

Annual Report 2023



nne®

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MORE NNE



Explore our work

We are leading pharma engineers, enabling pharmaceutical companies to bring products to patients by designing, building, qualifying and optimising their facilities. We deliver engineering services for around 800 projects a year covering all relevant disciplines within the framework of good manufacturing practice (GMP).

[Browse our pharma engineering projects](#)



Meet us

Browse through our events to find out when we will be exhibiting or speaking near you. We also offer various courses and training programmes.

[Events and courses](#)



Purpose and sustainability

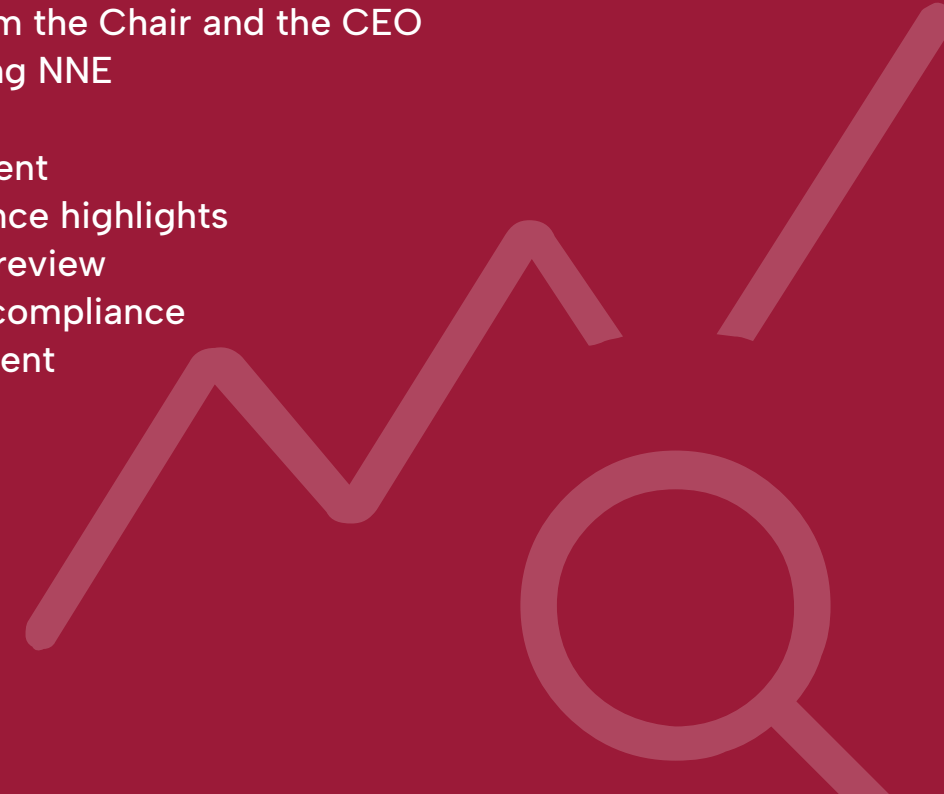
We want to deliver innovative engineering solutions that help our customers achieve their sustainability targets. We are committed to developing our company to balance the needs of our people, our projects and the planet, to integrate sustainability in our services and to generate greater long-term business value*.

[Read more here](#)

* For the statutory statement on corporate social responsibility, please refer to the Annual Report 2023 for Novo Nordisk, CVR no. 24256790, "Purpose and sustainability".

Management review



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LETTER FROM THE CHAIR AND THE CEO

Enabling pharma customers to get medical products to patients quickly

Continuing our growth journey and increasing revenue by 46% to DKK 2,781 million in 2023

The NNE ambition is to build advanced technological pharma facilities for our customers and sustain the position as the leading pharma engineering company in Denmark. NNE's technical competences and pharma industry insight mean we are uniquely positioned to act as an advisor and engineering partner for our customers by delivering flexible production facilities, seamless GMP compliance and future-proof technological solutions, while ensuring predictable project execution.

An successful financial year for NNE

In 2023 we successfully delivered on the strategy by executing some of the largest pharma projects in NNE's history, both in terms of new manufacturing facilities and expansion of existing ones. The successful project execution was mirrored in strong financial results. Revenue increased by 46% compared to 2022, resulting in historically high revenue of DKK 2,781 million and an operating profit margin of 12%.

Passionate employees and a unique working culture

The 2023 achievements reflect the collective effort, dedication and technical expertise of our team members. Everyone

contributes uniquely to the organisation, playing an integral role for NNE's ability to attract, develop and retain a diverse range of talent in a highly competitive job market. This collective strength is the driving force behind our continued success.

In 2023, professionals and students in the engineering field voted NNE Denmark's most attractive consultancy company, according to the Danish publication *Ingeniøren*. Additionally, NNE's engagement score has reached new heights, now ranking in the top 10% when benchmarked against all professional services worldwide.

Together, NNE's prominent role in some of the world's largest pharma projects, solid employer brand, inclusive and diverse culture, and efficient recruitment and onboarding programme have fuelled the workforce expansion. During the year, we welcomed 393 new members to the Danish organisation, which now totals 1,186 employees. The subsidiary and competence centre in India, a crucial component of our delivery model and project success, expanded to 591 employees.

Leading innovation and sustainability

Preparing NNE for the future by being at the forefront of technology and sustainability trends is a strategic priority for NNE. We continue to invest in innovation and new technologies and improving our ability to collaborate and engage digitally – both internally, to create more efficient engineering and design processes, and externally, to deliver innovative future-proof solutions to customers.

Further, we are dedicated to accelerating the green transition of our customers by integrating sustainability solutions into the design of new production facilities and in this way improving the environmental footprint of pharmaceutical production.

Looking ahead

While 2023 has been a busy year, we expect activity levels in 2024 to be equally high. We have a strong portfolio

of projects, including the role as end-to-end engineering partner on the DKK 42 billion expansion of Novo Nordisk's manufacturing facilities in Kalundborg. NNE has already delivered the conceptual and basic design for the new facilities, and can now focus on executing the construction.

Being entrusted with something so important comes with responsibility, and is testimony to NNE's capabilities and expertise within the pharma engineering field and proven track record of completing complex engineering projects on time and within budget.

In conclusion, we would like to express our gratitude to all colleagues across the company for their dedication and effort during the year, and to our stakeholders for their continued support. We look forward to continuing the journey in 2024.

