



## **Mylan Denmark ApS**

Borupvang 1  
2750 Ballerup  
CVR No. 36184779

## **Annual report 2020**

The Annual General Meeting adopted the  
annual report on 09.07.2021

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**Jan Ulrik Stevnsborg**

Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
Independent auditor's report	4
Management commentary	7
Income statement for 2020	8
Balance sheet at 31.12.2020	9
Statement of changes in equity for 2020	11
Notes	12
Accounting policies	16

# Entity details

## Entity

Mylan Denmark ApS

Borupvang 1

2750 Ballerup

CVR No.: 36184779

Registered office: Ballerup

Financial year: 01.01.2020 - 31.12.2020

## Board of Directors

Jan Ulrik Stevnsborg, chairman

Kurt Glud

Luis Rodolfo Birbuet

## Executive Board

Jan Ulrik Stevnsborg

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Weidekampsgade 6

2300 Copenhagen S

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Mylan Denmark ApS for the financial year 01.01.2020 - 31.12.2020.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We recommend the annual report for adoption at the Annual General Meeting.

Ballerup, 09.07.2021

## Executive Board

**Jan Ulrik Stevnsborg**

## Board of Directors

**Jan Ulrik Stevnsborg**  
chairman

**Kurt Glud**

**Luis Rodolfo Birbuet**

# Independent auditor's report

## To the shareholders of Mylan Denmark ApS

### Opinion

We have audited the financial statements of Mylan Denmark ApS for the financial year 01.01.2020 - 31.12.2020, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant 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 Entity's financial position at 31.12.2020 and of the results of its operations for the financial year 01.01.2020 - 31.12.2020 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 this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board of 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### 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 Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity 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 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 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:

- 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 Entity'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 Entity'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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, 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 commentary**

Management is responsible for the management commentary.

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

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

Based on the work we have performed, we conclude that the management commentary 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 commentary.

Copenhagen, 09.07.2021

**Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

**Jan Larsen**

State Authorised Public Accountant  
Identification No (MNE) mne16541

# Management commentary

## Financial highlights

	2020	2019	2018	2017	2016
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
<b>Key figures</b>					
Gross profit/loss	38,063	31,810	16,871	12,746	10,366
Operating profit/loss	5,712	6,718	629	2,428	1,695
Net financials	(1,658)	(397)	(198)	18	(45)
Profit/loss for the year	2,658	4,978	304	1,844	1,044
Total assets	273,411	238,705	34,663	11,063	17,950
Equity	25,527	22,869	17,891	17,587	15,743
<b>Ratios</b>					
Return on equity (%)	10.98	24.43	1.71	11.07	6.63

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

### Return on equity (%):

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

Average equity

## Primary activities

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

## Development in activities and finances

Profit for the year after tax amounts to DKK 2.658 thousand and total assets amount to DKK 273.411 thousand.

## Events after the balance sheet date

No events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.



# Income statement for 2020

	Notes	2020 DKK	2019 DKK
<b>Gross profit/loss</b>		<b>38,063,214</b>	<b>31,809,513</b>
Staff costs	1	(31,480,269)	(24,417,375)
Depreciation, amortisation and impairment losses	2	(870,514)	(674,382)
<b>Operating profit/loss</b>		<b>5,712,431</b>	<b>6,717,756</b>
Other financial income	3	179,740	52,536
Other financial expenses	4	(1,838,017)	(449,804)
<b>Profit/loss before tax</b>		<b>4,054,154</b>	<b>6,320,488</b>
Tax on profit/loss for the year	5	(1,396,312)	(1,342,534)
<b>Profit/loss for the year</b>	6	<b>2,657,842</b>	<b>4,977,954</b>

