



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2021 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 915 642 888
Organisasjonsform: Aksjeselskap
Foretaksnavn: ASCENSIA DIABETES CARE NORWAY AS
Forretningsadresse: Strandveien 50
1366 LYSAKER

Regnskapsår

Årsregnskapets periode: 01.04.2020 - 31.03.2021

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Aage Bergaust
Dato for fastsettelse av årsregnskapet: 28.09.2021

Grunnlag for avgivelse

År 2021: Årsregnskapet er elektronisk innlevert
År 2020: Tall er hentet fra elektronisk innlevert årsregnskap fra 2021

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 09.10.2022



Resultatregnskap

Beløp i: NOK	Note	2021	2020
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	2, 3	98 122 058	128 683 864
Annen driftsinntekt		1 500 000	225 000
Sum inntekter		99 622 058	128 908 864
Kostnader			
Varekostnad		55 814 071	74 213 326
Lønnskostnad	4, 12	22 590 291	23 825 135
Avskrivning på varige driftsmidler og immaterielle eiendeler	6, 7	3 741 528	4 747 220
Annen driftskostnad	4	14 957 838	20 189 686
Sum kostnader		97 103 728	122 975 367
Driftsresultat		2 518 330	5 933 497
Finansinntekter og finanskostnader			
Annen finansinntekt	5	23 454	52 480
Sum finansinntekter		23 454	52 480
Annen finanskostnad	5	129 800	124 282
Sum finanskostnader		129 800	124 282
Netto finans		-106 346	-71 802
Ordinært resultat før skattekostnad		2 411 984	5 861 695
Skattekostnad på ordinært resultat	13	562 880	1 347 707
Ordinært resultat etter skattekostnad		1 849 104	4 513 988
Årsresultat		1 849 104	4 513 988
Overføringer og disponeringer			
Overføringer til/fra annen egenkapital	10	1 849 104	4 513 988
Sum overføringer og disponeringer		1 849 104	4 513 988



Balanse

Beløp i: NOK	Note	2021	2020
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Utsatt skattefordel	13	2 677 644	2 493 831
Goodwill og andre immaterielle eiendeler	6	1 177 180	4 866 929
Sum immaterielle eiendeler		3 854 824	7 360 760
Varige driftsmidler			
Driftsløsøre, inventar, verktøy, kontormaskiner og lignende	7	271 842	323 622
Sum varige driftsmidler		271 842	323 622
Sum anleggsmidler		4 126 666	7 684 382
Omløpsmidler			
Varer			
Fordringer			
Kundefordringer	8	9 754 788	16 857 849
Andre fordringer	8	4 200 072	4 297 430
Sum fordringer		13 954 860	21 155 279
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	9	33 118 641	26 708 135
Sum bankinnskudd, kontanter og lignende		33 118 641	26 708 135
Sum omløpsmidler		47 073 501	47 863 414
SUM EIENDELER		51 200 167	55 547 796
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	10, 11	103 200	103 200
Overkurs	10	14 146 330	14 146 330



Balanse

Beløp i: NOK	Note	2021	2020
Sum innskutt egenkapital		14 249 530	14 249 530
Opptjent egenkapital			
Annen egenkapital	10	7 683 887	4 780 575
Sum opptjent egenkapital		7 683 887	4 780 575
Sum egenkapital		21 933 417	19 030 105
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	12	6 844 945	7 779 590
Sum avsetninger for forpliktelser		6 844 945	7 779 590
Annen langsiktig gjeld			
Øvrig langsiktig gjeld		202 986	189 816
Sum annen langsiktig gjeld		202 986	189 816
Sum langsiktig gjeld		7 047 931	7 969 406
Kortsiktig gjeld			
Leverandørgjeld		7 624 075	13 292 195
Betalbar skatt	13	2 426 616	2 263 970
Skyldige offentlige avgifter		5 952 663	7 693 547
Annen kortsiktig gjeld		6 215 465	5 298 573
Sum kortsiktig gjeld		22 218 819	28 548 285
Sum gjeld		29 266 750	36 517 691
SUM EGENKAPITAL OG GJELD		51 200 167	55 547 796