Karsten Munk Knudsen
Chair of the Board of Directors

Jesper Kløve
President and CEO

INTRODUCING NNE

NNE at a glance

NNE is an international company specialised in the pharma manufacturing industry. Our business is centred around one clear purpose:

We enable pharmaceutical companies to bring products to patients by designing, building, qualifying and optimising their GMP facilities.

Continuing our growth journey and increasing annual revenue by

46%

2,781 DKK million

Record-high revenue and an operating profit margin of 12%

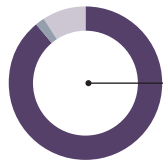
Top **10%**

in engagement score among service companies worldwide

Our pharma experience is built on

800

projects per year



89% New production facilities

2% Facility upgrades

9% Pharma consulting

1,186

employees in Denmark

Our values

Exceeding customer expectations

We live our values every day to exceed customer expectations. Trust and respect for each other are at our core, and we believe that we perform at our best when we embrace our diversity and play to our different strengths.



Passion

We are passionate about pharma engineering expertise.



Innovation

We innovate and create efficient solutions.



Initiative

We take initiative and get things done.



Team

We team up and leverage our global knowledge.

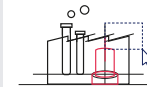
What we do

To help our customers to deliver on demand, we offer end-to-end engineering services. This consists of five stages:



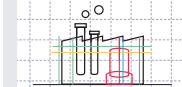
Conceptual design

Front-end study and customer workshop to get ideas on paper, make decisions and/or create simple design solutions



Basic design

NNE creates explanations, drawings and specifications that demonstrate the final design solution



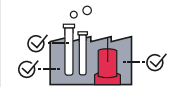
Detailed design

NNE and customer refine the design and create plans for final phases. Other outputs include 2D and 3D models and basis for tender



Construction

NNE plans, coordinates and manages the construction of the new facility or upgrade according to the design



Validation

NNE verifies that any system that impacts product quality or patient safety complies with GMP

PEOPLE

Unleashing our people potential

At NNE, we believe that everyone has talents to be developed and that talent development should be prioritised as a key element of our work. If we as a company want to be the best within our fields, we depend on having employees who are the best within their fields. We believe that development takes place every day in the tasks we execute and our interaction with others.

Our learning universe

To strengthen our competences, we offer several internal development opportunities to empower each and every one of our employees, thus making it possible to unleash their full potential:

- We invest in the development of our talents with our internal talent programme, Sprouthouse.
- We invest in the development of our leadership. One key driver in developing leadership skills is our internal leadership programme LEAD, which strengthens our managers' ability to set direction, motivate teams and provide feedback.
- We have a strategic focus on people development, anchored

in our People Strategy. Through this, we aim to build a strong succession pipeline for our key positions and to ensure the development of all our employees.

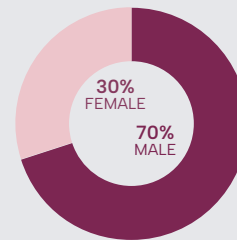
- We execute some of the largest and most complex pharma projects in the world. This provides an unmatched opportunity for on-the-job learning and development.

These initiatives support our people development strategy, enabling each individual to develop their competences and skills.

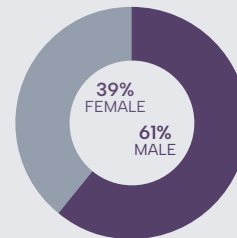
Keeping our employees engaged

In a highly competitive market, it is extremely important to ensure we have engaged and motivated employees – that is one of the top priorities in our People Strategy. When employees are engaged, they are more productive, they stay in the organisation longer and they generate higher customer ratings. It is quite simple: we want to establish the best foundation for NNE to remain a successful organisation.

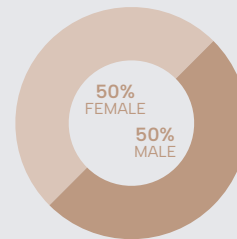
All employees



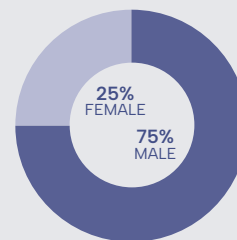
Managers



Senior management



Board of Directors



Diversity, equity and inclusion

At NNE, we believe that a diverse workforce and an inclusive work environment with equal opportunities for everyone are key ingredients for success. To secure this, we have set targets and track diversity data while listening to the voice of our employees through engagement surveys.

Actions

At NNE, we have a broad ambition of securing a diverse and inclusive workplace with a specific goal of ensuring a more equal gender balance across the company.

We ensure an inclusive recruitment process by using neutral language in our job posts and require that at least one candidate of the underrepresented gender (male/female) is invited for interview in every hiring process.

We perform regular gender pay analyses, allowing for necessary adjustments to ensure equal pay. On this occasion, we review our internal processes and implement measures to prevent future gender pay gaps.

We continuously measure and report to management on the diversity in our talent pipeline and succession plans, including gender representation on talent and leadership programmes.

Women in leadership

In 2023, our Board – excluding employee-elected members – comprised four members: one female and three males. Senior Management consists of the registered executives and the managers reporting directly to these. Senior Management in 2023 comprised seven female and seven male members. As such, the gender diversity at Board and Senior Management level required by Section 99B of the Danish Financial Statements Act was achieved.

The gender split in 2023 for all management positions was 39% female and 61% male. This means that the percentage of women in management positions exceeds the overall gender split across all employees.

ENVIRONMENT

New ambitions for environmental improvements

We consider sustainability fundamental to our long-term success. Since 2008, we have been a signatory to the UN Global Compact and reported on our sustainability responsibilities within the areas of human rights, labour, anti-corruption and environment every year.

New Planet Strategy

NNE has a strong commitment to include sustainability in the way we do business – both for our own operations and through the engineering designs and projects we deliver to our customers.

In 2023, NNE initiated an extensive revision of NNE’s environmental strategy involving external benchmarks, an internal survey and a series of engaged discussions with key project stakeholders. Our new Planet Strategy places greater emphasis on achieving relevant environmental targets for our pharma engineering projects, while still aiming to minimise our operational environmental footprint.

Targets set for 2030

The new Planet Strategy centres around a set of targets to be achieved by 2030. For the pharma engineering projects, focus will be placed at the point of material impact. This includes value chain impacts such as transportation and sourcing of raw materials, where

we will set environmental requirements for construction-specific materials.

