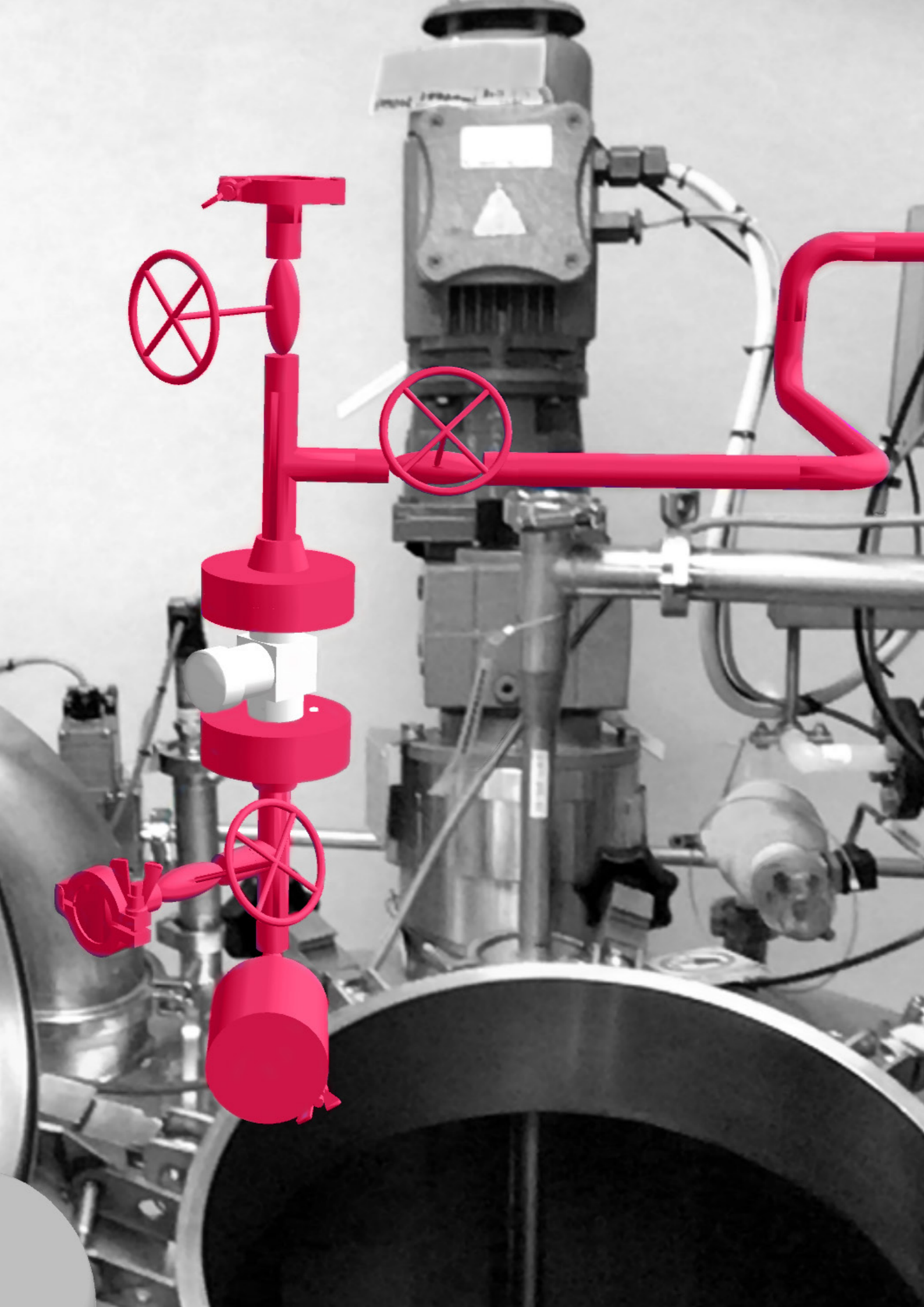


NNE A/S – PARENT COMPANY

# ANNUAL REPORT 2020





## Table of contents

### MANAGEMENT REPORT

- 4 Chairman and CEO statement
- 6 People development
- 7 Corporate governance and risk management
- 8 Board of Directors and NNE Management

### FINANCIAL REPORTS

- 11 Financial statements
- 13 Financial review
- 14 Financial highlights and ratios
- 15 Income statement
- 16 Balance sheet – Assets
- 17 Balance sheet – Equity and liabilities
- 18 Statement of changes in equity
- 19 Notes to the financial statements
  
- 31 Management's statement
- 32 Independent Auditor's report

CHAIRMAN AND CEO STATEMENT

# Increased activity level and improved profitability

Operating profit increased to DKK 105 million and operating profit margin increased to 10.1% in 2020 compared to 6.9% in 2019.

NNE's performance in 2020 exceeded expectations, partly due to the positive impact from an increased activity level among our customers, and partly due to a continued focus on efficiency and cost optimisation.

COVID-19 has had a marginal impact on the Danish pharma engineering market. The major customer projects are categorised as business critical and execution has continued during the COVID-19 pandemic. Adapting digital solutions and working from home has enabled continued project execution while ensuring the health of employees.

**EXPECTATIONS FOR 2021**

The investment level in pharma production facilities is moderately increasing which has increased both the order backlog and pipeline going into 2021. Several major customer projects are expected to start in 2021 providing a solid outlook for the year as well as a need to recruit more talented employees. NNE India, a subsidiary of NNE, will continue to be integrated into the project delivery model across all disciplines.

An increase in turnover and an operating margin at the same level as in 2020 is expected for 2021.

**BUSINESS STRATEGY**

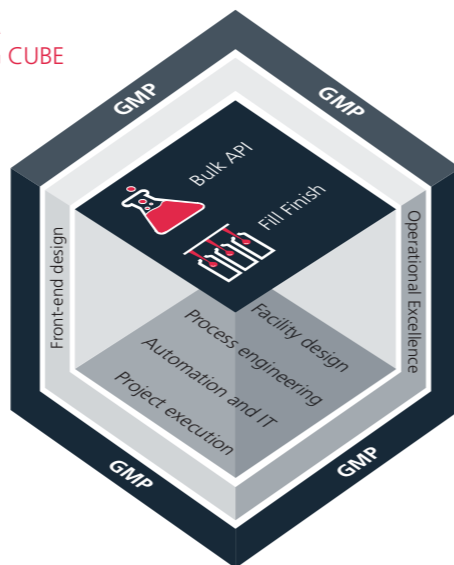
NNE focuses on the GMP-regulated pharma industry by supporting pharmaceutical companies in bringing products to market through delivering agile and flexible production facilities, seamless GMP compliance and future-proof solutions, while ensuring reliable project execution.