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To the General Meeting of Ascensia Diabetes Care Norway AS

Independent auditor's report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ascensia Diabetes Care Norway AS showing a profit of NOK 1 849 104. The financial statements comprise the balance sheet as at 31 March 2021, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are prepared in accordance with law and regulations and give a true and fair view of the financial position of the Company as at 31 March 2021, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards 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 as required by laws and regulations, 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.

Other information

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Statsautoriserte revisorer - medlemmer av Den norske Revisorforening

Offices in:

Oslo	Elverum	Mo i Rana	Stord
Ållå	Finnsnes	Mokle	Straume
Arendal	Hamar	Skien	Tromsø
Bergen	Haugesund	Sandefjord	Trondheim
Bodo	Knarvik	Sandnessjøen	Tynset
Drammen	Kristiansand	Stavanger	Ålesund



Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director (management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

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 laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs, we exercise professional judgment 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. We 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 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 content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors 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.



Independent Auditor's Report - 2021
Ascensia Diabetes Care Norway AS

Report on Other Legal and Regulatory Requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements and the going concern assumption is consistent with the financial statements and complies with the law and regulations.

Opinion on Registration and Documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Oslo, 28 September 2021
KPMG AS

Lone Frogner
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.



Skattedirektoratet

Saksbehandler
Rune Tystad

Deres dato
03.10.2017

Vår dato
24.10.2017

Telefon
97759464

Deres referanse
Lars Helland

Vår referanse
2017/757183

ERNST & YOUNG AS
Postboks 8015
4313 SANDNES

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk språk for Ascensia Diabetes Care Norway AS, org.nr. 915 642 888

Vi viser til deres brev av 3. oktober 2017 der dere søker om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Ascensia Diabetes Care Norway AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Ascensia Diabetes Care Norway AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Fra deres søknad gjengis:

Ascensia Diabetes Care Norway AS (org.nr. 915 642 888) er et norsk aksjeselskap og driver virksomhet knyttet til produksjon, markedsføring og salg av farmasøytiske produkter innen legemiddel- og helseindustrien.

Selskapets arbeidsspråk er engelsk da selskapet er eid av et utenlandsk selskap. Styremedlemmer og kontaktperson i selskapet kommuniserer med morselskapet i utlandet noe som gjør at regnskapet bør utarbeides på engelsk.

Både arbeidsspråket til selskapet og bransjespråket der selskapet opererer er engelsk, derfor fremstår kravet i regnskapsloven § 3-4 om utarbeidelse av årsregnskap og årsberetning på norsk som lite anvendelig for selskapet. I tillegg til at det er ressurskrevende, fører av og til tvil om oversettelse og uoverensstemmelser mellom engelsk og norsk versjon til unødvendige misforståelser.

Ettersom selskapets arbeidsspråk er engelsk vil alle ansatte forstå regnskapet og årsberetningen selv om disse dokumentene i fremtiden blir utarbeidet i sin endelige form på engelsk. Det samme vil være tilfelle for selskapets kunder og kreditorer. Ettersom engelsk også er bransjespråket innen sektorene de opererer i, kan vi heller ikke se at andre, mer tilfeldige regnskapsbrukere skulle ha noe behov for at regnskapet utarbeides på norsk. Selskapet mener derfor at alle brukere av regnskapet i sum vil være tjent med at regnskapet kun utarbeides på engelsk.