The operational environmental targets will be anchored in the ISO 14001-certified Environmental Management Systems by which we operate at NNE. Our primary environmental impact within our own operation is the emissions of CO₂ from use of energy in our offices and passenger transport by road and air. Converting from fossil fuel to electric vehicles will curb emissions from road transport. We are also defining actions to fulfil our commitment to halve emissions from air travel per employee by 2030 compared to 2018.

Improving environmental performance in pharma projects and our offices

We have strengthened our procedures to ensure sustainability considerations are integrated in our project execution. This will ensure that we set specific targets for the projects and monitor their environmental performance. During 2024, we will conduct training and develop

required competences, including new methodologies covering established areas such as climate and water as well as the emerging field of biodiversity.

One result obtained in 2023 concerned our ambition to supplement the locally produced solar power that supplies 20% of the electricity used in our head office. NNE purchased Renewable Energy Certificates (RECs), which confer a time-limited right to calculate emissions based on a specific quantity of solar and wind power flowing into the power grid. The RECs verified that our 2023 power supply was 100% renewable in Denmark.

Our commitment to the UN Global Compact remains steadfast. In 2023, we changed the way we communicate our progress. Going forward, this reporting obligation will be fulfilled by our parent company, Novo Nordisk. We will present key developments within Environmental, Social and Governance (ESG) matters in our Annual Report, and expand on our targets, efforts and results internally and on our corporate website.

Planet Strategy 2030 targets

Reduce climate, water or biodiversity footprint in projects	50% reduction*
Supply NNE offices with renewable electricity	100%
Operate NNE offices in line with LEED, DGNB or equivalent certifications	100%
Convert NNE company cars to electric vehicles	100%
Reduce CO ₂ emissions from NNE air travel	50% reduction per employee*
Screen and select NNE suppliers on environmental criteria	90% of key suppliers

* Compared to 2018.



PERFORMANCE HIGHLIGHTS

Financial highlights and ratios

DKK 1,000	2022-23	2023	2022	2021	2020	2019
Income statement	Change					
Revenue	46%	2,780,840	1,898,517	1,420,138	1,040,583	983,379
Operating profit	24%	337,611	273,294	196,800	104,738	67,423
Net financials		10,140	(13,255)	3,113	(3,875)	(621)
Net profit	30%	291,406	224,301	192,178	87,022	140,820
Proposed and extraordinary dividend to shareholders	14%	250,000	220,000	190,000	80,000	110,000
Balance sheet						
Net capital expenditure	5%	16,049	15,252	2,752	2,955	2,694
Total assets	22%	1,219,504	996,715	807,964	680,307	625,729
Equity	19%	471,884	398,182	364,604	250,688	212,124
Financial ratios*						
Operating profit margin		12.1%	14.4%	13.9%	10.1%	6.9%
Return on equity		67.0%	58.8%	62.5%	37.6%	66.2%
Solvency ratio		38.7%	39.9%	45.1%	36.8%	33.9%
Management gender composition						
Number of members on the Board of Directors	0%	4	4	4	4	4
Percentage of women on the Board of Directors		25%	25%	25%	25%	25%
Number of members in Senior Management	75%	14	8	6	6	7
Percentage of women in Senior Management		50%	50%	17%	17%	0%
Number of employees at year-end (FTE)	24%	1,186	958	844	733	664

* For definitions of financial ratios, please refer to page 20.

FINANCIAL REVIEW

2023 performance and 2024 outlook

Revenue and operating profit

NNE A/S reported revenue of DKK 2,781 million in 2023 (2022: DKK 1,899 million), an increase of DKK 882 million or 46% compared to 2022. Reported revenue includes DKK 301 million revenue from subconsultants' work in 2023 (2022: DKK 23 million).

Operating profit in 2023 was DKK 338 million (2022: DKK 273 million), which corresponds to an operating profit margin of 12% (2022: 14%).

The expectation for 2023 was revenue growth of 30–35% and an operating profit margin of 11–13%. As such, revenue for the year exceeded the expectation, whereas the operating profit margin was within the expected range.

Profit before income taxes

Profit before income taxes in 2023 was DKK 361 million (2022: DKK 278 million), driven by the higher level of activity in 2023.

Income taxes and net profit

Total tax for the year was an expense of DKK 69 million (2022: DKK 54 million), giving an effective tax rate of 19% for the year (2022: 19%).

Net profit was DKK 291 million, an increase of DKK 67 million compared to 2022.

Balance sheet

Total assets as of 31 December 2023 amounted to DKK 1,220 million (2022: DKK 997 million).

Non-current assets increased to DKK 253 million (2022: DKK 202 million), impacted by an increase of DKK 46 million in the non-current portion of marketable securities and a higher value for investments in subsidiaries. The increase in marketable securities is to cover the share programme for all employees that was launched in 2023. Current assets increased to DKK 966 million (2022: DKK 795 million), mainly explained by an increase in receivables from related parties.

Total liabilities increased to DKK 748 million (2022: DKK 599 million) because of an increase in current liabilities. Other payables were up DKK 73 million, explained by the increase in employee costs and accruals due to the higher level of activity.

Prepayments for work in progress increased by DKK 52 million as a result of outstanding work for customers. Trade payables increased by DKK 35 million, mainly because of higher use of consultants.

Equity increased to DKK 472 million (2022: DKK 398 million), explained by the profit for the year less the dividend of DKK 220 million paid during 2023.

Proposed dividend

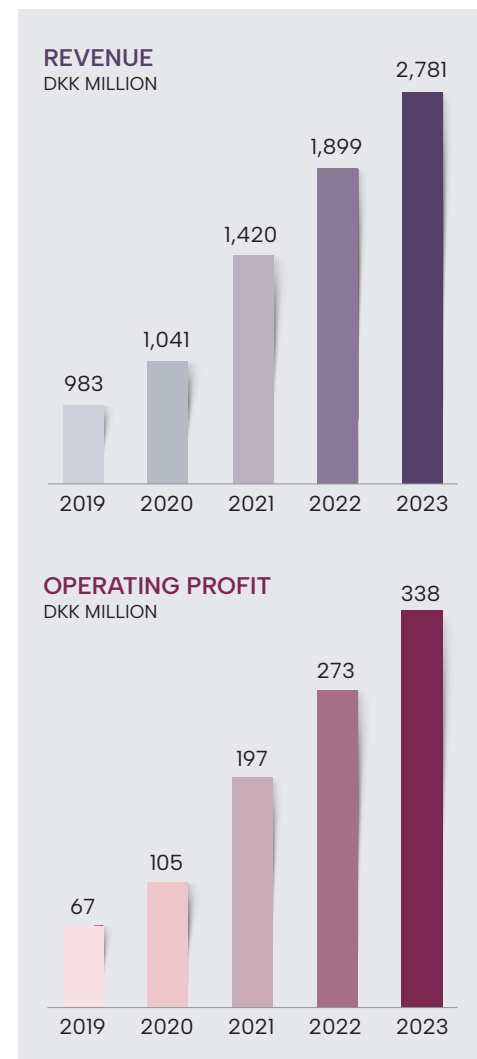
For 2023 the Board of Directors will propose a dividend of DKK 250 million to be paid in 2024.