The pharma engineering cube (see figure below) describes the combination of customers' needs, NNE's expertise areas and delivery of expert pharma engineering throughout the entire manufacturing and project lifecycle.

It is the ambition of NNE to maintain the position as the leading pharma engineering company in Denmark by providing sustainable design solutions to our customers in the pharmaceutical industry. NNE has the technical competences and pharma industry insight to help our customers reduce carbon footprint and ensure energy efficient pharmaceutical production facilities. Through continued focus on digitalisation, NNE aims to create efficient engineering and design processes and to deliver innovative solutions to our customers.

Throughout 2020, all employees have managed a high activity level while adapting new ways of working and kept good momentum in project work for our customers.

**THE PHARMA ENGINEERING CUBE**



Jesper Kløve  
CEO and President

Karsten Munk Knudsen  
Chairman of the NNE Board

**KEY FIGURES**

**INCOME STATEMENT (DKK MILLION)**

	2020	2019	2018	2017	2016
Revenue	1,041	983	1,261	1,357	1,362
Operating profit	105	67	94	159	131
Net profit/(loss)	87	141	56	67	170

**ASSETS & EQUITY (DKK MILLION)**

	2020	2019	2018	2017	2016
Total assets	680	626	723	769	934
Total equity	251	212	214	246	372

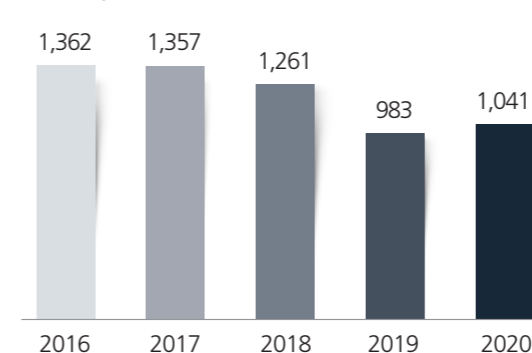
**FINANCIAL RATIOS**

	2020	2019	2018	2017	2016
Operating margin (EBIT margin)	10.1%	6.9%	7.5%	11.7%	9.6%
Return on equity	37.6%	66.2%	24.4%	21.6%	55.8%
Solvency ratio	36.8%	33.9%	29.5%	32.0%	39.8%

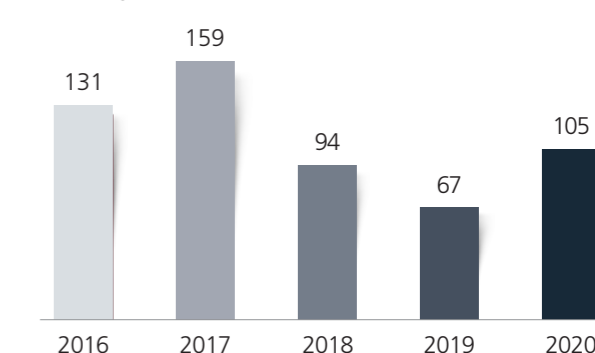
**PEOPLE**

	2020	2019	2018	2017	2016
Number of employees at end of year (FTE)	733	664	810	875	963

**REVENUE**  
DKK million



**OPERATING PROFIT**  
DKK million



PEOPLE DEVELOPMENT

# Developing best-in-class expertise within pharma engineering

Continued focus on strengthening core competencies and development of people.

To strengthen core competencies, the internal competency development program PEAK (Pharma Engineering Advanced Know-how) has high priority. PEAK's focus areas are defined based on a thorough analysis of customer needs, market demands and industry trends and include courses within core technology competencies such as biotechnology, GMP compliance, consultative engineering and automation and IT.

a continued focus on the internal program LEAD, which strengthens the ability to set direction, motivate teams, provide feedback and drive performance.

LEADERSHIP DEVELOPMENT

NNE continuously strives to enhance competencies at all levels of the organization, including leadership with

BUILDING TALENTS

NNE continues to invest in talent development to build a strong succession pipeline. Our talent development programme, SPROUTHOUSE, is an action based learning programme designed to develop technical competences, consulting mindset as well as personal development within communication, influencing styles, presentation skills and feedback.

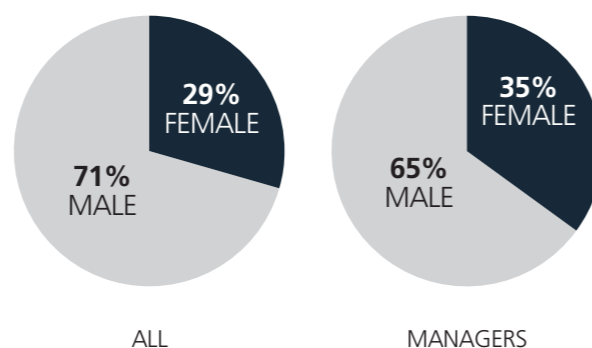
STATUTORY STATEMENT OF THE UNDERREPRESENTED GENDER IN ACCORDANCE WITH THE DANISH FINANCIAL STATEMENTS ACT SECTION §99B.

GENDER

In 2020, the Board members excluding employee-elected members consisted of four members with three males and one female. The gender diversity at Board level according to Section §99B of the Danish financial statements act is achieved.

The gender split for management positions was 35% female and 65% male in 2020, thereby women in management positions exceeds the overall gender split across all employees. NNE's ambition is to have a balanced gender split and the Company strives to include female candidates in the recruitment process for all positions.

All management teams, from entry level upwards, are encouraged to focus on enhanced diversity, with the aim of ensuring a robust pipeline of talent for management positions.



STATUTORY STATEMENT ON CORPORATE SOCIAL RESPONSIBILITY IN ACCORDANCE WITH THE DANISH FINANCIAL STATEMENTS ACT SECTION §99A.

For compliance please refer to the [Annual Report 2020 for Novo Nordisk Group](#), CVR-no. 24256790 "Environmental, social and governance (ESG) performance".

CORPORATE GOVERNANCE AND RISK MANAGEMENT

# Solid risk management and compliance structure

We aim to be a sustainable business by continuously improving our financial, environmental and social performance. Additional guidance and commitments include business ethics and quality management system.

OWNERSHIP

As a fully owned subsidiary of Novo Nordisk A/S, NNE A/S and subsidiaries are included in the consolidated financial statements of Novo Nordisk A/S and comply with the same principles of corporate governance. The ultimate parent company is the Novo Nordisk Foundation.

BOARD OF DIRECTORS

NNE's Board of Directors is elected every year at the annual General Meeting. The six members consist of two representatives from the parent company, two external members and two employees elected by NNE employees for a term of four years.