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0134 Oslo

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E-post: skatteetaten.no/sendepost

Sentralbord
800 80 000
Telefaks
22 17 08 60



Skattedirektoratets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap m.v., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet. Det er etter Skattedirektoratets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har Skattedirektoratet lagt vekt på at selskapet er eid av et utenlandsk selskap og at eierkretsen derfor er begrenset. Videre er det vektlagt at selskapets arbeidsspråk er engelsk og at bransjespråket der selskapet opererer er engelsk.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Torstein Kinden Helleland
seniorrådgiver
Rettsavdelingen, foretaksskatt
Skattedirektoratet

Rune Tystad

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer



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ASCENSIA DIABETES CARE NORWAY AS

ANNUAL REPORT 2021

The business

Ascensia Diabetes Care Norway AS (ADC Norway AS) was established in 2015, and the business activities started at the beginning of 2016 through the acquisition of Bayer Diabetes Care by Panasonic Healthcare Holdings.

The company is a wholly owned subsidiary of Ascensia Diabetes Care Holdings AG, corporate identity number CHE 427.105.881, registered office in Basel, Switzerland, which is part of Ascensia Diabetes Care Group. The consolidated financial statements of the foreign parent company can be obtained from Panasonic Healthcare Holdings Co., Ltd 2-38-5 Nishishimbashi, Minato-ku, Tokyo 105-8433, Japan.

The company provides solutions for assisting and supporting people with diabetes, enabling them to live as safe and secure a life as possible. The business is located and run out of Lysaker in Bærum.

ADC Norway AS is responsible for all sales and marketing activities aimed at end users who have diabetes or are associated with people with diabetes, and healthcare professionals. Our equipment with more than 70 years of history is tools to make everyday life easier for people with diabetes.

Business Model

Ascensia Diabetes Care Norway AS is a wholly owned indirect subsidiary of PHC Holdings Corporation, within the Ascensia Diabetes Care Group. During the financial year the Company's trading model remained consistent, predominantly acting as a sales and marketing entity for the Ascensia Group in Norway, buying finished good product from the Company's parent company, Ascensia Diabetes Care Holdings AG, for resale in Norway.

Financial performance

Management considers the Company's financial performance in the year satisfactory. The market share has improved, and the company is well-equipped for the future. The fact that the company is operating in a therapeutic area of chronic ill patients provides a strong level of stability and predictability to the business and performance. Moreover, the product offering is fully reimbursed by the National health care fund (HELFO) which means that the company is less subjected to sudden changes in commercial terms. The major reason for the decrease in sales revenue in 2020/2021 against last year is caused by parallel import from other EU countries.

The revenues decreased from NOK 128 683 864 in 2019/2020 to NOK 98 122 058 in 2020/2021. The income statement for 2020/2021 shows a net profit of NOK 1 849 104 against a net profit of NOK 4 513 988 last year. The balance sheet at 31 March 2021 shows equity of NOK 21 933 417 and a total balance of NOK 51 200 167.



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Dividend	NOK	0
Transfers other equity	<u>NOK 1 849 104</u>	
Sum predisposed	NOK 1 849 104	

Net cash flow from operating activities was NOK 6 410 506 and the operating result constituted NOK 2 518 330. While there is no significant change in the net cash flow from operating activities, the operating result is lower in comparison to previous fiscal year 2019/2020. The operating result suffered from decreased sales in 2020/2021 but deviation between net cash flow and operating result is mainly driven by changes in trade receivables and trade payables.

The liquidity reserve as of 31.03.2021 amounted to NOK 33 118 641. Liquidity is considered satisfactory. There is a NOK 5 million revolving facility in place between ADC Holdings AG and ADC Norway AS, which can be used in case of liquidity necessity. The low risk distribution model between ADC Holdings and ADC Norway AS has been adapted to avoid any local liquidity risk.

Total assets at 31.03.2021 amounted NOK 51 200 167, compared NOK 55 547 796 last year. The equity ratio was 42,8 % of 31.03.2021, compared to 34,2 % the year before. The gross margin was 44,0 %, compared to 42,4 % the year before.

Research and development activities

The company does not have any research and development activities on their own account.