Post-balance-sheet events

No events have occurred after the end of the financial year that have a significant impact on NNE A/S's financial position at 31 December 2023.

2024 outlook

Continued growth is expected for NNE A/S in 2024. The order backlog is strong, and Management expects organic revenue growth of 8–14%, with an operating profit margin of 10–12%.



RISKS AND COMPLIANCE

A sound risk management and compliance structure

To support our strategic objectives and ensure a long-term sustainable business, we continuously identify, monitor and mitigate operational and financial risks.

Ownership

As a fully owned subsidiary of Novo Nordisk A/S, NNE A/S and its 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 is the Novo Nordisk Foundation.

Data ethics

For the statutory statement on data ethics, please refer to the Annual Report 2023 for Novo Nordisk, CVR no. 24256790, "Purpose and sustainability".

Operational risks

Project and business risks are assessed on a recurring basis. 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 risks

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

Foreign exchange risk

As income and costs for the individual projects predominantly arise in the same currency, the foreign exchange risk from the Company's activities is low. NNE A/S's main currency risk is in relation to intercompany receivables.

Counterparty risk

A credit rating, supplied by a leading provider, is used to evaluate major customers and manage credit risk on an ongoing basis. Furthermore, the main part of the revenue is with well-established pharma companies with a generally limited counterparty risk.

Liquidity risk

Liquidity is managed using short-term credit facilities with Novo Nordisk.



Compliance and business ethics

A global compliance programme is in place to reduce the risk of NNE employees violating business ethics, laws and regulations. This includes 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 internal consultants, suppliers and other business partners. NNE's global compliance programme includes e-learning on business ethics. All employees and internal consultants must complete this e-learning once a year. Other activities to support compliance include audits and training in NNE-specific procedures.

MANAGEMENT

Board of Directors and Executive Management

Board of Directors



**Karsten Munk
Knudsen**

Chair

Born in 1971. Joined the Board of Directors in 2017. Executive Vice President and CFO at Novo Nordisk A/S and has held various positions in Novo Nordisk since 1999. Member of the Board of Directors of Hempel A/S and of 3Shape Holding A/S.



**Birgit
Weidemann
Nørgaard**

Vice Chair

Born in 1958. Joined the Board of Directors in 2011. Full-time board member since 2010 and has held executive positions in Grontmij | Carl Bro A/S 2006-10, The Carl Bro Group A/S 2001-06, TDC 2000-01, Danisco 1990-2000 and McKinsey & Company 1984-90.



**Jesper Schufri
Meyer**

Employee
representative

Born in 1959. Joined the Board of Directors in 2023. Senior Project Manager in Design Management and has held various positions in NNE since 2001.



**Jesper
Kløve**

President
and CEO

Born in 1966. Joined NNE in 2015. Has held various positions in Novo Nordisk 2003-15, A.P. Møller - Mærsk 1994-2002 and Danske Bank 1991-94.



**Christoffer
Hviid**

Corporate
Vice President
and CFO

Born in 1977. Joined NNE in 2023. Has held various positions in Novo Nordisk 2008-23 and McKinsey & Company 2005-08.



**Michael
Hallgren**

Born in 1966. Joined the Board of Directors in 2018. Senior Vice President at Novo Nordisk A/S and has held various positions in Novo Nordisk since 1994. President of the Board of Kalundborg Symbiosis.



**Klaus Steen
Mortensen**

Born in 1957. Joined the Board of Directors in 2018. Full-time board member since 2020 and has held executive positions in Blatt Industries A/S 2018-20, Vestas 2007-18, Banedanmark 2006-07, Skanska 2001-06, Hoffmann A/S 1995-2001 and Øresundsbron 1992-95.



**Inés
Aréizaga Esteva**

Employee
representative

Born in 1981. Joined the Board of Directors in 2021. Senior Engineering Manager in Active Products and has held various positions in NNE since 2006.



**Steen
Kristensen**

Corporate
Vice President

Born in 1964. Joined NNE in 1994. Has held various positions in NNE since 1994, Grontmij | Carl Bro 1991-94, MSAADA Architects 1990-91 and Fennet A/S 1989.

Statements and additional information



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FINANCIAL STATEMENTS

Income statement

For the year ended 31 December

DKK 1,000	Note	2023	2022
Revenue	1	2,780,840	1,898,517
Cost of production	2	(2,322,607)	(1,533,136)
Gross profit		458,233	365,381
Sales and distribution costs	2	(24,174)	(25,705)
Administrative costs	2	(97,065)	(66,999)
Other operating income		617	617
Operating profit		337,611	273,294
Share of profit/loss in subsidiaries	3	12,848	17,778
Financial income	4	47,490	26,591
Financial expenses	5	(37,350)	(39,846)
Profit before income taxes		360,599	277,817
Income taxes	6	(69,193)	(53,516)
Net profit for the year		291,406	224,301

Balance sheet

At 31 December

DKK 1,000	Note	2023	2022
Assets			
IT systems and software		110	1,430
Intangible assets	7	110	1,430
Leasehold improvements		208	559
Other equipment		1,629	297
Right-of-use assets		86,481	90,496
Property, plant and equipment	8	88,318	91,352
Investments in subsidiaries	3	62,861	47,717
Marketable securities	9	73,293	27,319
Deferred tax assets	10	28,562	33,973
Financial assets		164,716	109,009
Total non-current assets		253,144	201,791
Work in progress		14,264	8,385
Trade receivables		29,729	37,887
Receivables from related parties		672,570	467,040
Tax receivables		4,992	2,184
Other receivables and prepayments	11	15,574	9,588
Marketable securities	9	49,510	70,878
Cash at bank		179,721	198,962
Total current assets		966,360	794,924
Total assets		1,219,504	996,715