ENTERPRISE RISK MANAGEMENT STRUCTURE

Project and business risks are assessed on a recurring basis. Furthermore, a global compliance program is in place to reduce the risk of NNE employees violating business ethics, laws and regulations including training, guidance and reporting facilities for employees and business partners. NNE employees are obliged and committed to comply with the business ethics principles in their day-to-day business. This commitment also applies to NNE's sub-consultants, suppliers, sub-suppliers and other business partners and representatives.

NNE's global compliance program includes an e-learning program and certification known as 'Doing business the right way'. This program is mandatory for all employees and internal consultants to complete once a year. Other activities to support compliance include audits and general awareness training.

PROJECT EXECUTION

For major projects, a governance structure including a risk assessment procedure is established during the proposal process and maintained throughout project delivery. Project steering committees and management representatives ensure continuous focus on project performance and risk mitigation. Project portfolio risks are assessed and mitigated on a recurring basis.

FINANCIAL RISK MANAGEMENT

NNE's objectives and policies for financial risk management follow the Novo Nordisk risk management guideline, please refer to the Annual Report of Novo Nordisk. It is NNE's policy to monitor and mitigate all major financial risks affecting the financial performance. The risk profile, including all identified significant risks and mitigating actions is reported monthly to NNE Management and the Board of Directors.

- Foreign exchange risk**  
As the income and cost for the individual projects are predominately undertaken in the same currency, the foreign exchange risk from the Company's activities are low.
- Counterpart risk**  
Credit rating, supplied by a leading provider, is used in order to evaluate major customers and manage credit risk on an ongoing basis. Furthermore, the main part of the turnover is with well-established pharma companies with a general limited counterpart risk.
- Liquidity risk**  
Liquidity is managed using short term credit facilities with Novo Nordisk.

## BOARD OF DIRECTORS AND NNE MANAGEMENT

# NNE has a two-tier structure: the Board of Directors and NNE Management

## Board of directors



**KARSTEN MUNK  
KNUDSEN**

Chairman and member of the NNE Board since 2017

Karsten Munk Knudsen, CFO and EVP for Finance, Legal & Procurement, Novo Nordisk A/S. Karsten joined Novo Nordisk in 1999 and has occupied various senior management positions over the years.



**BIRGIT W.  
NØRGAARD**

Vice Chairman of the NNE Board since 2014 and member of the Board since 2011

Birgit Nørgaard has worked as a full-time Board member since 2010. Prior to this, she was CEO of Grontmij | Carl Bro A/S and COO of Grontmij NV, CEO of the Carl Bro Group 2003 – 2006 and CFO 2001 – 2003. Previously, Birgit Nørgaard held executive positions at TDC and Danisco.



**LIS  
THODBERG**

Employee-elected member of the NNE Board since 2018

Lis Thodberg is Director for the Health, Safety & Environment department at NNE since 2013. Furthermore she is responsible for driving corporate sustainability management in NNE.



**JESPER  
KLØVE**

CEO and President

Jesper Kløve was appointed CEO and President of NNE on 1 September 2015. Prior to joining NNE Jesper was Senior Vice President of Device R&D in Novo Nordisk since 2009. He also held various management positions within Novo Nordisk since joining the company in 2003.



**SOFIE  
MØRCK  
JARL**

CFO and Corporate Vice President

Sofie Mørck Jarl was appointed CFO of NNE on 1 January 2021. Sofie joined NNE in 2017, and prior to that she held various positions in Novo Nordisk since joining the company in 2007.



**STEEN  
KRISTENSEN**

Corporate Vice President

Steen Kristensen was appointed CVP of NNE on 1 June 2020. Steen is responsible for Sales & Project Execution, and he has held various management positions at NNE since joining the company in 1994. Prior to joining, he held various project management positions in other engineering companies.



**MICHAEL  
HALLGREN**

Member of the NNE board since 2018

Michael Hallgren is Senior Vice President of Diabetes Active Pharmaceutical Ingredients at Novo Nordisk A/S, which he joined in 1994. In addition to his NNE Board role, Michael is Chairman of Kalundborg Symbiosis.



**KLAUS STEEN  
MORTENSEN**

Member of the NNE Board since 2018

Klaus Steen Mortensen has worked as full-time Board since 2020. Prior to this, he was CEO for Bladt Industries A/S from 2018 – 2020, and have held executive positions at Vestas from 2007 – 2018.



**DAVID VICTOR  
TACKIE**

Employee-elected member of the NNE Board since 2017

David Victor Tackie has been heading up the Electrical and Instrumentation department at NNE in Denmark since 2018. He has held a number of management and project management positions both globally and locally.

## NNE management



FINANCIAL REPORT

# Financial statements



## Financial review 2020

### Revenue and operating performance

NNE A/S reported a revenue of DKK 1,041 million in 2020 (2019 DKK 983 million), which was an increase of DKK 58 million or 6 percent compared to 2019 mainly caused by increased sale to customers in Denmark.

The operating profit in 2020 was DKK 105 million (2019: DKK 67 million), which corresponds to an operating profit margin of 10.1 percent (2019: 6.9 percent).

### Profit before income taxes

The profit before income taxes in 2020 was DKK 109 million (2019: DKK 168 million). Last year's profit was impacted by realised gains on shares in subsidiaries due to the divestment of the NNE operations in Switzerland, France, Belgium and Germany in the first quarter of 2019.

### Income taxes

Total tax for the year was an expense of DKK 22 million (2019: DKK 27 million), resulting in an effective tax rate of 20 percent for the year (2019: 16 percent).

### Net profit

The net profit was DKK 87 million, which was a decrease of DKK 54 million compared to 2019. Last year's net profit was impacted by realised gains on shares in subsidiaries.

### Balance sheet

The total assets as of 31 December 2020 amounted to DKK 680 million (2019: DKK 626 million). Non-current assets increased to DKK 206 million (2019: DKK 202 million) impacted by an increase of DKK 10 million in investments in subsidiaries and an increase of 11 million in marketable securities. The increase was partly offset by a decrease in right-of-use-assets of DKK 14 million.

Current assets increased to DKK 475 million (2019: DKK 424 million), mainly explained by an increase in receivables from related parties and increase in cash at bank.

Total liabilities increased to DKK 430 million (2019: DKK 414 million).

Non-current liabilities decreased to DKK 130 million (2019: DKK 135 million) primarily explained by a decrease of DKK 15 million in lease liabilities and an increase in provisions of DKK 11 million mainly due to increase in share-based payment liabilities.

Total current liabilities increased to DKK 299 million in 2020 (2019: DKK 279 million), mainly relating to an increase in trade payables, borrowing from related parties and an increase in other liabilities.

The equity increased to DKK 251 million (2019: DKK 212 million), explained by the profit of the year subtracted by paid dividend of DKK 50 million during 2020.