Credit risk

ADC Norway AS operated solely in Norway, a country characterized by a very stable macroeconomic environment, therefore the management considers the market risk to be minimum. 91% of the sales in 2020/2021 were generated by three top customers, with whom the company has had a long-lasting business relationship. All three main customers are large entities with European footprint and proved an impeccable payment behavior throughout the time. Furthermore, ADC Norway AS does a closely monitoring of the credit management. Based on this assessment, the management consider that the credit risk is properly addressed and minimized.

Market

Blood Glucose Monitoring (BGM) market where ADC Norway AS operates, is impacted by technological changes (i.e. FGM and CGM). The management has taken measures to compensate for the potential negative effects, by having a European approach to the portfolio structure, actions targeted to increase the market share in BGM market. Furthermore, a new generation connected products will be launched during next financial year, targeted to further improving the life of even more people with diabetes. Connectivity to all user base opens up opportunities to ad on other products and services to generate incremental revenue streams.

ADC Norway AS is operating in a therapeutic area of chronic ill patients selling products solutions that is reimbursed at a fixed price by the National health care fund (HELFO). As such, the risk that follows the market development is predictable and manageable.



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A going concern

The financial statements are presented under the assumption of going concern and the Board of Directors and the managing director confirm the appropriateness of this assumption. The company has focus on measures to meet new challenges in the market. The statements on the expected development represent the current expectations, estimates and budget plans, which are based on assumptions and naturally contain uncertainties. The actual development can therefore deviate from the expectations presented. The board stresses the uncertainty related to going concern considerations.

Working environment

The number of Head Count in 2020/2021 was 15. The leave of absence due to sickness was 4%. In this accounting period, there has not been registered any damages or accident for employees or tangible assets.

The work environment is considered to be good. The cooperation between the employees has been constructive and contributed positively to the enhancement of working environment and operation.

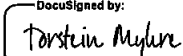
ADC Norway AS has two men and one woman in the board.

The Board of Director's ambition is, in the long term, to fulfill society's long term expectation regarding equality between the genders.

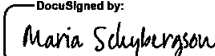
The external environment

The business operations do only to a small extent directly affect the external environment, considering that ADC Norway AS to a large extent only is commissioning sales for other ADC companies.

Board of Ascensia Diabetes Care Norway AS
28 September 2021

DocuSigned by:

D95DC235B37D4E8
Torstein Myhre

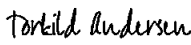
Board member, General
manager

DocuSigned by:

DC804D4CDB8C4C4
Maria Josefina
Schybergson

Board member



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DocuSigned by:

A3FF08A1C304C6

Torkild Sagberg Andersen

Chairman of the board



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Ascensia Diabetes Care Norway AS

Annual report for the financial year ending 31 March 2021

Board of directors' report

Annual accounts

- **Income statement**
- **Balance sheet**
- **Cash flow statement**
- **Notes**

Auditors' report



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Ascensia Diabetes Care Norway AS

Income statement 01.04.-31.03

NOK	Note	2021	2020
Revenue			
Sales revenue	2, 3	98 122 058	128 683 864
Other operating income		<u>1 500 000</u>	<u>225 000</u>
Total revenue		<u>99 622 058</u>	<u>128 908 864</u>
Operating expenses			
Cost of stocks		55 814 071	74 213 326
Payroll expenses	4, 12	22 590 291	23 825 135
Depreciation of tangible and intangible fixed assets	6, 7	3 741 528	4 747 220
Other operating expenses	4	<u>14 957 838</u>	<u>20 189 686</u>
Total operating expenses		<u>97 103 728</u>	<u>122 975 367</u>
Operating result		<u>2 518 330</u>	<u>5 933 497</u>
Financial income and expenses			
Other financial income	5	23 454	52 480
Other financial expenses	5	<u>129 800</u>	<u>124 282</u>
Net financial items		<u>-106 346</u>	<u>-71 802</u>
Ordinary result before tax		<u>2 411 984</u>	<u>5 861 695</u>
Tax on ordinary result	13	<u>562 880</u>	<u>1 347 707</u>
Net profit or loss for the year		<u>1 849 104</u>	<u>4 513 988</u>
Allocated as follows			
Transferred to other equity	10	<u>1 849 104</u>	<u>4 513 988</u>