DKK 1,000	Note	2023	2022
Equity and liabilities			
Share capital	12	500	500
Retained earnings		221,384	177,682
Proposed dividends		250,000	220,000
Total equity		471,884	398,182
Provisions	13	10,411	17,504
Lease liabilities	14	72,663	78,901
Other payables	15	28,949	26,891
Total non-current liabilities		112,023	123,296
Provisions	13	1,764	4,903
Lease liabilities	14	18,526	15,309
Prepayments for work in progress		71,675	19,662
Trade payables		114,788	79,633
Other payables	15	428,844	355,730
Total current liabilities		635,597	475,237
Total liabilities		747,620	598,533
Total equity and liabilities		1,219,504	996,715

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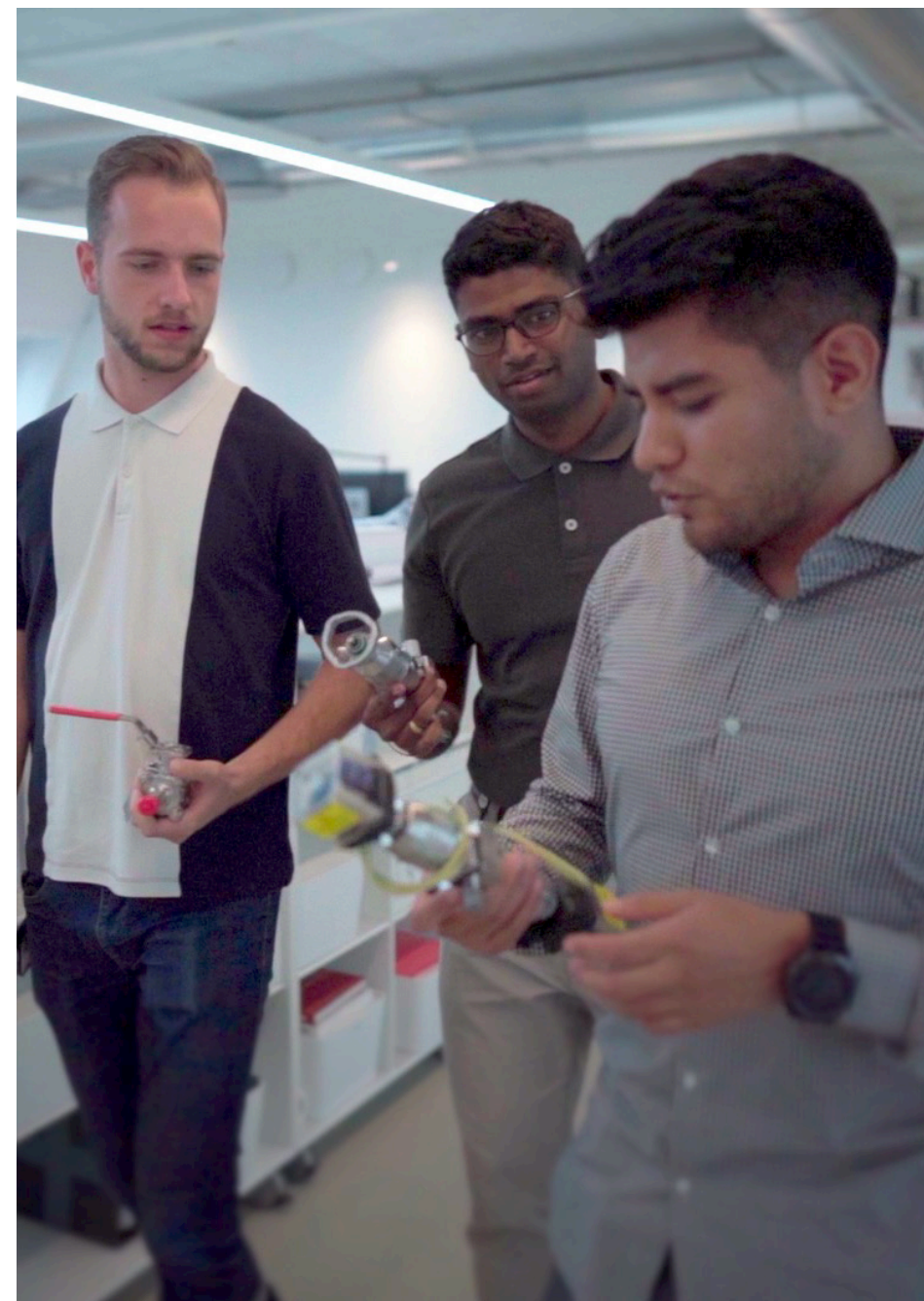
FINANCIAL STATEMENTS

Equity statement

At 31 December

2023	Share capital	Retained earnings	Dividend	Total
DKK 1,000				
Balance at the beginning of the year	500	177,682	220,000	398,182
Exchange rate adjustments of investments in subsidiaries	-	2,296	-	2,296
Net profit	-	291,406	-	291,406
Proposed dividend for the year	-	(250,000)	250,000	-
Dividend paid for previous year	-	-	(220,000)	(220,000)
Balance at the end of the year	500	221,384	250,000	471,884

2022	Share capital	Retained earnings	Dividend	Total
DKK 1,000				
Balance at the beginning of the year	500	174,104	190,000	364,604
Exchange rate adjustments of investments in subsidiaries	-	(723)	-	(723)
Net profit	-	224,301	-	224,301
Proposed dividend for the year	-	(220,000)	220,000	-
Dividend paid for previous year	-	-	(190,000)	(190,000)
Balance at the end of the year	500	177,682	220,000	398,182



ACCOUNTING POLICIES

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 recognition and measurement principles from IFRS 9, IFRS 15 and IFRS 16 as interpretation. The accounting policies for the Company's financial statements are unchanged from the previous financial year.

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 the Novo Nordisk Group.

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

Total revenue requires estimation of stage of completion, which involves Management's judgement. The assumptions, estimates and uncertainties inherent in determining the state of completion affect the timing and amount of revenue recognition.

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.