### Proposed dividend

The Board of Directors proposes a dividend of DKK 80 million (2019: DKK 50 million plus extraordinary dividend of DKK 60 million).

### Post-balance-sheet events

No events have occurred after the end of the financial year with significant impact on NNE A/S's financial position at 31 December 2020.

## FINANCIAL HIGHLIGHTS AND RATIOS FOR NNE A/S

## Financial Highlights (DKK 1,000)

	2020	2019	2018	2017	2016
<b>Income statement</b>					
Revenue	1,040,583	983,379	1,260,531	1,357,001	1,362,132
Operating profit	104,738	67,423	94,353	158,682	131,221
Net financials	(3,875)	(621)	2,684	(4,283)	1,673
Profit (loss) before income taxes	109,387	167,902	81,288	99,935	206,620
Net profit/(loss)	87,022	140,820	56,114	66,798	170,369
Proposed and extraordinary dividend to shareholders	80,000	110,000	80,000	70,000	200,000
<b>Assets</b>					
Non-current assets	205,790	201,512	65,267	191,545	229,115
Current assets	474,517	424,217	658,157	577,679	704,845
Total assets	680,307	625,729	723,424	769,224	933,960
Net Capital expenditure	2,955	2,694	454	2,125	7,984
<b>Equity and liabilities</b>					
Equity	250,688	212,124	213,541	246,091	372,115
Non-current liabilities	130,331	134,566	21,435	24,631	21,264
Current liabilities	299,288	279,039	488,448	498,502	540,581
Total equity and liabilities	680,307	625,729	723,424	769,224	933,960
<b>Financial ratios</b>					
Operating profit margin (EBIT margin)	10.1%	6.9%	7.5%	11.7%	9.6%
Profit margin before tax	10.5%	17.1%	6.4%	7.4%	15.2%
Return on equity	37.6%	66.2%	24.4%	21.6%	55.8%
Solvency ratio	36.8%	33.9%	29.5%	32.0%	39.8%
Payout ratio	91.9%	78.1%	142.6%	104.8%	117.4%
Dividend per share (DKK)	160	220	160	140	400
Number of employees at year end (FTE)	733	664	810	875	963

Comparison figures from 2016-2018 have not been restated in connection with the implementation of new accounting policy for leasing.

## INCOME STATEMENT OF NNE A/S

## (DKK 1,000)

	Note	2020	2019
Revenue	2	1,040,583	983,379
Costs of production	3,4	(861,228)	(836,761)
<b>Gross profit</b>		<b>179,355</b>	<b>146,618</b>
Sales and distribution costs	3,4	(25,801)	(30,680)
Administrative costs	3,4	(49,433)	(49,132)
Other operating income	4	617	617
<b>Operating profit</b>		<b>104,738</b>	<b>67,423</b>
Share of profit/loss in subsidiaries	5	8,524	101,100
Financial income	6	4,975	9,365
Financial expenses	7	(8,850)	(9,986)
<b>Profit before income taxes</b>		<b>109,387</b>	<b>167,902</b>
Income taxes	8	(22,365)	(27,082)
<b>Net profit for the year</b>		<b>87,022</b>	<b>140,820</b>



**BALANCE SHEET OF NNE A/S**  
 (DKK 1,000)

	Note	2020	2019
<b>Assets</b>			
IT systems and software		4,069	6,037
<b>Intangible assets</b>	9	<b>4,069</b>	<b>6,037</b>
Leasehold improvements		2,485	2,117
Right-of-use assets, property		104,125	118,436
Right-of-use assets, vehicles		3,250	3,645
<b>Property, plant and equipment</b>	10	<b>109,860</b>	<b>124,198</b>
Investments in subsidiaries	11	33,703	23,447
Marketable securities	12	44,246	33,375
Deferred tax assets	13	13,913	14,455
<b>Financial assets</b>		<b>91,862</b>	<b>71,277</b>
<b>Total non-current assets</b>		<b>205,791</b>	<b>201,512</b>
Trade receivables		86,512	88,050
Work in progress		18,504	52,617
Receivables from related parties		195,638	130,988
Tax receivables		-	739
Other receivables and prepayments	14	4,218	8,046
Marketable securities	12	5,335	10,091
Cash at bank		164,309	133,686
<b>Total current assets</b>		<b>474,516</b>	<b>424,217</b>
<b>Total assets</b>		<b>680,307</b>	<b>625,729</b>

**BALANCE SHEET OF NNE A/S**  
 (DKK 1,000)

	Note	2020	2019
<b>Equity and liabilities</b>			
Share capital	15	500	500
Retained earnings		250,188	211,624
<b>Total equity</b>		<b>250,688</b>	<b>212,124</b>
Provisions	16	36,324	25,507
Lease liabilities	17	94,007	109,059
<b>Total non-current liabilities</b>		<b>130,331</b>	<b>134,566</b>
Provisions	16	5,335	10,091
Lease liabilities		14,994	14,818
Prepayments for work in progress		18,633	39,763
Trade payables		33,394	21,401
Borrowing related parties		9,097	-
Tax payables		436	-
Other liabilities	18	217,399	192,966
<b>Total current liabilities</b>		<b>299,288</b>	<b>279,039</b>
<b>Total liabilities</b>		<b>429,619</b>	<b>413,605</b>
<b>Total equity and liabilities</b>		<b>680,307</b>	<b>625,729</b>
Accounting policies of the company	1		
Commitments	19		
Fees to statutory auditors	20		
Transaction with related parties	21		

**STATEMENT OF CHANGES IN EQUITY AT 31 DECEMBER OF NNE A/S**  
(DKK 1,000)

2020	Share capital	Reserve	Retained earnings	Total
Balance at the beginning of the year	500	-	211,624	212,124
Exchange rate adjustments of investment in subsidiaries	-	1,542	-	1,542
Net profit/(loss)	-	-	7,022	7,022
Dividend for the year (proposed)	-	-	80,000	80,000
Paid dividend for previous year	-	-	(50,000)	(50,000)
<b>Balance at the end of the year</b>	<b>500</b>	<b>1,542</b>	<b>248,646</b>	<b>250,688</b>

2019	Share capital	Reserve	Retained earnings	Total
Balance at the beginning of the year	500	-	213,041	213,541
Exchange rate adjustments of investment in subsidiaries	-	-	(2,237)	(2,237)
Net profit/(loss)	-	-	30,820	30,820
Dividend for the year (extraordinary paid and proposed)	-	-	110,000	110,000
Paid dividend (extraordinary)	-	-	(60,000)	(60,000)
Paid dividend for previous year	-	-	(80,000)	(80,000)
<b>Balance at the end of the year</b>	<b>500</b>	<b>-</b>	<b>211,624</b>	<b>212,124</b>

Share capital cannot be used for dividend declaration.