# Balance sheet at 31.12.2020

## Assets

	Notes	2020 DKK	2019 DKK
Acquired rights		29,248,422	0
Goodwill		610,559	1,307,964
<b>Intangible assets</b>	7	<b>29,858,981</b>	<b>1,307,964</b>
Other fixtures and fittings, tools and equipment		581,952	712,484
<b>Property, plant and equipment</b>	8	<b>581,952</b>	<b>712,484</b>
Deposits		374,450	374,450
<b>Financial assets</b>	9	<b>374,450</b>	<b>374,450</b>
<b>Fixed assets</b>		<b>30,815,383</b>	<b>2,394,898</b>
Manufactured goods and goods for resale		79,098,176	27,156,093
<b>Inventories</b>		<b>79,098,176</b>	<b>27,156,093</b>
Trade receivables		133,924,230	151,012,435
Receivables from group enterprises		13,820,787	43,414,817
Deferred tax	10	0	60,411
Tax receivable		1,593,335	887,797
Joint taxation contribution receivable		83,445	6,752,221
Prepayments	11	1,091,103	326,724
<b>Receivables</b>		<b>150,512,900</b>	<b>202,454,405</b>
<b>Cash</b>		<b>12,984,317</b>	<b>6,699,957</b>
<b>Current assets</b>		<b>242,595,393</b>	<b>236,310,455</b>
<b>Assets</b>		<b>273,410,776</b>	<b>238,705,353</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2020 DKK</b>	<b>2019 DKK</b>
Contributed capital		100,000	100,000
Retained earnings		25,426,673	22,768,827
<b>Equity</b>		<b>25,526,673</b>	<b>22,868,827</b>
Deferred tax	10	837,800	0
<b>Provisions</b>		<b>837,800</b>	<b>0</b>
Trade payables		1,522,008	4,028,437
Payables to group enterprises		237,504,098	185,602,592
Tax payable		7,333,766	6,752,221
Other payables		686,431	19,453,276
<b>Current liabilities other than provisions</b>		<b>247,046,303</b>	<b>215,836,526</b>
<b>Liabilities other than provisions</b>		<b>247,046,303</b>	<b>215,836,526</b>
<b>Equity and liabilities</b>		<b>273,410,776</b>	<b>238,705,353</b>
Unrecognised rental and lease commitments	12		
Contingent liabilities	13		
Related parties with controlling interest	14		
Non-arm's length related party transactions	15		
Group relations	16		

# Statement of changes in equity for 2020

	Contributed capital DKK	Retained earnings DKK	Total DKK
Equity beginning of year	100,000	22,768,831	22,868,831
Profit/loss for the year	0	2,657,842	2,657,842
<b>Equity end of year</b>	<b>100,000</b>	<b>25,426,673</b>	<b>25,526,673</b>

# Notes

## 1 Staff costs

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Wages and salaries	28,093,371	20,759,857
Pension costs	2,192,664	1,659,432
Other social security costs	71,384	53,144
Other staff costs	1,122,850	1,944,942
	<b>31,480,269</b>	<b>24,417,375</b>
Average number of full-time employees	31	23

In accordance with the Danish Financial Statements Act section 98B (3), remuneration to the Executive Board and Board of Directors has not been disclosed

## 2 Depreciation, amortisation and impairment losses

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Amortisation of intangible assets	739,983	603,678
Depreciation of property, plant and equipment	130,531	70,704
	<b>870,514</b>	<b>674,382</b>

## 3 Other financial income

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Financial income from group enterprises	15,076	0
Exchange rate adjustments	164,664	52,536
	<b>179,740</b>	<b>52,536</b>

## 4 Other financial expenses

	<b>2020</b>	<b>2019</b>
	<b>DKK</b>	<b>DKK</b>
Financial expenses from group enterprises	1,718,377	389,648
Exchange rate adjustments	32,547	13,489
Other financial expenses	87,093	46,667
	<b>1,838,017</b>	<b>449,804</b>

## 5 Tax on profit/loss for the year

	2020 DKK	2019 DKK
Current tax	(83,445)	1,462,203
Change in deferred tax	898,211	(59,608)
Adjustment concerning previous years	581,546	(60,061)
	<b>1,396,312</b>	<b>1,342,534</b>

## 6 Proposed distribution of profit and loss

	2020 DKK	2019 DKK
Retained earnings	2,657,842	4,977,954
	<b>2,657,842</b>	<b>4,977,954</b>

## 7 Intangible assets

	Acquired rights DKK	Goodwill DKK
Cost beginning of year	0	4,225,741
Additions	29,291,000	0
<b>Cost end of year</b>	<b>29,291,000</b>	<b>4,225,741</b>
Amortisation and impairment losses beginning of year	0	(2,917,777)
Amortisation for the year	(42,578)	(697,405)
<b>Amortisation and impairment losses end of year</b>	<b>(42,578)</b>	<b>(3,615,182)</b>
<b>Carrying amount end of year</b>	<b>29,248,422</b>	<b>610,559</b>

## 8 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	783,188
<b>Cost end of year</b>	<b>783,188</b>
Depreciation and impairment losses beginning of year	(70,704)
Depreciation for the year	(130,532)
<b>Depreciation and impairment losses end of year</b>	<b>(201,236)</b>
<b>Carrying amount end of year</b>	<b>581,952</b>

## 9 Financial assets

	<b>Deposits DKK</b>
Cost beginning of year	374,450
<b>Cost end of year</b>	<b>374,450</b>
<b>Carrying amount end of year</b>	<b>374,450</b>

## 10 Deferred tax

	<b>2020 DKK</b>	<b>2019 DKK</b>
Property, plant and equipment	60,411	(26,918)
Provisions	(898,211)	87,329
<b>Deferred tax</b>	<b>(837,800)</b>	<b>60,411</b>

<b>Changes during the year</b>	<b>2020 DKK</b>	<b>2019 DKK</b>
Beginning of year	60,411	803
Recognised in the income statement	(898,211)	59,608
<b>End of year</b>	<b>(837,800)</b>	<b>60,411</b>

## 11 Prepayments

Prepayments consist of insurance, subscription fees, etc. in respect of subsequent financial years.