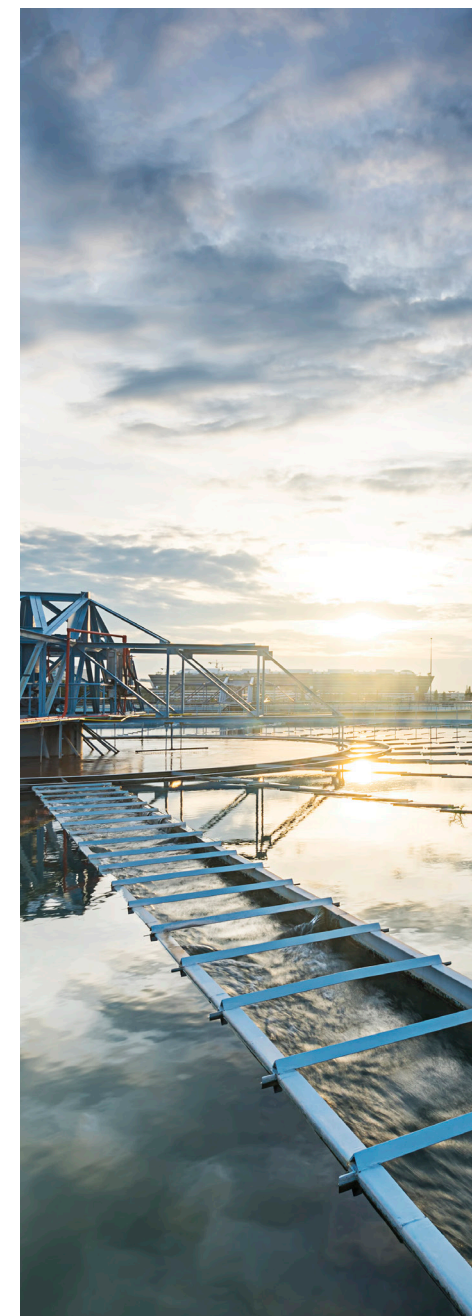
Assessing whether distinct services are considered to be separate performance obligations requires judgement and might impact the timing and amount of revenue recognition. Determining whether different contracts with the same customer are accounted for as one contract involves the use of judgement, as it requires Management to assess whether the contracts are negotiated together or linked in any other way. The timing and amount of revenue recognition may vary depending on

whether two contracts are accounted for separately or as one single contract.

Some contracts include variable consideration in the form of discounts and/or incentive/penalty agreements. Assessing the expected outcome of these agreements requires judgement. Revenue is recognised when it is considered highly probable that it will not be reversed. Management's best estimate is based on in-depth assessment of the specific project and is reviewed on an ongoing basis.

Presentation currency

The financial statements are presented in Danish kroner (DKK). Foreign currency transactions are translated, using the exchange rates prevailing at the transaction 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.



ACCOUNTING POLICIES

Income statement

Revenue

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

Determining the transaction price

The Company's revenue is mainly 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.

Certain time & material contracts include a potential discount in case a predefined 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. Historical experience is used to estimate and provide for the discounts, and revenue is only recognised to the extent that it is highly probable that no significant reversal will 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 be required to complete the project. In the 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 prepayment for work in progress is recognised.

When it is probable that the total contract costs will exceed the revenue from a contract, the total expected loss is recognised in the income statement.

Allocating amounts to performance obligations

When a contract includes multiple deliverables, they are accounted for as separate performance obligations. In this case, the transaction price will be allocated to each performance obligation based on the standalone 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 towards 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 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 is increased by an amount that reflects the standalone price of the additional services.

Revenue from subconsultants

Revenue from subconsultants' work is presented gross in the Income statement as revenue and cost of production. It is measured according to revenue recognition of the project and according to the contract. Revenue is recognised when risk and rewards are transferred to NNE, which is when the service from the subconsultant has been delivered.

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.

Administrative costs

Administrative 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. It comprises compensation in connection with relocation of NNE's headquarters.

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, including adjustments to previous years.

ACCOUNTING POLICIES

Balance sheet

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 lives 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.

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 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	5–10 years
Other equipment	3–5 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 carrying amount is higher than its estimated recoverable amount.

Gains and losses on disposal 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 that 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 on another systematic basis.

Impairment of assets

The carrying amount of intangible assets and property, plant and equipment is reviewed annually for indications of a decrease in value beyond the level of normal amortisation or depreciation. If the asset or group of assets has decreased in value, a write-down is made to a lower recoverable amount. The recoverable amount is recognised as the higher of net sale price and value in use.



Investments in subsidiaries

In the Company's financial statements, investments in subsidiaries are recognised 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. The after-tax profit of each subsidiary is recognised within share of profit in subsidiaries.

Marketable securities

Financial assets are measured at fair value.

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 Company's accounting values and tax base, and from realisable tax loss 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 with the current tax rules and at the tax rates expected to be in force when the temporary differences are eliminated.

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.

Work in progress

Work in progress is the right to payment in exchange for services transferred to the customer. If the Company performs services for 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 the section on Revenue.

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 days past due. Loss allowance is calculated using an ageing factor and specific customer knowledge.

Other receivables and prepayments

Other receivables are recognised initially at the amount that is unconditional.

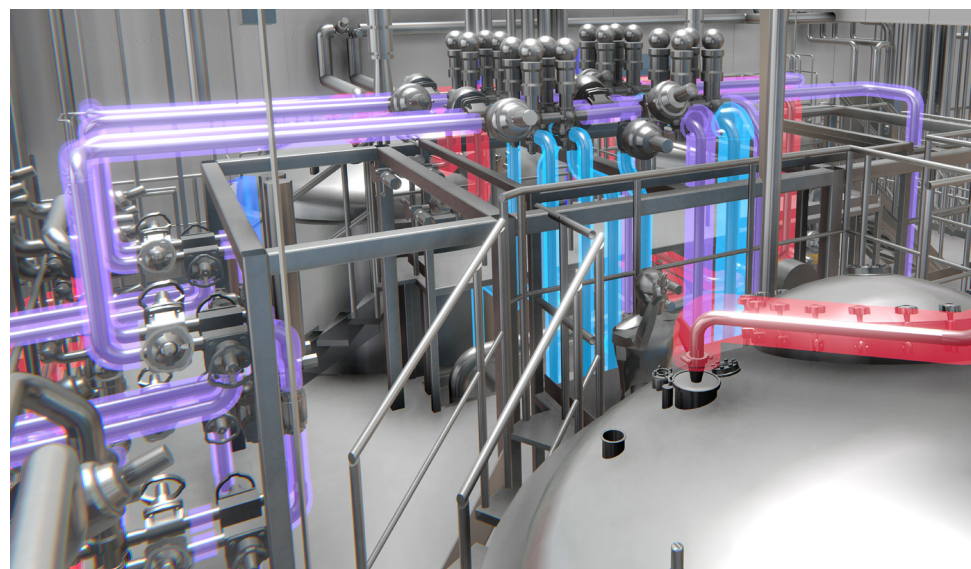
They are subsequently measured at amortised cost using the effective interest method less impairment. Prepayments are mainly prepaid costs regarding insurance, licences and rent.