**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1**  
**ACCOUNTING POLICIES**  
**OF THE COMPANY**

**Basis of preparation**

The Company's financial statements have been prepared in accordance with the Danish Financial Statements Act for reporting class C – large enterprises and following recognition and measurement principles from IFRS 9, IFRS 15 and IFRS 16 as interpretation.

In conformity with section 86.4 of the Danish Financial Statements Act, no cash flow statement is prepared for the Company. Please refer to the cash flow statement for Novo Nordisk Group.

In conformity with section 112.1 of the Danish Financial Statements Act, no consolidated financial statement for NNE A/S and its subsidiaries is prepared. Please refer to the consolidated statement for Novo Nordisk Group.

**Key accounting estimates and judgements**

Management regards the following to be the key accounting estimates and judgements used in the preparation of the financial statements.

**Revenue recognition**

The determination of whether a sufficient basis to measure the percentage-of-completion exists is judgmental.

**Accounting policies**

The principal accounting policies set out below have been applied consistently in the preparation of the financial statements for all the years presented, unless otherwise stated.

**Presentation currency**

The financial statements are presented in Danish kroner (DKK). Foreign currency transactions are translated, using the exchange rates prevailing at the transactions dates. Foreign exchange gains and losses, resulting from the settlement of such transactions, and from the translation at year-end exchange rates of monetary assets and liabilities, are recognised in the income statement.

The percentage-of-completion method requires estimation of total revenue and the stage of completion. The assumptions, estimates, and uncertainties inherent in determining the state of completion affect the timing and amounts of revenue recognised.

Changes in estimates of stage of completion and changes in contract revenue and costs are accounted for as cumulative catch-up adjustments to the reported revenue for the applicable contract.

Assessing whether distinct services are considered to be separate performance obligations requires judgment and might impact the timing and amount of revenue recognition.

The allocation of the total transaction fee of a contract to distinct deliverables requires judgment in determining an apportionment which reflects the fair value measurement of each performance obligation. This may impact the timing and amount of revenue recognised.

Determining whether different contracts with the same customer are accounted for as one contract involves the use of judgment as it requires that management assesses whether the contracts are negotiated together or linked in any other way. The timing and amount of revenue recognition can vary depending on whether two contracts are accounted for separately or as one single contract.

**Revenue**

The Company provides engineering consulting services to the GMP-regulated pharma industries.

**Determining the transaction price**

The Company's revenue is derived from time & material contracts and fixed price contracts.

For time & material contracts, the amount of revenue to be earned from each contract is determined by reference to the agreed hourly rates. Revenue from time & material contracts is recognised at the contractual rates as labour hours are delivered and direct expenses are incurred.

Some time & material contracts include a potential discount in case a pre-defined cap is reached. Revenue from these projects is recognised based on the value of the estimated number of expected hours, net of the estimated discount. Accumulated experience is used to estimate and provide for the discounts, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

For fixed price contracts, revenue is recognised based on stage of completion of the contract which is estimated by comparing the actual services provided in the project with the total services expected to complete the project. In case of a fixed price contract, the customer pays the fixed amount based on a payment schedule. If the services rendered by the Company exceed the payment, a Work in progress asset is recognised. If the payments exceed the services rendered, a Prepayments for work in progress is recognised.

When it is probable that the total contract costs will exceed the revenue of a contract, the total expected loss is recognised in the Income Statement.

#### Allocating amounts to performance obligations

When a contract includes multiple deliverables, it is accounted for as a separate performance obligation. In this case, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin. If contracts include the material, revenue for the material is recognised at the point in time when the material is delivered, the legal title has passed, and the customer has accepted the material.

Estimates of revenue, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss during the period in which the circumstances that have caused to the revision become known by management.

#### Contract modification

A modification is considered a separate contract, if additional services are promised and the price of the contract increases by an amount that reflects the stand-alone price of additional services.

#### Payment terms

The Company's general payment terms are customer specific but are generally within 30 to 60 days.

#### Cost of production

The cost of projects comprises all costs, including depreciation, wages and salaries and pension contributions, as well as other costs related to rendering engineering services.

#### Sales and distribution costs

Sales and distribution costs comprise salaries and pension contributions for sales staff, marketing costs, and depreciation.

#### Administration costs

Administration costs comprise salaries and pension contributions for administrative staff, management, office costs and depreciation.

#### Other operating income

Other income consists of income of a secondary nature in relation to the main activities of the Company.

#### Financial items

Financial items comprise interest income, interest expenses, foreign currency translation adjustments and unrealised/realised capital gains or losses on shares.

#### Income taxes

The tax expense for the period comprises current and deferred tax and interest, including adjustments to previous years.

#### IT systems and software

IT systems and software are measured at historical cost less accumulated amortisation and any impairment loss.

Amortisation is provided under the straight-line method over the estimated useful life of the assets:

IT systems and software	3-5 years
-------------------------	-----------

The historical cost includes external and internal costs, directly and indirectly allocated to the IT systems. Computer software licenses are included in the costs.

Minor acquisitions are expensed as incurred.

#### Leasehold improvements and other equipment

Leasehold improvements and other equipment are measured at historical cost less accumulated depreciation and any impairment loss. Subsequent costs are included in the carrying amount of the asset, only when it is probable that

future economic benefits associated with the asset will flow to the Company, and when the cost of the item can be measured reliably.

Depreciation is provided under the straight-line method over the estimated useful lives of the assets:

Leasehold improvements	5 years
Other equipment	5 years

The assets' residual values and useful lives are reviewed at the end of each reporting period and adjusted, if appropriate. An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains and losses on disposables are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

#### Leases, right-of-use assets

The Company leases office buildings and vehicles.

For contracts which are or contain a lease, the Company recognises a right-of-use asset and a lease liability. Contracts may contain both lease and non-lease components. The lease components are recognised in the balance sheet and the non-lease components are recognised as an expense in profit and loss.

The right-of-use asset is initially measured at cost, being the initial amount of the lease liability adjusted for any lease payments made at/or before the commencement date. The right-of-use asset is subsequently depreciated using the straight-line method over the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease contracts with a lease term of 12 months or less and low value lease assets are not recognised in the balance sheet. Short term leases and low value lease assets are expensed on a straight-line basis over the lease term or another systematic basis.

#### Impairment of assets

The carrying amount of intangible assets and property, plant and equipment is reviewed annually for indication of value decrease beyond the level of normal depreciation. If the asset or group of assets has decreased in value, write-down is made to a lower recoverable value. The recoverable value

is recognised as the highest value of net sale price and value in use. If the recoverable value for the asset or group of assets cannot be recognised, the need for write-down is based on the smallest group of assets for which the recoverable value can be maintained.