## 12 Unrecognised rental and lease commitments

	<b>2020 DKK</b>	<b>2019 DKK</b>
Liabilities under rental or lease agreements until maturity in total	8,307,955	7,763,115

## 13 Contingent liabilities

The Entity serves as the administration company in a Danish joint taxation arrangement. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore liable for income taxes etc for the jointly taxed entities, and for obligations, if any, relating to the withholding of tax on interest, royalties and dividend for these entities.

## 14 Related parties with controlling interest

Mylan Inc., 1000 Mylan Blvd, Canonsburg, PA 15317, USA

## 15 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report. No such transactions have been conducted in the financial year.

### **16 Group relations**

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:  
Mylan Inc, 1000 Blvd, Canonsburg, PA 15317, USA



# Accounting policies

## Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

## Consolidated financial statements

Referring to section 112(2) of the Danish Financial Statements Act, no consolidated financial statements have been prepared.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated using the exchange rate at the balance sheet date. Exchange differences that arise between the rate at the transaction date and the rate in effect at the payment date, or the rate at the balance sheet date, are recognised in the income statement as financial income or financial expenses. Plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

## Income statement

### Gross profit or loss

Gross profit or loss comprises revenue, changes in inventories of finished goods and work in progress, own work capitalised, cost of raw materials and consumables and external expenses.

### Revenue

Revenue from the sale of manufactured goods and goods for resale is recognised in the income statement

when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

**Cost of sales**

Cost of sales comprises goods consumed in the financial year measured at cost, adjusted for ordinary inventory writedowns.

**Other external expenses**

Other external expenses include expenses relating to the Entity's ordinary activities, including expenses for premises, stationery and office supplies, marketing costs, etc. This item also includes writedowns of receivables recognised in current assets.

**Staff costs**

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

**Depreciation, amortisation and impairment losses**

Depreciation, amortisation and impairment losses relating to equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and equipment.

**Other financial income**

Other financial income comprises of interest income, including interest income on receivables from group enterprises and receivables transactions in foreign currencies.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises and payables transactions in foreign currencies.

**Tax on profit/loss for the year**

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

**Balance sheet****Goodwill**

Goodwill is the positive difference between cost and fair value of assets and liabilities arising from acquisitions. Goodwill is amortised straight-line over its estimated useful life, which is fixed based on the experience gained by Management for each business area. Useful life has been determined based on an assessment of whether the enterprises are strategically acquired enterprises with a strong market position and a long-term earnings profile and whether the amount of goodwill includes intangible resources of a temporary nature that cannot be separated and recognised as separate assets. Useful lives are reassessed annually. The amortisation periods used are 5-10 years.

Goodwill is written down to the lower of recoverable amount and carrying amount.

**Intellectual property rights etc**

Intellectual property rights etc comprise of acquired intellectual property rights.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licences are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

**Property, plant and equipment**

Plant, machinery, other fixtures, fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Other fixtures and fittings, tools and equipment	5 years
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Estimated useful lives and residual values are reassessed annually.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

**Inventories**

Inventories are measured at the lower of cost using the FIFO method and net realisable value.

Cost consists of purchase price plus delivery costs. Cost of manufactured goods and work in progress consists of costs of raw materials, consumables, direct labour costs and indirect production costs.

The net realisable value of inventories is calculated as the estimated selling price less completion costs and costs incurred to execute sale.

**Receivables**

Receivables are measured at amortised cost, usually equalling nominal value less writedowns for bad and doubtful debts.

**Deferred tax**

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

**Tax payable or receivable**

Current tax payable or receivable is recognised in the balance sheet, stated as tax computed on this year's taxable income, adjusted for prepaid tax.

**Joint taxation contributions receivable or payable**

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

**Prepayments**

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

**Cash**

Cash comprises cash in hand and bank deposits.

**Operating leases**

Lease payments on operating leases are recognised on a straight-line basis in the income statement over the term of the lease.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

**Cash flow statement**

Pursuant to section 86 (4) of the Danish Financial statement Act the Entity has not prepared any cash flow statement, as its included in the annual report of Mylan Inc.