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Ascensia Diabetes Care Norway AS

Balance sheet as of March 31st

NOK	Note	2021	2020
Fixed assets			
<i>Intangible assets</i>			
Deferred tax asset	13	2 677 644	2 493 831
Customer base	6	1 177 180	4 866 929
Total intangible assets		<u>3 854 824</u>	<u>7 360 760</u>
<i>Tangible assets</i>			
Fixtures and fittings, tools, office machinery etc.	7	271 842	323 622
Total tangible assets		<u>271 842</u>	<u>323 622</u>
Total fixed assets		<u>4 126 666</u>	<u>7 684 382</u>
Current assets			
<i>Receivables</i>			
Trade receivables	8	9 754 788	16 857 849
Other receivables	8	4 200 072	4 297 430
Total accounts receivable		<u>13 954 860</u>	<u>21 155 279</u>
Cash and cash equivalents	9	33 118 641	26 708 135
Total current assets		<u>47 073 501</u>	<u>47 863 414</u>
Total assets		<u>51 200 167</u>	<u>55 547 796</u>



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Ascensia Diabetes Care Norway AS

Balance sheet as of March 31st

NOK	Note	2021	2020
Equity			
<i>Paid-in capital</i>			
Share capital	10, 11	103 200	103 200
Share premium reserve	10	14 146 330	14 146 330
Total paid-in capital		14 249 530	14 249 530
<i>Retained earnings</i>			
Other equity	10	7 683 887	4 780 575
Total retained earnings		7 683 887	4 780 575
Total equity		21 933 417	19 030 105
Liabilities			
<i>Provisions</i>			
Pension liabilities	12	6 844 945	7 779 590
Total provisions		6 844 945	7 779 590
<i>Other long-term liabilities</i>			
Other long-term liabilities		202 986	189 816
Total other long term liabilities		202 986	189 816
<i>Current liabilities</i>			
Trade creditors		7 624 075	13 292 195
Tax payable	13	2 426 616	2 263 970
Public duties payable		5 952 663	7 693 547
Other short-term liabilities		6 215 465	5 298 573
Total current liabilities		22 218 819	28 548 285
Total liabilities		29 266 750	36 517 691
Total equity and liabilities		51 200 167	55 547 796

31 March 2021
Lysaker, 28 September 2021

DocuSigned by:

Torstein Myhre

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Torstein Myhre
Board member, General
manager

DocuSigned by:

Maria Schybergson

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Maria Josefina Schybergson

Board member

DocuSigned by:

Torkild Andersen

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Torkild Sagberg Andersen

Chairman of the board



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Ascensia Diabetes Care Norway AS

Cash flow statement 01.04-31.03

NOK	Note	2021	2020
Cash flow from operating activities			
Profit before tax		2 411 984	5 861 695
Taxes paid		-881 388	-1 297 970
Depreciation and amortization	6, 7	3 741 528	4 747 220
Difference between booked and paid pension	12	416 904	-138 901
Changes in trade receivables and trade payables		1 434 942	4 339 660
Changes in other balance sheet items		-713 464	-7 328 459
Net cash flow from operating activities		<u>6 410 506</u>	<u>6 183 245</u>
Cash flow from investing activities			
Net cash flow from investing activities		<u>0</u>	<u>0</u>
Cash flow from financing activities			
Net cash flow from financing activities		<u>0</u>	<u>0</u>
Net change in cash and cash equivalents		6 410 506	6 183 245
Cash and cash equivalents at 01.04.2020		<u>26 708 135</u>	<u>20 524 890</u>
Cash and cash equivalents at 31.03.2021		<u>33 118 641</u>	<u>26 708 135</u>



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Ascensia Diabetes Care Norway AS

Notes to the accounts for 2020/2021

NOK

Note - 1 Accounting Principles

The annual report is prepared according to the Norwegian Accounting Act 1998 and generally accepted accounting principles. The numbers in financial statement are stated in NOK.