Dividend

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

Provisions

Provisions cover warranties on completed projects and project-related obligations, dilapidations 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 this is likely to 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.

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 the section on Leases, right-of-use assets.

Prepayments for work in progress

Prepayments for work in progress relate to the obligation to deliver services to a customer for which the Company has already received payment (or a payment amount 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 delivers services under the contract. Provisions made on the individual projects and warranties for ongoing projects are also included. For further details on prepayments for work in progress, please refer to the section on Revenue.

Other payables

Other payables include VAT payables, accruals and employee payables. Generally, liabilities are stated at amortised cost unless specifically mentioned otherwise. Amortised cost typically corresponds to nominal value. Other payables are classified as current liabilities 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.

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 the Company's employees.

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 for 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 or expenses in the income statement.



ACCOUNTING POLICIES

Other measures

Project allocation is measured as a percentage of the total amount of contracts agreed and signed in the year.

The engagement score is based on results from the engagement survey conducted by the international tool Peakon Employee Voice.

Financial ratios

Financial ratios have been calculated as follows:

Operating profit margin

$$\frac{\text{Operating profit} \times 100}{\text{Revenue}}$$

Return on equity

$$\frac{\text{Net profit} \times 100}{\text{Average equity}}$$

Solvency ratio

$$\frac{\text{Equity at year-end} \times 100}{\text{Total assets}}$$



NOTES

Notes to the financial statements

Note 1

Revenue

DKK 1,000	2023	2022
Revenue from contracts with customers	2,780,840	1,898,517
Total	2,780,840	1,898,517
The Company derives revenue from the delivery of engineering services in the following geographical regions:		
Denmark	2,766,123	1,864,063
Rest of the world	14,717	34,454
Total	2,780,840	1,898,517

Note 2

Employee costs

DKK 1,000	2023	2022
Wages and salaries	969,973	772,064
Pensions	77,108	62,812
Share-based payment costs	17,666	15,412
Other social security contributions	10,737	9,506
Other employee costs	20,080	12,803
Total	1,095,564	872,597

The average number of full-time employees in 2023 was 1,072, compared to 916 in 2022.

NNE's registered Executive Management comprises the CEO and CFO.

Remuneration to the Board of Directors was DKK 1 million (2022: DKK 1 million), and remuneration to Executive Management was DKK 10 million (2022: DKK 8 million), including share-based payment. The value included for share-based payment is the number of shares expected to be granted for the year valued at the grant share price. The number of shares might change during the three-year performance period, depending on Novo Nordisk's performance. Remuneration for the CFO is included with effect from his appointment as Executive in December 2023.

Note 3

Investments in subsidiaries

DKK 1,000	2023	2022
Investments in subsidiaries		
Cost at 1 January	272,071	286,950
Capital reduction	-	(14,879)
Cost at 31 December	272,071	272,071
Revaluation at 1 January	(224,354)	(237,002)
Exchange rate adjustments	2,296	(723)
Net profit/(loss) for the year	12,848	17,778
Dividend received	-	(4,407)
Revaluation at 31 December	(209,210)	(224,354)
Carrying amount at 31 December	62,861	47,717

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

Note 4

Financial income

DKK 1,000	2023	2022
Interest income from Group companies	4,189	1,805
Unrealised/realised capital gains on marketable securities	42,753	21,998
Other financial income	548	2,788
Total	47,490	26,591

Note 5 Financial expenses

DKK 1,000	2023	2022
Interest income from Group companies	216	23
Unrealised/realised capital gains on marketable securities	33,262	33,257
Other financial income	-	423
Other	3,872	6,143
Total	37,350	39,846

Note 6 Income taxes

DKK 1,000	2023	2022
The Company paid DKK 68.8 million in income tax related to the current year (DKK 64.9 million in 2022).		
Current tax on profit for the year	63,805	62,744
Deferred tax on profit for the year	5,411	(9,348)
Tax on profit for the year	69,216	53,396
Adjustments to tax payable, prior years	(23)	29
Adjustments to deferred tax, prior years	-	91
Tax for the year, total	69,193	53,516

The tax effect of joint taxation with the parent company, Novo Nordisk A/S, and affiliated companies is allocated 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.

Note 7 Intangible assets

DKK 1,000	IT systems and software
Cost at 1 January	23,091
Disposals during the year	(1,750)
Cost at 31 December	21,341
Amortisation and impairment losses at 1 January	21,661
Amortisation for the year	1,320
Disposals during the year	(1,750)
Amortisation and impairment losses at 31 December	21,231
Carrying amount at 31 December	110

Note 8 Property, plant and equipment

DKK 1,000	Leasehold improvements	Other equipment	Right-of-use assets		
			Property	Vehicles	Total
Cost at 1 January	6,797	2,654	148,591	4,887	162,929
Additions during the year	-	1,625	11,231	3,193	16,049
Disposals during the year	(6,344)	(1,053)	(10,644)	(1,150)	(19,191)
Cost at 31 December	453	3,226	149,178	6,930	159,787
Depreciation and impairment losses at 1 January	6,238	2,357	60,415	2,567	71,577
Depreciation for the year	351	293	17,107	1,332	19,083
Disposals during the year	(6,344)	(1,053)	(10,644)	(1,150)	(19,191)
Depreciation and impairment losses at 31 December	245	1,597	66,878	2,749	71,469
Carrying amount at 31 December	208	1,629	82,300	4,181	88,318

Note 9

Marketable securities

DKK 1,000	2023	2022
Shares in Novo Nordisk A/S	122,803	98,197
Total	122,803	98,197
Non-current	73,293	27,319
Current	49,510	70,878
Total	122,803	98,197
Acquisitions during the year at cost price	-	7,259
Total number of shares	175,910	209,376

The shares in Novo Nordisk A/S are acquired for the share-based payment programme and the employee restricted stock unit programme. As of 13 September 2023, the trading unit of the Novo Nordisk B shares was changed from DKK 0.20 to DKK 0.10. Comparative figures have been restated to reflect the change.