#### Investment in subsidiaries

In the financial statements of the Company, investments in subsidiaries are recorded under the equity method, which is at the respective share of the net asset values in subsidiaries. Net profit of subsidiaries less unrealised intercompany profits is recorded in the income statement.

To the extent, the net profit of subsidiaries exceeds declared dividend from such companies, net revaluation of investments in subsidiaries is transferred to net revaluation reserve, in accordance to the equity method under equity.

Within share of profit in subsidiaries, the after tax profit of each subsidiary is recognised.

#### Marketable securities

Financial assets at fair value through the income statements consist of equity investments.

Net gains or losses arising from changes in the fair value of the financial assets are recognised in the income statement as financial income or expenses.

The fair values of quoted investments are based on current bid prices at the end of the reporting period.

#### Deferred tax

Deferred taxes arise from temporary differences between the accounting and taxable values of the Company, and from realisable tax loss is carried forward, using the liability method. The tax value of the tax loss carried forward is included in deferred tax assets to the extent that the tax losses and other tax assets are expected to be utilised in future taxable income. The deferred income taxes are measured in accordance to the current tax rules and at tax rates expected to be in force at the elimination of the temporary differences.

Management judgement is required in determining the company's provision for deferred tax assets and liabilities. The Company recognises deferred tax assets if it is probable that sufficient taxable income will be available in the future, against which the temporary differences and unused tax losses can be utilised.

**Trade Receivables**

Trade receivables and other receivables are initially recognised at fair value, and subsequently measured at amortised cost using the effective interest method, less allowance for doubtful trade receivables.

The allowance for doubtful receivables is deducted from the carrying amount of trade receivables, and the loss amount is recognised in the income statement under sales and distribution costs.

**Allowances for doubtful trade receivables**

The allowance is an estimate based on shared credit risk characteristics and the days past due. Loss allowance is calculated using an aging factor and specific customer knowledge.

**Work in progress**

Work in progress is the right to payment in exchange for services transferred to the customer. If the Company performs services to a customer before the customer pays, a work in progress asset is recognised for the earned compensation.

For further details on Work in progress, please refer to section on Revenue.

**Other receivables**

Other receivables are recognised initially at the amount of the receivables that is unconditional. They are subsequently measured at amortised cost using the effective interest method less impairment.

**Dividend**

Proposed dividend for the year is presented as a separate line under Equity and in the notes.

**Provisions**

Provisions cover warranty obligations for projects, dilapidation and non-current employee benefits.

Provisions, including tax and legal cases, are recognised where a legal or constructive obligation has occurred as a result of past events, and probable causes that can lead to an outflow of resources that can be reliably estimated. In this connection, management makes the estimate based upon an evaluation of the individual, most likely outcome of the cases. In cases where a reliable estimate cannot be made, the provisions are not recognised, but only disclosed as contingent liabilities.

**Employee benefits**

Wages, salaries, social security contributions, bonuses and non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Company. In circumstances where the Company provides long-term employee benefits, the costs are accrued to match the rendering of the services by the employees concerned.

**Share-based payment**

The incentive programme converts the granted share appreciation rights into a fixed number of Novo Nordisk Shares for both management and employees. The incentive programme is treated as a cash-settled, share-based scheme. The fair value of the employee services received in exchange for the grant of share appreciation rights is recognised as an expense and amortised over the vesting period of up to four years.

The liability of the share appreciation rights is measured initially, and at each reporting date until settled at the fair value of the share appreciation rights, taking into account the terms and conditions on which the share appreciation rights were granted, and the extent to which the employees have rendered service to date. Any change in the fair value of the share appreciation rights, from the grant date to the end of each financial year, is recognised as financial income/expense in the income statement.

**Lease liabilities**

The lease liability is initially measured at the present value of the lease payment claim at the commencement date, discounted using the interest rate implicit in the lease contract. Lease payments consist of the following payments:

- fixed payments from commencement date
- certain variable payments
- residual value guarantees or the exercise price of a purchase option
- termination penalties

If the interest rate implicit in the lease contract cannot be readily determined, the Company's incremental borrowing rate is used.

For further information, please refer to section on Leases, right-of-use assets.

**Prepayments for work in progress**

Prepayments for work in progress is the obligation to deliver services to a customer for which the Company has received payment (or an amount of payment is due), a prepayment for work in progress is recognised when the payment is

made. Prepayments for work in progress are recognised as revenue when the Company deliver services under the contract.

For further details on Prepayments for work in progress, please refer to section on Revenue.

**Borrowings and Other liabilities**

Generally, liabilities are stated at amortised cost unless specifically mentioned otherwise.

Borrowings are recognised initially at fair value, net of transactions costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings, using the effective interest method. Borrowings are classified as current debt unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

**Financial ratios**

Financial ratios have been calculated as follows:

Operating profit margin	$\frac{\text{Operating profit} \times 100}{\text{Turnover}}$
Profit margin before tax	$\frac{\text{Profit before tax} \times 100}{\text{Turnover}}$
Return on equity	$\frac{\text{Net profit} \times 100}{\text{Average equity}}$
Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Payout ratio	$\frac{\text{Total dividend for the year} \times 100}{\text{Net profit}}$
Dividend per share	$\frac{\text{Proposed dividend}}{\text{Number of shares}}$

**NOTES**

(DKK 1,000)

	2020	2019
<b>Note 2 Revenue</b>		
Revenue from contracts with customers	1,040,583	983,379
<b>Total</b>	<b>1,040,583</b>	<b>983,379</b>
<b>Disaggregation of revenue from contracts with customers</b>		
The Company derives revenue from the delivery of engineering services in following geographical regions		
Denmark	1,013,993	913,520
US	9,059	27,358
Turkey	7,633	-
Belgium	-	17,162
Other	9,898	25,339
<b>Total</b>	<b>1,040,583</b>	<b>983,379</b>

**Note 3 Employee costs**

Wages and salaries	559,054	578,012
Pensions	47,373	51,002
Share-based payment costs	10,492	9,273
Other contributions to social security	8,258	7,540
Other employee costs	13,842	12,405
<b>Total</b>	<b>639,019</b>	<b>658,232</b>

The average number of full-time employees in 2020 was 678 compared to 725 in 2019. At the end of 2020 the Company had 733 full-time employees compared to 664 at year end 2019.

NNE Management consist of the CEO.

In conformity with section 98.b.3 of the Danish Financial Statement Act, the remuneration for the Management team is stated as one category for CEO and Board of Directors.

Remuneration to the Board of Directors and the CEO is DKK 7 million in 2020 (2019: DKK 8 million), including Share-based payment. For the CEO, a maximum of 9.8 months' base salary plus pension contribution can be earned in the year.