Sales revenue

Sales revenues are recognized at the time of delivery. Revenue from services are recognized at execution. The share of sales revenue associated with future services are recorded in the balance sheet as deferred sales revenue, and are recognized at the time of execution.

Ascensia Diabetes Care Norway AS is a wholly owned indirect subsidiary of PHC Holdings Corporation, within the Ascensia Diabetes Care Group. During the financial year the Company's trading model remained broadly consistent with the change made in prior year; predominantly acting as a sales and marketing entity for the Ascensia Group in *Norway*, buying finished good product from the Company's parent company, Ascensia Diabetes Care Holdings AG, for resale into the *Norway*.

Balance sheet classification

Net current assets comprise creditors due within one year, and entries related to goods circulation. Other entries are classified as fixed assets and/or long-term creditors.

Current assets are valued at the lower of acquisition cost and fair value. Short term creditors are recognized at nominal value.

Fixed assets are valued by the cost of acquisition, in the case of non incidental reduction in value the asset will be written down to the fair value amount. Long term creditors are recognized at nominal value.

Trade and other receivables

Trade receivables and other current receivables are recorded in the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of individual assessments. In addition, for the remainder of accounts receivables outstanding balances, a general provision is carried out based on expected loss.

Foreign currency translation

Foreign currency transactions are translated using the year end exchange rates.

Property, plant and equipment

Property, plant and equipment is capitalized and depreciated over the estimated useful economic life. Direct maintenance costs are expensed as incurred, whereas improvements and upgrading are assigned to the acquisition cost and depreciated along with the asset. If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is written down to the recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value.



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Ascensia Diabetes Care Norway AS

Notes to the accounts for 2020/2021

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Pensions

The company pension schemes include a defined benefit plan and a contribution plan. Pension costs and pension liabilities are estimated on the basis of linear earnings and future salary. The calculation is based on assumptions of discount rate, future wage adjustments, pension and other payments from the national insurance fund, future return on pension funds and actuarial assumptions for deaths, voluntary resignation etc. Pension funds are valued at fair value and deducted from net pension liabilities in the balance sheet. The defined benefit obligation is recognized in accordance with IAS 19. Changes in the pension obligations due to changes in pension plans are booked to equity.

Income tax

Tax expenses in the profit and loss account comprise both tax payable for the accounting period and changes in deferred tax. Deferred tax is calculated at 22 percent on the basis of existing temporary differences between accounting profit and taxable profit together with tax deductible deficits at the year end. Temporary differences, both positive and negative, are balanced out within the same period. Deferred tax assets are recorded in the balance sheet to the extent it is more likely than not that the tax assets will be utilized.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents include cash, bank deposits and other short term highly liquid placement with original maturities of three months or less.



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Ascensia Diabetes Care Norway AS

Notes to the accounts for 2020/2021

NOK

Note 2 - Sales of goods

	2020/2021	2019/2020
<i>By business area</i>		
Operating in BGM (Blood Glucose Monitoring) marked	98 122 058	128 683 864
<i>Geographical distribution</i>		
Norway	98 122 058	128 683 864

Note 3 - Intercompany transactions

Revenues	2020/2021	2019/2020
ICO service (recharges ADC Norway to ADC Holding)	11 970 310	13 668 932

ADC Holdings is a principle entity that is responsible for global strategy, R&D, packaging and global brand development and marketing. Under the management and control of ADC Holdings, ADC Norway assists ADC Holdings in the execution of its responsibilities by providing the marketing services and management support for the Nordics region

Costs	2020/2021	2019/2020
ICO services (recharges ADC Holding to ADC Norway)	1 466 807	1 371 001
Inventory (COGS)	<u>55 814 071</u>	<u>74 213 326</u>
Total	<u>57 280 878</u>	<u>75 584 327</u>

In 2020, ADC Norway reimbursed ADC Holdings for the following third party costs, initially incurred by ADC Holdings for the benefit of ADC Norway: payroll administration service, travel and expense claims support, IT software and services provided by various vendors, Call center services, laptops sold by various vendors.



