item under Equity.

Financial Liabilities

Financial liabilities are measured at amortized cost corresponding to the nominal unpaid debt.

Tax

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

Provisions for deterred 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 on non-amortizable 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 crystallize as current tax.

Deferred tax assets are recognized at the value at which they are expected to be utilized, either through elimination against tax on future earnings or through a set-off against deferred tax liabilities within the same jurisdiction.

Resultatopgørelse 1. okt. 2018 - 30. sep. 2019

	Note	2018/19 kr.	2017/18 kr.
Nettoomsætning		28.460.029	32.774.107
Produktionsomkostninger		-15.751.277	-13.640.190
Bruttoresultat		12.708.752	19.133.917
Distributionsomkostninger	1	-12.159.018	-16.724.910
Administrationsomkostninger	2	-1.495.085	1.510.639
Andre driftsindtægter	3	1.660.026	357.778
Resultat af ordinær primær drift		714.675	1.256.146
Andre finansielle indtægter	4	54.269	19.101
Øvrige finansielle omkostninger	5	-86.513	-96.382
Ordinært resultat før skat		682.431	1.178.865
Skat af årets resultat	6	-169.116	-327.005
Årets resultat		513.315	851.860
Forslag til resultatdisponering			
Overført resultat		513.315	851.860
I alt		513.315	851.860

Balance 30. september 2019

Aktiver

	Note	2018/19 kr.	2017/18 kr.
Andre anlæg, driftsmateriel og inventar		22.991	46.316
Materielle anlægsaktiver i alt	7	22.991	46.316
Andre værdipapirer og kapitalandele		187.444	190.271
Finansielle anlægsaktiver i alt		187.444	190.271
Anlægsaktiver i alt		210.435	236.587
Fremstillede varer og handelsvarer		2.945.466	3.680.661
Varebeholdninger i alt		2.945.466	3.680.661
Tilgodehavender fra salg og tjenesteydelser		3.419.062	4.230.429
Tilgodehavender hos tilknyttede virksomheder		2.289.032	607.778
Udskudte skatteaktiver		295.782	464.898
Andre tilgodehavender		14.419	39.419
Periodeafgrænsningsposter		406.716	450.488
Tilgodehavender i alt		6.425.011	5.793.012
Likvide beholdninger		1.082.275	1.888.019
Omsætningsaktiver i alt		10.452.752	11.361.692
Aktiver i alt		10.663.187	11.598.279

Balance 30. september 2019

Passiver

	Note	2018/19 kr.	2017/18 kr.
Registreret kapital mv.	8	500.000	500.000
Overført resultat		3.151.277	2.637.962
Egenkapital i alt		3.651.277	3.137.962
Anden gæld, herunder skyldige skatter og skyldige bidrag til social sikring		38.819	0
Langfristede gældsforpligtelser i alt	9	38.819	0
Leverandører af varer og tjenesteydelser		1.465.098	1.373.651
Gældsforpligtelser til tilknyttede virksomheder		2.368.904	1.511.827
Skyldig selskabsskat		525.232	700.296
Anden gæld, herunder skyldige skatter og skyldige bidrag til social sikring		2.613.857	4.874.543
Kortfristede gældsforpligtelser i alt		6.973.091	8.460.317
Gældsforpligtelser i alt		7.011.910	8.460.317
Passiver i alt		10.663.187	11.598.279

Egenkapitalopgørelse 1. okt. 2018 - 30. sep. 2019

	Registreret kapital mv. kr.	Overført resultat kr.	I alt kr.
Egenkapital, primo	500.000	2.637.962	3.137.962
Årets resultat		513.315	513.315
Egenkapital, ultimo	500.000	3.151.277	3.651.277

Noter

1. Distributionsomkostninger

Personnel Expenses

The total salaries, pensions and employer contribution for the financial year has been included in the following items in the income statement.

	2018-19	2017-18
	kr.	kr.
Distribution cost	3.116.433	8.653.926
Administrative	525.657	576.660
	3.642.090	9.230.586

Total salaries and remuneration etc. consist of the following

	2018-19	2017-18
	kr.	kr.
Salary	3.315.718	8.599.869
Pension	296.622	584.524
Other expenses for social security	29.750	46.193
	3.642.090	9.230.586

Fixtures, Fittings, tools and equipment depreciations

	2018-19	2017-18
	kr.	kr.
Distribution Costs	21.606	26.594
Administrative expenses	1719	892
	23.325	27.486

2. Administrationsomkostninger

See Disclosure under Distribution Costs

3. Andre driftsindtægter

	2018/19	2017/18
	kr.	kr.
Promotional Support from Group Companies	1.527.867	307.778
Group Shared - Intercompany	132.159	50.000
	1.660.026	357.778

4. Andre finansielle indtægter

	2018-19	2017-18
	kr.	kr.
Exchange gains	54.269	19.100
	<u>54.269</u>	<u>19.100</u>

5. Øvrige finansielle omkostninger

	2018-19	2017-18
	kr.	kr.
Exchange losses	54.222	58.424
Interest expenses and bank charges	32.291	37.954
	<u>86.513</u>	<u>96.378</u>

6. Skat af årets resultat

	2018/19	2017/18
	kr.	kr.
Current tax	0	749.232
Changes in deferred tax	169.116	-422.227
	<u>169.116</u>	<u>327.005</u>

7. Materielle anlægsaktiver i alt

	Fixtures, fittings, tools and equipment kr.
Cost, beginning of year	<u>956.398</u>
Increase	
Decrease	
Cost, end of year	<u>956.398</u>
Amortization, beginning of year	-910.416
Amortization, this year	-22.991
Amortization, end of year	<u>-933.407</u>
Carrying value, end of year	<u>22.991</u>

8. Registreret kapital mv.

Share capital consists of 500 shares at nominal DKK 1.000 and has not been changed the last 7 years.

9. Langfristede gældsforpligtelser i alt

	Total debt, end of year	Repayments, next year	Longterm share	Outstanding debt after 5 years
	kr.	kr.	kr.	kr.
Vacation Fund -Transitional period	38.819	0	38.819	0
	38.819	0	38.819	0

10. Oplysning om eventualforpligtelser

Rental and lease commitments expiring at the latest 5 years after 30th September 2019 amount to DKK 1.358.597 No securities have been pledged concerning the commitments.

11. Oplysning om sikkerhedsstillelser og aktiver pantsat som sikkerhed

The company has not provided any security or other collateral in assets at 30th September 2019

12. Oplysning om ejerskab

Ownership

Servier International B.V., Promenadeplein 125, 2711 AB Zoetermeer, Holland, Owns the entire share capital

Group relations

The Group consolidating entity is Servier SAS, 50 Rue Carnot, 92284 Suresnes Cedex, France, Where the consolidated group accounts can be obtained.

13. Information om gennemsnitligt antal ansatte

	2018/19
Gennemsnitligt antal ansatte	4