**Note 4 Other operating income**

<b>Relocation compensation</b>	<b>617</b>	<b>617</b>
--------------------------------	------------	------------

Other income comprises of compensation from the parent company to cover related relocation costs in connection with relocation of NNE headquarter in Denmark in 2018

**NOTES**

(DKK 1,000)

	2020	2019
<b>Note 5 Share of profit/loss in subsidiaries</b>		
Net profit/(loss) for the year	8,524	20,796
Net gain/loss on divestment shares in subsidiaries	-	80,304
<b>Share of profit/loss in subsidiaries</b>	<b>8,524</b>	<b>101,100</b>

**Note 6 Financial income**

Interest income from group companies	850	723
Unrealised/realised capital gains on shares	3,591	6,480
Other financial income	534	2,162
<b>Total</b>	<b>4,975</b>	<b>9,365</b>

**Note 7 Financial expense**

Interest expenses to group companies	37	103
Unrealised/realised adjustments of provisions (share-based payment)	4,275	5,894
Other financial expenses	4,538	3,989
<b>Total</b>	<b>8,850</b>	<b>9,986</b>

**Note 8 Income taxes**

The Company paid DKK 23,7 million in income tax related to current year (DKK 24,1 million in 2019).

Current tax on profit for the year	23,022	23,606
Deferred tax on profit for the year	(1,166)	6,324
<b>Tax on profit for the year</b>	<b>21,856</b>	<b>29,930</b>
Adjustments tax payable prior year	(1,199)	(6,743)
Adjustments deferred tax prior year	1,708	3,895
<b>Tax for the year, total</b>	<b>22,365</b>	<b>27,082</b>

The tax effect of joint taxation with the parent company Novo Nordisk A/S and affiliated companies is distributed to the companies according to their taxable income (the full costing method). The Danish jointly taxed companies are included in a Danish tax prepayment scheme.

## NOTES

(DKK 1,000)

## Note 9 Intangible assets

2020	IT systems and software	Total
	Cost at 1 January	25,587
<b>Cost at 31 December</b>	<b>25,587</b>	<b>25,587</b>
Depreciation and impairment losses at 1 January	19,550	19,550
Depreciation for the year	1,968	1,968
<b>Depreciation and impairment losses at 31 December</b>	<b>21,518</b>	<b>21,518</b>
<b>Carrying amount at 31 December</b>	<b>4,069</b>	<b>4,069</b>

## Note 10 Property, plant and equipment

2020	Leasehold improvements	Other equipment	Right-of-use assets		Total
			Property	Vehicles	
Cost at 1 January	5,368	2,205	133,528	5,357	146,458
Additions during the year	1,429	-	-	1,526	2,955
Disposals during the year	-	-	-	(595)	(595)
<b>Cost at 31 December</b>	<b>6,797</b>	<b>2,205</b>	<b>133,528</b>	<b>6,288</b>	<b>148,818</b>
Depreciation and impairment losses at 1 January	3,251	2,205	15,092	1,712	22,260
Depreciation for the year	1,061	-	14,311	1,614	16,986
Disposals during the year	-	-	-	(288)	(288)
<b>Depreciation and impairment losses at 31 December</b>	<b>4,312</b>	<b>2,205</b>	<b>29,403</b>	<b>3,038</b>	<b>38,958</b>
<b>Carrying amount at 31 December</b>	<b>2,485</b>	<b>-</b>	<b>104,125</b>	<b>3,250</b>	<b>109,860</b>

## NOTES

(DKK 1,000)

## Note 11 Investments in subsidiaries

	2020	2019
<b>Investments in subsidiaries</b>		
Cost at 1 January	286,430	285,969
Additions during the year	191	461
Divestments during the year	(1)	-
<b>Cost at 31 December</b>	<b>286,620</b>	<b>286,430</b>
Revaluation at 1 January	(262,983)	(272,352)
Exchange rate adjustments	1,542	(2,237)
Net profit/(loss) for the year	8,524	20,796
Dividend received	-	(3,733)
Divestment during the year	-	(5,457)
<b>Revaluation at 31 December</b>	<b>(252,917)</b>	<b>(262,983)</b>
<b>Carrying amount at 31 December</b>	<b>33,703</b>	<b>23,447</b>

Company	Domicile	Share of ownership
NNE, Inc.	Clayton, NC, United States	100%
NNE Private Limited	Bangalore, India	100%
NNE AB (without activity)	Stockholm, Sweden	100%
NNE Pharmaplan OOO (without activity)	Moscow, Russia	100%

## Note 12 Marketable securities

	2020	2019
Shares in Novo Nordisk A/S	49,581	43,466
<b>Total</b>	<b>49,581</b>	<b>43,466</b>
Non-current	44,246	33,375
Current	5,335	10,091
<b>Total</b>	<b>49,581</b>	<b>43,466</b>

Original acquisition cost during the year	12,682	24,891
Total number of shares	116,209	112,418

The shares in Novo Nordisk are acquired for the share-based payment program and the employee restricted stock unit program.

**NOTES**  
 (DKK 1,000)

	2020	2019
<b>Note 13 Deferred tax assets/Deferred tax liabilities</b>		
Deferred tax is determined using the liability method and includes all temporary differences between accounting and tax values of the balance sheet items. The deferred tax is measured based on the tax rate expected to apply when the liability will be settled.		
Balance at 1 January	14,455	24,674
Deferred tax on profit for the year	1,166	(6,324)
Adjustments related to previous years	(1,708)	(3,895)
<b>Balance at 31 December</b>	<b>13,913</b>	<b>14,455</b>

Specification:	2020			2019		
	Assets	Liabilities	Total	Assets	Liabilities	Total
Property, plant and equipment	-	(20,722)	(20,722)	-	(23,417)	(23,417)
Contract assets	328	-	328	135	-	135
Provisions	34,789	-	34,789	38,412	-	38,412
Other	-	(482)	(482)	-	(675)	(675)
<b>Balance at 31 December</b>	<b>35,117</b>	<b>(21,204)</b>	<b>13,913</b>	<b>38,547</b>	<b>(24,092)</b>	<b>14,455</b>

**Note 14 Other receivables and prepayments**

	2020	2019
Prepaid rent	76	35
Prepaid IT costs	3,116	3,767
Other prepaid costs	1,004	1,347
Other receivables	22	2,897
<b>Total</b>	<b>4,218</b>	<b>8,046</b>

**Note 15 Share capital**

	2020	2019
Share capital at the end of the year:		
A share capital (167 shares of DKK 1,000)	167	167
B share capital (333 shares of DKK 1,000)	333	333
<b>Total</b>	<b>500</b>	<b>500</b>

The share capital in NNE A/S is divided into A shares and B shares. The A shares have 10 votes per DKK 500 of the A share capital, whereas the B shares have 1 vote per DKK 500 of the B share capital. There are no transferability restrictions on the B shares, while the owners of the A shares have a right of first refusal in case of any transfer of A shares.