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Ascensia Diabetes Care Norway AS

Notes to the accounts for 2020/2021

NOK

Note 4 - Wage costs, number of employees, remuneration, loans to employees and auditor's fee

<i>Wage costs</i>	2020/2021	2019/2020
Salaries	16 900 880	17 649 666
Payroll tax	2 654 625	3 270 546
Pension costs	2 110 332	1 755 224
Other payroll expense	924 454	1 149 699
Total	<u>22 590 291</u>	<u>23 825 135</u>

Average number of full-time equivalents	15	16
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Management remuneration

	General manager
Salary	1 990 907
Bonus	738 012
Other remuneration	207 398
Total	<u>2 936 317</u>

There are no loans/securities issued to the general manager, chairman, or other related parties.

<i>Audit fee consists of:</i>	2020/2021
Audit fee	185 969
Tax advice	12 530
Other certification services	0
Other non-auditing services	0
Total	<u>198 499</u>

VAT is not included in the audit fee amounts.

Note 5 - Financial income and expense

	2020/2021	2019/2020
<i>Other financial income</i>		
Currency exchange gain	18 775	42 428
Other interest income	4 679	10 052
Total financial income	<u>23 454</u>	<u>52 480</u>
<i>Other financial expenses</i>		
Currency exchange loss	0	3 689
Other interest expense	129 800	105 269
Other financial expenses	0	15 324
Total financial expenses	<u>129 800</u>	<u>124 282</u>



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Ascensia Diabetes Care Norway AS

Notes to the accounts for 2020/2021

NOK

Note 6 - Intangible assets

	Goodwill	Customer base	Total
Acquisition cost as of 01.04.	20 113 830	4 708 719	24 822 549
Acquisition cost as of 31.03.	20 113 830	4 708 719	24 822 549
Acc.amortization as of 31.03.	-20 113 830	-3 531 539	-23 645 369
Net carrying amount as of 31.03.	0	1 177 180	1 177 180
Amortization for the year	3 017 075	672 674	3 689 749
Amortization plan	Linear	Linear	
Useful economic life	5 years	7 years	

Note 7 - Tangible assets

	Fixtures and fittings, etc.	Total
Acquisition cost 01.04.	517 795	517 795
Acquisition cost 31.03.	517 795	517 795
Acc.depreciation 31.03.	-245 953	-245 953
Net carrying amount as of 31.03.	271 842	271 842
Depreciation for the year	51 780	51 780
Useful economic life	10 years	
Amortization plan	Linear	

Note 8 - Intercompany balances

<i>Receivables</i>	2020/2021	2019/2020
Trade receivables	1 397 631	0
Other receivables	3 138 759	3 280 110
Total	4 536 390	3 280 110
<i>Payables</i>	2020/2021	2019/2020
Trade creditors	6 668 845	11 943 508
Other short term payables	305 621	305 179
Total	6 974 466	12 248 687



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Ascensia Diabetes Care Norway AS

Notes to the accounts for 2020/2021

NOK

Note 9 - Bank deposit

	2020/2021
Restricted bank deposit for employee withholding taxes	507 509

Note 10 - Owners' equity

	Share capital	Share premium	Other equity	Total
Owners equity 01.04.	103 200	14 146 330	4 780 575	19 030 105
Profit for the year	0	0	1 849 104	1 849 104
Pension	0	0	1 054 208	1 054 208
Owners' equity 31.03.	103 200	14 146 330	7 683 887	21 933 417

Note 11 - Share capital and shareholder information

Share capital:

Number of shares	Face value	Book value
2 400	43 kr	103 200

Shareholders per 31.03:

	Ordinary shares	Ownership share	Voting rights
Ascensia Diabetes Care Holdings AG	2 400	100 %	100 %

The company is a subsidiary of Ascensia Diabetes Care Holdings AG, which owns 100 per cent of the company. The company is part of Ascensia Diabetes Care group.