Note 10

Deferred tax assets/Deferred tax liabilities

DKK 1,000	2023	2022
Balance at 1 January	33,973	24,716
Deferred tax for the year	(5,411)	9,348
Adjustments related to previous years	-	(91)
Balance at 31 December	28,562	33,973

Specification:	2023			2022		
	Assets	Liabilities	Total	Assets	Liabilities	Total
Property, plant and equipment	-	(13,606)	(13,606)	-	(14,786)	(14,786)
Work in progress	-	(591)	(591)	-	(299)	(299)
Provisions and other payables	43,968	-	43,968	49,864	-	49,864
Other	-	(1,209)	(1,209)	-	(806)	(806)
Balance at 31 December	43,968	(15,406)	28,562	49,864	(15,891)	33,973

Note 11

Other receivables and prepayments

DKK 1,000	2023	2022
Prepaid costs	9,171	8,255
Other receivables	6,403	1,333
Total	15,574	9,588

Note 12

Share capital

DKK 1,000	2023	2022
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
Total	500	500

The share capital in NNE A/S is divided into A shares and B shares. The A shares carry 10 votes per DKK 500 of the A share capital, whereas the B shares carry 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.

Proposed appropriation of net profit:

Dividend to shareholders	250,000	220,000
Retained earnings	41,406	4,301
Total	291,406	224,301

Note 13

Provisions

DKK 1,000	Warranties and project-related provisions	Long-term employee benefits	Dilapidations	2023	2022
				Total	Total
Provisions at 1 January	11,021	6,200	5,186	22,407	17,907
Additions during the year	-	2,100	621	2,721	8,874
Unused amounts reversed	(9,213)	-	-	(9,213)	(3,735)
Used during the year	(44)	(700)	(2,996)	(3,740)	(639)
Provisions at 31 December	1,764	7,600	2,811	12,175	22,407

DKK 1,000	2023	2022
Specification of provisions:		
Current	1,764	4,903
Non-current	10,411	17,504
Total	12,175	22,407

2023: DKK 5 million (2022: DKK 6 million) of the non-current amount falls due after more than five years.

Note 14

Lease liabilities

2023: DKK 2 million (2022: DKK 17 million) of the lease liability falls due after more than five years.

Note 15

Other payables

DKK 1,000	2023	2022
Employee costs payable	181,032	148,467
Share-based payment	78,460	97,655
VAT, taxes and other social security contributions	60,125	48,332
Accruals	135,378	84,752
Deferred income	2,798	3,415
Total	457,793	382,621
Current	428,844	355,730
Non-current	28,949	26,891
Total	457,793	382,621

Employee costs, VAT, accruals and deferred income payable within one year are measured at nominal amounts. There is only an insignificant difference between nominal amounts and amortised amounts, and thus only the nominal amounts have been presented. Deferred income includes prepaid compensation in connection with relocation of NNE's headquarters.

Share-based payment

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

In February 2023, all employees in the Novo Nordisk Group, including NNE, were offered 74 restricted stock units. A stock unit gives the right to receive one Novo Nordisk share free of charge in August 2026 subject to continued employment. The cost of the programme is amortised over the vesting period.

The previous employee stock unit programme from 2019 vested in February 2023.

Note 16

Commitments

DKK 1,000 2023 2022

Other commitments

Other commitments consist of non-cancellable commitments related to internal consultants, licences and purchase obligations.

Internal consultants are consultants hired on a temporary contract working on behalf of NNE and have a notice period of three months or less.

Other commitments, short-term leases and low-value leases are payable within the following periods from the balance sheet date:

Within one year	67,956	50,196
Between one and two years	27,392	13,618
Between two and three years	26,609	11,452
Between three and four years	25,301	11,570
Between four and five years	3,566	11,326
After five years	284	3,472
Total	151,108	101,634

Other commitments regarding short-term leases and low-value leases amounted to DKK 27 million of the total value in 2023 (2022: DKK 24 million).

Guarantees

Bank guarantees	10,219	9,268
Total	10,219	9,268

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 on the Company's financial position.

Note 17

Fees to statutory auditors

In conformity with section 96.3 of the Danish Financial Statements Act, no fees to statutory auditors are disclosed. Please refer to the consolidated financial statements of Novo Nordisk Group.

Note 18

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 and the Novo Nordisk Foundation as well as related parties of these entities, including members of Management.

All agreements relating to transactions with these parties 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.

The material items in these agreements are renegotiated regularly.

NNE A/S has had the following transactions with related parties:

DKK 1,000 2023 2022		
Value of services sold	2,639,045	1,670,087
Value of services acquired	134,328	104,234

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 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, 2880 Bagsværd, Denmark. The ultimate parent is the Novo Nordisk Foundation, Tuborg Havnevej 19, 2900 Hellerup, Denmark.

STATEMENT AND AUDITOR'S REPORT

Statement by the Board of Directors and Executive Management

The Board of Directors and Executive Management have today considered and approved the Annual Report for NNE A/S for 2023.

The Annual Report 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 2023 and of the results of the Company's operations for the financial year 1 January – 31 December 2023.

In our opinion, the Management review provides 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 the Annual Report for adoption at the Annual General Meeting.

Virum, 3 April 2024

Registered Executive Management

Jesper Kløve
President and CEO

Christoffer Hviid
Corporate Vice President and CFO

Board of Directors

Karsten Munk Knudsen
Chair

Birgit Wøidemann Nørgaard
Vice Chair

Michael Hallgren

Klaus Steen Mortensen

Jesper Schufri Meyer

Inés Aréizaga Esteva



STATEMENT AND AUDITOR'S REPORT

Independent auditor's report, to the shareholder of NNE A/S

Opinion

We have audited the financial statements of NNE A/S for the financial year 1 January – 31 December 2023, 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 December 2023 and of the results of its operations for the financial year 1 January – 31 December 2023, 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 for Accountants' International Code of Ethics for Professional Accountants (IESBA

Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 review

Management is responsible for the management review.

Our opinion on the financial statements does not cover the management

Copenhagen, 3 April 2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Niels Skannerup Vendelbo

State Authorised Public Accountant
Identification No (MNE) mne34532

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 review and, in doing so, consider whether the management review 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 review provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management review is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management review.

Martin Pieper

State Authorised Public Accountant
Identification No (MNE) mne44063