	2020	2019
Proposed appropriation of net profit:		
Dividend to shareholders	80,000	50,000
Extraordinary dividend to shareholders paid in 2019	-	60,000
Retained earnings	7,022	30,820
<b>Total</b>	<b>87,022</b>	<b>140,820</b>

**NOTES**  
 (DKK 1,000)

	2020	2019
<b>Note 16 Provisions</b>		
	<b>Share-based payment</b>	<b>Long-term employee benefits</b>
	<b>Dilapidation</b>	<b>2020 Total</b>
		<b>2019 Total</b>
Other provisions at 1 January	25,027	7,100
Additions during the year	10,492	1,220
Unused amounts reversed	-	-
Used during the year	(10,159)	(420)
Value adjustment	4,275	-
<b>Provisions at 31 December</b>	<b>29,635</b>	<b>7,900</b>
	<b>4,124</b>	<b>41,659</b>
		<b>35,598</b>

## Specification of provisions:

	2020	2019
Current	5,335	10,091
Non-current	36,324	25,507
<b>Total</b>	<b>41,659</b>	<b>35,598</b>

**Share-based payment**

The Executive Management, NNE Management and senior executives participate in a long-term share-based incentive program linked to the financial performance of NNE.

In August 2019, all employees in the Novo Nordisk Group, including NNE, were offered 75 restricted stock units. A stock unit gives the right to receive one Novo Nordisk share free of charge on February 2023 subject to continued employment. The cost of the program is amortised over the period.

**Note 17 Lease liabilities**

DKK 42 million of the lease liability is due after more than 5 years.

**Note 18 Other liabilities**

	2020	2019
Employee costs payable	155,577	143,284
VAT, taxes and other contributions to social security	27,781	22,835
Accruals	29,392	21,581
Deferred Income	4,649	5,266
<b>Total</b>	<b>217,399</b>	<b>192,966</b>

Other liabilities are all payable within one year. There is only an insignificant difference between nominal amounts and amortised amounts and thus, only the nominal amounts have been presented. Deferred income include prepaid compensation in connection with relocation of NNE headquarter.

**NOTES****(DKK 1,000)**

	2020	2019
<b>Note 19 Commitments</b>		
Other commitments consist of non-cancellable commitments related to internal consultants, licenses and purchase obligations. Internal consultants are consultants hired on a temporary contract and have a notice period of 3 months or less.		
Other commitments, short term leases and low value leases are payable within the following periods as from the balance sheet date:		
Within one year	30,418	31,119
Between one and two years	19,248	19,591
Between two and three years	14,455	18,613
Between three and four years	3,931	14,015
Between four and five years	3,966	3,953
After five years	12,441	16,647
<b>Total</b>	<b>84,459</b>	<b>103,938</b>

Short term and low value leases amount to DKK 12 million out of the total value.

**Guarantees**

Bank guarantees	7,774	10,655
<b>Total</b>	<b>7,774</b>	<b>10,655</b>

**Other**

Novo Nordisk A/S and its Danish subsidiaries are jointly taxed with the Danish companies in the Novo A/S Group. The joint taxation also covers withholding taxes in the form of dividend tax, royalty tax and interest tax. The Danish companies are jointly and individually liable for the joint taxation. Any subsequent adjustments to income taxes and withholding taxes may lead to a larger liability. The tax for the individual companies is allocated in full on the basis of the expected taxable income.

**Pending litigations**

NNE is engaged in a few litigation proceedings. Management deems that the provisions made are appropriate, and settlements or continuation of these proceedings are not expected to have a material effect of the financial position of the Company.

**Note 20 Fees to statutory auditors**

In conformity with section 96.3 of the Danish Financial Statements Act, no fees to statutory auditors is stated. Please refer to the consolidated financial statements of Novo Nordisk A/S.

**Note 21 Transactions with related parties**

Related parties are considered to be the Executive Management and the Board of Directors of the Company, the Novo Nordisk Group, the Novo Nordisk Foundation as well as related parties in these entities, including members of management.

All agreements relating to these transactions are based on the list prices used for sale to third parties where such list prices exist, or the price has been set at what is regarded as market price.

**Ownership**

NNE A/S is a wholly owned subsidiary of Novo Nordisk A/S and included in the consolidated financial statements of Novo Nordisk A/S and in the consolidated financial statements of the Novo Nordisk Foundation.

The consolidated financial statements of Novo Nordisk A/S are available on request from Novo Nordisk A/S, Novo Allé 1, DK-2880 Bagsværd. The ultimate parent is the Novo Nordisk Foundation, Tuborg Havnevej 19, DK-2900 Hellerup.

**MANAGEMENT'S STATEMENT ON THE ANNUAL REPORT**

The Executive Management and Board of Directors have today considered and adopted the Annual Report of NNE A/S for the year of 2020.

The Annual Report have been prepared in accordance with the Danish Financial Statements Act, Management's Review has been 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 at 31 December 2020 of the results of the Company operations for the financial year 1 January - 31 December 2020.

In our opinion, Management's Review includes a true and fair account of the development in the operations and financial circumstances of the Company, of the results for the year and of the financial position of the Company as well as a description of the most significant risks and elements of uncertainty facing the Company.

We recommend that the Annual Report will be adopted at the Annual General Meeting.

Virum, 17 March 2021

Executive Management

Jesper Kløve  
President and CEO

Board of Directors

Karsten Munk Knudsen  
(Chairman)

Birgit W. Nørgaard  
(Vice Chairman)

Michael Hallgren

Klaus Steen Mortensen

David Victor Tackie

Lis Thodberg



## INDEPENDENT AUDITOR'S REPORT

### To the Shareholder of NNE A/S

#### Opinion

In our opinion, the Financial Statements (page 15-30) 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.

We have audited the Financial Statements of NNE 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 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. 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 (page 1-14) 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 Statements 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 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 judgment 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 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 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.

Hellerup, 17 March 2021

**PricewaterhouseCoopers**  
Statsautoriseret Revisionspartnerselskab  
CVR No 33 77 12 31

Torben Jensen  
State Authorised Public Accountant  
mne18651

Rikke Lund-Kühl  
State Authorised Public Accountant  
mne33507

NNE is an international company specialised in pharma engineering. Through focused pharma engineering we enable our customers to deliver on demand.

**nne**<sup>®</sup>  
Focused pharma engineering