The copies of financial statements of Ascensia Diabetes Care group can be obtained at: Panasonic Healthcare Holdings Co., Ltd2-38-5 Nishishimbashi, Minato-ku, Tokyo 105-8433, Japan.



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Ascensia Diabetes Care Norway AS

Notes to the accounts for 2020/2021

NOK

Note 12 - Pensions

The company is obliged to follow "lov om obligatorisk tjenestepensjon" and confirm that the existing pension plan is in compliance with the legislation.

Benefit plan:

The company has a defined benefit pension plan with four participants. The scheme gives entitlement to defined future benefits. These are mainly dependent on the amount of contribution years, salary level at retirement age and the size of benefit from the National Insurance Scheme. The obligations are covered through an insurance company.

	2020/2021	2019/2020
Pension plan assets (market value)	20 999 535	21 069 590
Pension obligation	<u>-14 154 590</u>	<u>-13 290 000</u>
Pension obligation benefit plan	6 844 945	7 779 590
Net pension obligation in the balance sheet	6 844 945	7 779 590

Net pension cost booked in P&L is NOK 2 110 332 and pension booked against equity is NOK 1 351 549.

Principal assumptions:

	2020/2021	2019/2020
Discount rate	1,60 %	2,60 %
Expected compensation increase	2,75 %	2,75 %
Increases in Social Security	1,60 %	1,50 %



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Ascensia Diabetes Care Norway AS

Notes to the accounts for 2020/2021

NOK

Note 13 - Income taxes

<i>Income tax expense</i>	2020/2021	2019/2020
Tax payable	1 044 034	1 842 859
Change in deferred tax	-481 154	-495 134
Over/Under provision of tax LY	0	-18
Total income tax expense	<u>562 880</u>	<u>1 347 707</u>

<i>Tax base estimation</i>	2020/2021	2019/2020
Ordinary result before tax	2 411 984	5 861 695
Permanent differences	146 564	345 017
Change in temporary differences	835 512	5 076 550
Of which pension booked to Equity	<u>1 351 549</u>	<u>-2 906 629</u>
Tax base	<u>4 745 609</u>	<u>8 376 633</u>
Current tax payable	1 044 034	1 842 859
Tax payable from prior years	<u>1 382 582</u>	<u>421 111</u>
Tax payable in balance sheet	<u>2 426 616</u>	<u>2 263 970</u>

<i>Temporary differences outlined</i>	2020/2021	2019/2020
Fixed assets	5 140 194	3 424 349
Accruals	185 969	131 657
Pension obligations in the balance sheet	<u>6 844 945</u>	<u>7 779 590</u>
Net temporary differences as of 31.03	<u>12 171 108</u>	<u>11 335 596</u>

Deferred tax asset (22%) 2 677 644 2 493 831

<i>Effective tax rate</i>	2020/2021
22% of pre-tax income	530 636
Permanent differences (22%)	<u>32 244</u>
Income tax expense	<u>562 880</u>

Effective tax rate*) 23,3 %

*) Tax expense divided by pre-tax income



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Ascensia Diabetes Care Norway AS

Notes to the accounts for 2020/2021

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Note 14 - Contingent liability

The company has jointly with other PHC group companies given guarantees to banks to secure banking facilities amounting to the sum of JPY 193,970 million, EUR 533 million and USD 523 million as of 31 March 2021 granted to its ultimate parent company PHC Holdings Corporation.

At 31 March 2021, the directors do not consider it probable that a claim will be made against the company under any of the guarantees granted to its ultimate parent company. No amount is specified for the guarantor.

Note 15 - Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.